Caprihans India Limited
Shivsagar Estate Block D
Dr. Annie Besant Road Worli
Mumbai - 400 018 India
Tel (91) 22 2497 8660 / 661 (B)
Email : cil@caprihansindia.com
GSTIN - 27AAACC1646F1Z0
CIN - L29150MH1946PLC004877
www.caprihansindia.com

caprihans
INDIA LIMITED

Date: 4th Oct 2018

The Secretary
BSE Limited
Dept of Corporate Services,
Phiroze Jeejeebhoy Tower
Dalal Street
Mumbai - 400 001.

Dear Sir,

Sub: Submission of Annual Report under Regulation 34 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 for the financial year ended on 31st March 2018

Ref: Scrip Code No - 509486
****

We refer to the above subject and enclose herewith the following:

- Annual Report for financial year ended 31st March 2018 duly approved and adopted at the Annual General Meeting of the Company held on 20th September, 2018.

Thanking you

Yours faithfully
For CAPRIHANS INDIA LIMITED

Ashish

Ashish Roongta
Asst. Company Secretary

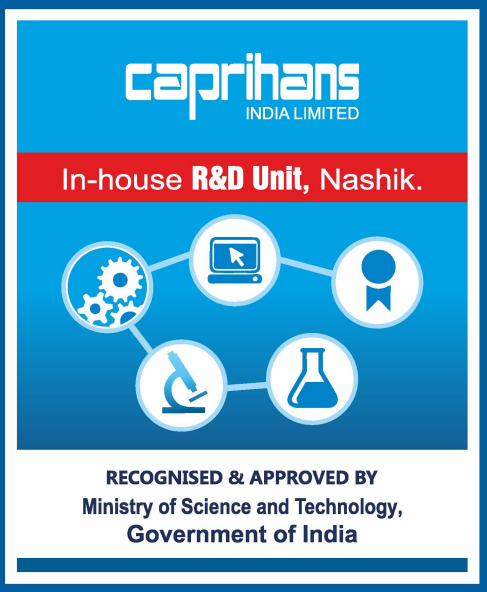
caprihans
INDIA LIMITED

Quality packaging solutions....for decades

72nd ANNUAL REPORT | 2017-2018

caprihans INDIA LIMITED

Certification



Nashik

Thane

caprihans
INDIA LIMITED

BOARD OF DIRECTORS

MR.	MOFATRAJ P. MUNOT	Chairman
MR.	ROBIN BANERJEE	Managing Director
MR.	MOHAN H. BHANDARI	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
MR.	NARENDRA LODHA	Director

CFO & COMPANY SECRETARY

K. R. VISWANATHAN

BANKERS

BANK OF MAHARASHTRA
HDFC BANK LTD
STATE BANK OF INDIA

STATUTORY AUDITORS

S R B C & CO LLP
Chartered Accountants

REGISTERED OFFICE

BLOCK-D, SHIVSAGAR ESTATE,
DR. ANNIE BESANT ROAD,
WORLI, MUMBAI - 400 018.
Tel. : 2497 8660, 2497 8661
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.

caprihans
INDIA LIMITED

Directors' Report

To THE MEMBERS

Your Directors present their Seventy Second Annual Report on the business and operations of the Company together with the audited accounts for the year ended 31st March, 2018.

1. FINANCIAL RESULTS:

	Year ended 31st March, 2018 (Rs. in Lakhs)	Year ended 31st March, 2017 (Rs. in Lakhs)
Profit before finance cost, depreciation and tax	**972.60**	1,644.41
Finance cost	**50.21**	52.24
Depreciation	**338.01**	342.88
Profit before exceptional items and tax	**584.38**	1,249.29
Exceptional items - Income/(Expense)	**–**	223.06
Profit before tax	**584.38**	1,472.35
Tax expense	**170.33**	507.10
Profit after tax	**414.05**	965.25
Other Comprehensive Income/(Expense) - Net of tax	**10.56**	14.18
Total Comprehensive Income - Net of tax	**424.61**	979.43
Balance from last year	**4,172.48**	3,480.17
P&L Balance available for appropriation	**4,597.09**	4,459.60
Appropriations (In F.Y. 2018-19 and 2017-18 – As per Ind AS)		
Proposed Dividend	**197.01**	197.01
Tax on Dividend	**40.50**	40.11
Transfer to General Reserve	**30.00**	50.00
Carried forward to Balance sheet	**4,329.58**	4,172.48
Total	**4,597.09**	4,459.60

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, 2018.

3. PERFORMANCE:

a) The Company's turnover (net of excise duty, as applicable) for the year amounted to Rs. 249 crores as compared to Rs. 233 crores in the previous year. The Company earned a profit (before tax and extraordinary income) of Rs. 5.8 crores as compared to Rs. 12.5 crores in the previous year.

b) Due to demonetization and GST implementation, volume growth was lower in first half of the financial year. The volume gradually picked up in the second half of the financial year after stabilization of GST.

c) Raw material costs volatility keeps wreaking havoc on the industry. The ability to pass on costs increase to customers is sub-optimal due to enhanced competition, surplus capacity in the industry and entry level pricing strategy by the new entrants. All these factors have resulted in increased pressure on margins.

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, 2018 and of the Profit of the Company for the year ended 31st March, 2018.

(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. Mofatraj P. Munot, Director is liable to retire by rotation at the ensuing Annual General Meeting and offer himself for re-appointment.

Other information pertaining to Mr. Mofatraj P. Munot is provided in Corporate Governance Report annexed as **Annexure IIA** to this Report.

Re-appointment of Managing Director

The Board of Directors at its meeting held on 9th February, 2018, based on recommendation of the Nomination and Remuneration Committee, has re-appointed Mr. Robin Banerjee as Managing Director of the Company for a period of three years starting from 29th April, 2018 till 28th April, 2021, subject to approval of shareholders at the ensuing Annual General Meeting

Appointment of Director:

Mr. Narendra S. Lodha was appointed as Non-Executive, Non-Independent Director of the Company at the 71st Annual General Meeting of the Company held on 22nd September, 2017

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 9th February, 2018 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 Auditors 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):

In line with Company's CSR policy, the Company is helping in educating the under-privileged and economically challenged children. Keeping this in mind, the Company is attempting to upgrade facilities and enhance the quality of

education / training of identified educational institutions. Accordingly, the Company is involved with 3 educational institutions through direct participation in their upliftment as under:

(i) Municipal School in Nasik (co-education municipal school for economically backward children);

(ii) Dharmveer Anand Dighe Jidd Special School at Thane (special school for physically handicapped and mentally challenged children), and

(iii) Daang Seva Mandal Ashram School at Nasik (boarding and day-scholar school for adivasis and the under-priviledged children).

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. 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

12. SEXUAL HARASSMENT MECHANISM:

The Company has adopted a policy on Prevention of Sexual Harassment at Workplace and formed a committee to address the complaints in this regard in a time bound manner.

During the financial year 2017-18, no complaints were received in this regard.

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 (Firm Reg. No. 324982E), 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. At the 71st AGM held on 22nd September 2017, the Statutory Auditors appointment was ratified.

Pursuant to Section 40 of Companies Amendment Act 2017, the requirement of ratification of the appointment of the Auditors by the Members at every AGM is not required and hence in the ensuing AGM, ratification of appointment of Statutory Auditors is not seeked.

The amounts mentioned in the observations of the Statutory Auditors' in **Annexure I** to their report dated 18th May, 2018 [Refer Serial Nos. 3(c) and 13] regarding related party transactions are adequately provided in the books of accounts.

COST AUDITOR:

At the Seventy First Annual General Meeting (AGM) held on 22nd September, 2017, 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 2017-18.

SECRETARIAL AUDITOR:

The Board had appointed M/s DVD & Associates, Practising Company Secretaries, to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial year 2017-18.

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.

14. DISCLOSURES:

(a) AUDIT COMMITTEE:

The Audit Committee comprises of Mr. Siddharth S Shetye (Chairman), Mr. K.V. Mani 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 (hereinafter 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 is 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) 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 4 (four) times in the year 2017-18. 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. 34 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. 6 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 : 18th May, 2018

SIDDHARTH S. SHETYE
Director

Annexure I to the Directors' Report

A. CONSERVATION OF ENERGY:

(i) Steps taken for conservation of energy:

- Maintaining the improved power factor.
- Optimum usage of plant.
- Replacement of HMPV lights by LED lights.
- Replacement of old pumps by energy efficient pumps.
- Replacement of Belt driven exhaust fan with Direct Driven Exhaust fan for power saving.
- Installation of transparent Roof sheets in Raw Material Stores and Finished goods stores. This has helped in saving power, as no electrical lamp needs to be switched ON during daytime.

(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 15378, 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
- Six Sigma projects on various production activities.

(iii) Information regarding imported technology:

- Imported during last three years: **NIL**

(iv) Expenditure incurred on Research and Development (R&D):

The Company received from Ministry of Science & Technology, Government of India recognition for In House R&D Unit at its Nashik Factory and at its Thane Factory during the financial year ended 31st March, 2018 and 31st March, 2017 respectively. The R&D laboratory is manned by qualified and experienced personnel, having variety of instruments for testing and development work. Following are the details of expenditure incurred on R&D for the financial year ended 31st March, 2018.

	Year ended 31st March, 2018 (Rs. in Lakhs)
(a) Capital	11.29
(b) Recurring	66.15
(c) Total	**77.44**

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

1.	Activities relating to Exports	:	The exports of goods during the year amounted to Rs. 3,951 lakhs.
2.	Total foreign exchange		
	(a) Used	:	(i) CIF Value of Imports : Rs. 11,858 lakhs. (ii) Expenditure in foreign currency : Rs. 77 lakhs.
	(b) Earned	:	FOB value of exports : Rs. 3,818 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, 2018 is as follows:

Name and Designation of the Director	Category	*No. of Directorships and Committee Membership/ Chairmanship (Other than Caprihans India Limited)		
		Other Directorship	**Other Committee Membership	**Committee Chairmanship
Mr. Mofatraj P. Munot (Chairman)	Promoter Non-Executive	2	3	—
Mr. Mohan H. Bhandari	Promoter Non-Executive	1	2	—
Mr. Robin Banerjee (Managing Director)	Executive	2	4	1
Mr. Bhoumick S. Vaidya	Independent Non-Executive	—	—	—
Mr. K. V. Mani	Independent Non-Executive	1	—	1
Ms. Anjali Seth	Independent Non-Executive	7	5	3
Mr. Siddharth S. Shetye	Independent Non-Executive	—	—	—
Mr. Nitin K. Joshi	Independent Non-Executive	—	—	—
Mr. Narendra Lodha***	Non-Executive	3	—	—

Notes:

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

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

*** Appointed w.e.f. 22.09.2017

Out of total strength of Nine (9) Directors as on 31st March, 2018, 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, 2018, 4 (four) Board Meetings were held on 19/05/2017, 04/08/2017, 10/11/2017 and 09/02/2018.

Attendance at above Board Meetings and at last Annual General Meeting (AGM) held on 22nd September, 2017 is as under:

Name of the Director	No. of Board Meetings attended	Attendance at the last AGM
Mr. Mofatraj P. Munot	2	YES
Mr. Mohan H. Bhandari	4	NO
Mr. Robin Banerjee	4	YES
Mr. Bhoumick S. Vaidya	2	NO
Mr. K. V. Mani	4	NO
Ms. Anjali Seth	4	YES
Mr. Siddharth S. Shetye	4	YES
Mr. Nitin K. Joshi	4	NO
Mr. Narendra Lodha*	2	NA

* Appointed w.e.f. 22.09.2017

Shareholding of Non-Executive Directors as on 31/03/2018 is as under:

Name of the Director	No. of Shares
Mr. Mofatraj P. Munot	664371
Mr. Mohan H. Bhandari	—
Mr. Bhoumick S. Vaidya	—
Mr. K. V. Mani	—
Ms. Anjali Seth	—
Mr. Siddharth S. Shetye	—
Mr. Nitin K. Joshi	—
Mr. Narendra Lodha*	—

* Appointed w.e.f. 22.09.2017

(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 9th February, 2018 without the attendance of Non-Independent Directors and Company Executives. The meeting was attended by Mr. K.V. Mani, Mr. Bhoumick S. Vaidya, Ms. Anjali Seth, 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, 2018 4 (four) Audit Committee Meetings were held on 19/05/2017, 04/08/2017, 10/11/2017 and 09/02/2018. The details of the Committee are as under:

Name of the Director	Designation	Category	No. of Meetings Attended
Mr. Siddharth S. Shetye	Chairman	Independent Non-Executive	4
Mr. Bhoumick S. Vaidya	Member	Independent Non-Executive	3
Mr. K. V. Mani	Member	Independent Non-Executive	4

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, 2018 2 (two) meeting were held on 04/08/2017 and 09/02/2018. 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	2
Mr. Bhoumick S. Vaidya	Member	Independent Non-Executive	1
Mr. K. V. Mani	Member	Independent Non-Executive	2

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 overall limits prescribed under the Companies Act, 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 includes Nomination & Remuneration Committee and the Board of Directors) and the Managing Director & CEO with in 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 during the year ended 31st March, 2018 is as under:

Sl. No.	Particulars	Rs. in lakhs
1	Gross Salary including perquisites	115.75
2	Company's contribution to Provident & Other Fund	8.28
	TOTAL	**124.03**

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 01/04/2017 to 31/03/2018 are given below:

Name of the Director	Amount Rs. in lakhs
Mr. Mofatraj P. Munot	1.00
Mr. Mohan H. Bhandari	2.00
Mr. Bhoumick S. Vaidya	2.25
Mr. K. V. Mani	3.50
Ms. Anjali Seth	2.25
Mr. Siddharth S. Shetye	3.00
Mr. Nitin K. Joshi	2.50
Mr. Narendra Lodha	1.00
TOTAL	**17.50**

C. Stakeholders Relationship Committee:

Composition and Attendance at the Meeting:

During the year ended 31st March, 2018 one meeting was held on 09/02/2018. 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	1

The Committee oversees redressal of shareholders and Investor grievances/complaints. Mr. Pritam Paul, Financial Controller 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 01/04/2017 to 31/03/2018 are 4 (four). The number of complaints received from SEBI is None. No transfers were pending as on 31st March, 2018.

D. CSR Committee:

The CSR committee comprises of Mr. Bhoumick S. Vaidya, Ms. Anjali Seth and Mr. Robin Banerjee 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.

During the year, the Company carried out its CSR activities at the following educational institutions and trust:

(i) Municipal School in Nasik (co-education municipal school for economically backward households);

(ii) Dharmveer Anand Dighe Jidd Special School at Thane (special school for physically handicapped and mentally challenged children), and

(iii) Daang Seva Mandal Ashram School at Nasik (boarding and day-scholar school for Adivasis and the under privileged children)

(iv) Bhupendra Charitable Trust

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

4. General Body Meetings

During the preceding three years, the Company's Annual General Meeting were held at Sunville Banquets, Mumbai - 400 018. 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
31-03-2017	22nd September 2017	11 a.m.	No Special Resolution was passed
31-03-2016	30th September 2016	11 a.m.	Special Resolution for approving Remuneration of Managing Director for a period of two years with effect from 29/04/2016 to 28/04/2018
31-03-2015	28th September 2015	3 p.m.	No Special Resolution was passed

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, Director 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 who is the Director/Promoter of the Company.

  The Company had 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. 753.63 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.

  A petition has been filed before the National Company Law Tribunal, Mumbai Bench by K.C. Holdings Pvt. Ltd & Others against the Company & Others for seeking relief under Section 241 to 244 of Companies Act, 2013. The said matter is pending for hearing and disposal before the Tribunal.

- Details of non-compliance by the Company, penalties and 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 18th May, 2018 in connection with the Audited Annual Accounts for the year ended 31st March, 2018.

6. Whistle Blower Policy:

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

7. Means of Communication:

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

8. General Shareholder Information:
Annual General Meeting

– Date and Time	:	20th September, 2018 at 3:00 p.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, 2018 to 31st March, 2019. (b) First quarter results by mid of August, 2018. (c) Second quarter results by mid of November, 2018. (d) Third quarter results by mid of February, 2019. (e) Results for the year ending 31st March, 2019 by end of May, 2019.
Date of Book Closure	:	14th September, 2018 to 20th September, 2018 (both days inclusive)
Dividend payment Date	:	After 20 September, 2018.
Corporate Identity Number (CIN)	:	L29150MH1946PLC004877
Listing on Stock Exchange	:	BSE Ltd.
Stock Code		
BSE (Physical form)	:	9486
BSE (Demat form)	:	509486
ISIN number for NSDL/CDSL	:	INE479A01018

Listing Fee: The Company has paid the applicable listing fee 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 01/04/2017 to 31/03/2018) 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
2017				
April	114.30	98.00	30184.22	29241.48
May	109.70	95.60	31255.28	29804.12
June	104.00	94.10	31522.87	30680.66
July	117.00	95.35	32672.66	31017.11
August	106.70	86.00	32686.48	31128.02
September	109.50	92.60	32524.11	31081.83
October	126.60	95.25	33340.17	31440.48
November	126.50	105.05	33865.95	32683.59
December	126.00	110.30	34137.97	32565.16
2018				
January	129.00	101.00	36443.98	33703.37
February	107.95	91.40	36256.83	33482.81
March	97.85	80.00	34278.63	32483.84

Name and Address of the Registrar & Transfer Agents:

Link Intime India Pvt. Ltd.,
C 101, 247 Park,
L B S Marg, Vikhroli West,
Mumbai 400 083
Tel No : +91 22 4918 6000
Fax : +91 22 4918 6060

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, 2018

Range	No. of Shareholders	% of Total	No. of Shares held	% of Total
1 – 500	7721	91.45	869042	6.62
501 – 1000	360	4.26	292667	2.23
1001 – 2000	172	2.04	256914	1.96
2001 – 3000	61	0.72	149647	1.14
3001 – 4000	33	0.39	117380	0.89
4001 – 5000	16	0.19	76585	0.58
5001 – 10000	34	0.40	244386	1.86
Over 10000	46	0.55	11127350	84.72
TOTAL	**8443**	**100.00**	**13133971**	**100.00**

Shareholding pattern as on 31st March, 2018

Sr. No.	Type of shareholders	No. of shares held	% of Total
1	**Promoters**		
	Foreign	6698325	51.00
	Indian	2748428	20.93
2	Financial Institutions & Banks	483370	3.68
3	Mutual fund/s	4666	0.03
4	Non-resident Indians	34374	0.26
5	Domestic Companies	162414	1.24
6	Individuals/HUF/Trusts	2936782	22.36
7	IEPF	65612	0.50
	TOTAL	**13133971**	**100.00**

Dematerialisation of shares and liquidity

As directed by SEBI, Company's shares are traded compulsorily in dematerialised form from 28th August, 2000. The Company has entered into agreements with National Securities Depository Limited (NSDL) and Central Depository Service India Limited (CDSL) for this purpose. As of 31st March, 2018 a total of 12918362 shares of the Company, which forms 98.36% 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

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 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, 2018.

For CAPRIHANS INDIA LIMITED

Place : Mumbai
Dated : 18th May, 2018

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 on 31st March, 2018, as stipulated under Regulation 15 (2) read with Schedule V Part E of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was 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 the above mentioned SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

We have been explained that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Company.

We further state 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 DVD & ASSOCIATES
Company Secretaries

Devendra Deshpande
Partner
FCS No. 6099 COP No. 6515

Place : Mumbai
Date : 18th May, 2018

Annexure II A

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

Name of the Director	Mr. Mofatraj P. Munot
DIN	00046905
Date of Birth	4th October, 1944
Date of first appointment	28th May, 1986
Qualifications	Higher Secondary
Expertise in specific functional areas and experience	Mr. Mofatraj P. Munot, Chairman of the Company, became a Director in 1986 and was Managing Director from 1992 to 1997. An eminent industrialist with more than 50 years of business experience, he is the guiding force behind the Kalpataru Group of companies engaged in real estate and construction activities, Power Transmission Towers, infrastructure (oil & gas sector / railways / building & factories / road & bridges) and agri-logistics & warehouse.
Directorships held in other Listed Companies	Kalpataru Power Transmission Ltd
Committee positions held in other Listed Companies	Kalpataru Power Transmission Ltd Audit Committee: Member Executive Committee: Member CSR Committee: Member
Number of Equity shares held in the Company	664371

Annexure III to the Directors' Report

Management Discussion and Analysis Report

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 industry is seeing lot of capacity additions though there is already excess capacity available. Due to enhanced competition and price sensitiveness, many customers have downgraded their specifications norms, leading to some new-comers supplying lower priced products. Imports of PVC films at low cost especially from China continues to be a threat.

Consistent quality, superior customer service, timely delivery and appropriate pricing we believe, will help us to mitigate some portion of the potential risks.

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 fluctuating prices, forex risks, logistics issues, import-duty and anti dumping regulations.

From several Government fronts, imposing restrictions on plastics are being announced from time to time. During the financial year ended 31st March, 2017, National Green Tribunal, Principal Bench, New Delhi passed an order under which products made from PVC and having a short life are proposed to be banned. The Tribunal vide the said order have directed the MOEF&CC (Ministry of Environment, Forestry & Climate Change) and the State Governments to issue the ban orders. The All India Plastic Manufactures Association have filed an appeal against the order and the matter has been stayed for now by the appropriate Court. Further, Maharashtra and some other state Governments have issued restrictions and bans on certain plastic items. Products manufactured by your Company are not covered as of now. Every effort is being made through appropriate industrial associations to impress upon the Government that the problem is not of 'plastics' (which is irreplaceable in modern civilisation), but it's the disposal of the plastic waste which need to be addressed and tackled.

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

The Company's turnover (net of excise duty, as applicable) for the year amounted to Rs. 249 crores as compared to Rs. 233 crores in the previous year. The Company earned a profit (before tax and extraordinary income) of Rs. 5.8 crores as compared to Rs. 12.5 crores in the previous year. Due to demonetization and GST implementation, volume growth was lower in first half of the financial year. The volume gradually picked up in the second half of the financial year after stabilization of GST. Raw material costs volatility keeps wreaking havoc on the industry. The ability to pass on costs increase to customers is sub-optimal due to enhanced competition, surplus capacity in the industry and entry level pricing strategy by the new entrants. All these factors have resulted in increased pressure on margins.

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, 2018 was 374 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 to the Directors Report

Corporate Social Responsibility (CSR) Report:

1.	A brief outline of the Company's CSR Policy, including overview projects or programs proposed to be undertaken and a reference to the Web-link to the CSR Policy and projects or programs.	The CSR activities are carried out directly by the Company by identifying activities. The Company has formed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and the same is placed on the Companies website: *www.caprihansindia.com/Policy*
2.	The Composition of the CSR Committee as on 31.03.2018	1. Mr. Bhoumick S. Vaidya - Chairman 2. Mr. Robin Banerjee - Member 3. Ms. Anjali Seth - Member
3.	Average net profit of the Company for last three financial years (Amount in Rs. Lakhs)	Rs. 1208.08 lakhs
4.	Prescribed CSR expenditure (two percent of the amount as in item 3 above)	Rs. 24.16 lakhs
5.	Details of CSR spent during the financial year	
	(1) Amount unspent as on 1st April 2017	Rs. 14.27 lakhs
	(2) Amount to be spent for the F.Y. 2017-18	Rs. 24.16 lakhs
	(3) Total Amount to be spent during F.Y. 2017-18 (1+2)	Rs. 38.43 lakhs
	(4) Amount spent during F.Y. 2017-18	Rs. 39.74 lakhs
	(5) Amount unspent, if any as on 31st March, 2018	NIL
	(6) Manner in which the amount spent during the financial year:	**Municipal School - Mahanagarpalika Shala No. 74, Nasik** The Company helped in improving the infrastructure of the school, providing uniforms and books etc. to the students. The Company is focussed on adopting and making it a model school in the area. **Dharmveer Anand Dighe Jidd Special School, Thane** The Company helped to set up a modern 'sensory garden' which aids the handicapped and mentally challenged children to familiarise and learn the five human senses namely: sight, hearing, smell, taste and touch. The Company takes care of expenditure related to the maintenance of this garden. The Company pays for special physio and speech therapists at the School. The company also provides specialised medical equipments to the affected children. **Daang Seva Mandal Ashram School, Nasik** The Company spent funds for building the girls' hostel and improving the infrastructure of the School. The activities at the above mentioned Schools are ongoing. **Contribution to Bhupendra Charitable Trust** The Company during the year has made contribution to the Corpus of Bhupendra Charitable Trust for using the amount on the following activities. • Eradicating hunger, poverty and malnutrition, promoting preventive health care and sanitation and making available safe drinking water, • Promoting education, including special education and employment enhancing vocation skills especially among children, women, elderly, and the differently abled and livelihood enhancement projects, • Rural development projects,

Annexure V to the Directors' Report

FORM NO. MR-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

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

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

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate governance practices by M/s. **Caprihans India Limited** (hereinafter called "the Company").

The Secretarial Audit was conducted for the period from 1st April 2017 to 31st March 2018, in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances of the Company and expressing our opinion thereon. We have been engaged as Secretarial Auditors of the Company to conduct the Audit of the Company to examine the compliance of Companies Act and the laws specifically listed below.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March 2018, 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:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2018 according to the provisions of the following list of laws and regulations with our observations on the same:

(i) **The Companies Act, 2013 (the Act) and the Rules made there under:** The Company has satisfactorily complied with the provisions of the Companies Act, 2013 and the Rules made there under and there are no discrepancies observed by us during the period under review.

(ii) **The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under:** The Company has complied with the provisions of The Securities Contracts (Regulation) Act, 1956 ('SCRA').

(iii) **The Depositories Act, 1996 and the Regulations and Bye-laws framed there under:** The Company is a listed public company the shares are in dematerialised form and the Company has complied with the provisions of The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.

(iv) The Company has satisfactorily complied with the provisions of the Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings and there are no discrepancies observed by us during the period under review.

(v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable for the period under review);
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 (Not applicable for the period under review);
- (e) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable for the period under review); and
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable for the period under review);
- (g) 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;
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not applicable for the period under review).

The Company is a listed Company and provisions of Regulations and Guidelines mentioned above and prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act') are duly complied by the Company.

I further report that, as per the opinion of the officers of the Company and information provided by them there are no specific applicable laws on the basis of activities of the Company:

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India. The Company has duly complied with the Secretarial Standards for the period under review.

(ii) The Listing Agreement entered into by the Company with BSE Limited, Mumbai in respect of Shares issued by the Company and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

We further report that:-

There are adequate systems and processes in the company commensurate with its size & operation to monitor and ensure compliance with applicable laws including general laws, labour laws, competition law and environmental laws.

The Board of Directors of the Company is duly constituted with proper balance of appointment of Independent Directors as required by Section 149 of the Companies Act, 2013.

Adequate notice is given to all directors about 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 for meaningful participation at the meeting. All decisions at Board Meetings were carried out with requisite majority as recorded in the minutes of the meetings of the Board of Directors.

We further report that during the audit period no major decisions, specific events/ actions have occurred which has a major bearing on the Company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc.

For DVD & ASSOCIATES
Company Secretaries

Devendra Deshpande
Partner

Place: Mumbai
Date: 18th May, 2018

FCS No.: 6099
COP No.: 6515

'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. Where ever 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 DVD & ASSOCIATES
Company Secretaries

Devendra Deshpande
Partner

Place: Mumbai
Date: 18th May, 2018

FCS No.: 6099
COP No.: 6515

caprihans
INDIA LIMITED

Annexure VI to the Directors' Report

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN
as on the financial year ended on 31/03/2018
[Pursuant to Section 92(3) of the Companies Act, 2013 and rule (12)(1)
of the Companies (Management and Administration) Rules, 2014]

I. REGISTRATION AND OTHER DETAILS

(i)	**CIN:-**	L29150MH1946PLC004877
(ii)	**Registration Date**	11/04/1946
(iii)	**Name of the Company**	CAPRIHANS INDIA LIMITED
(iv)	**Category/Sub-Category of the Company**	Public Company limited by shares
(v)	**Address of the Registered office and contact details**	Block-D, Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai - 400018 Tel.: 24978660/61 Email: cil@caprihansindia.com
(vi)	**Whether listed Company**	YES
(vii)	**Name, Address and contact details of Registrar and Transfer agent, if any**	Link Intime India Pvt. Ltd., C 101, 247 Park, L B S Marg, Vikhroli West, Mumbai 400 083 Tel No : +91 22 4918 6000 Fax : +91 22 4918 6060 Email : rnt.helpdesk@linkintime.co.in

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated

Sl. No.	Name and Description of main products/ service	NIC Code of the Product/ service	% to total turnover of the Company
1.	Manufacture of Plastics & Polymers	3920	96%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES

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

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

(i) Category-wise Shareholding

Category of Shareholders	Shareholding at the beginning of the year - 01/04/2017				Shareholding at the end of the year - 31/03/2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Shareholding of Promoter and Promoter Group									
(1) Indian									
a) Individuals/Hindu Undivided Family	1209453	0	1209453	9.2086	1209453	0	1209453	9.2086	0.0000
b) Central Government/State Government(s)	0	0	0	0.0000	0	0	0	0	0.0000
c) Financial Institutions/Banks	0	0	0	0.0000	0	0	0	0	0.0000
d) Any Other (Specify)									0.0000
Bodies Corporate	1538975	0	1538975	11.7175	1538975	0	1538975	11.7175	0.0000
SUB TOTAL: (A)(1)	**2748428**	**0**	**2748428**	**20.9261**	**2748428**	**0**	**2748428**	**20.9261**	**0.0000**
(2) Foreign									
a) Individuals (Non-Resident Individuals/Foreign Individuals)	0	0	0	0.0000	0	0	0	0	0.0000
b) Government	0	0	0	0.0000	0	0	0	0	0.0000
c) Institutions	0	0	0	0.0000	0	0	0	0	0.0000
d) Foreign Portfolio Investor	0	0	0	0.0000	0	0	0	0	0.0000
e) Any Other (Specify)									0.0000
Bodies Corporate	6698325	0	6698325	51.0000	6698325	0	6698325	51.0000	0.0000
SUB TOTAL: (A)(2)	**6698325**	**0**	**6698325**	**51.0000**	**6698325**	**0**	**6698325**	**51.0000**	**0.0000**
Total Shareholding of Promoter and Promoter Group (A) = (A)(1) + (A)(2)	**9446753**	**0**	**9446753**	**71.9261**	**9446753**	**0**	**9446753**	**71.9261**	**0.0000**
B. Public Shareholding									
(1) Institutions									
a) Mutual Funds	1500	1016	2516	0.0192	1500	666	2166	0.0165	-0.0027
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	0	0	0	-0.0034
f) Financial Institutions/Banks	350	0	350	0.0027	350	0	350	0.0027	0.0000
g) Insurance Companies	483020	0	483020	3.6776	483020	0	483020	3.6776	0.0000
h) Provident Funds/Pension Funds	0	0	0	0.0000	0	0	0	0	0.0000
i) Any Other (Specify)									
UTI	0	2500	2500	0.0190	0	2500	2500	0.019	0.0000
SUB TOTAL: (B)(1)	**484870**	**3966**	**488836**	**3.7219**	**484870**	**3166**	**488036**	**3.7158**	**-0.0061**
(2) Non Institutions									
a) Individuals									
i) Individual shareholders holding nominal share capital upto Rs. 1 lakh.	1424030	279306	1703336	12.9689	1545240	209313	1754553	13.3589	0.3900
ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	947381	0	947381	7.2132	839674	0	839674	6.3931	-0.8201
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
d) Overseas Depositories (holding DRs) (balancing figure)	0	0	0	0.0000	0	0	0	0	0.0000

Category of Shareholders	Shareholding at the beginning of the year - 01/04/2017				Shareholding at the end of the year - 31/03/2018				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
e) Any Other (Specify)									
Trusts	850	0	850	0.0065	850	0	850	0.0065	0.0000
Hindu Undivided Family	353873	0	353873	2.6943	341705	0	341705	2.6017	-0.0926
Non Resident Indians (Non Repat)	19904	1180	21084	0.1605	21454	740	22194	0.1690	0.0085
Other Directors	0	0	0	0.0000	0	0	0	0.0000	0.0000
Non Resident Indians (Repat)	10358	215	10573	0.0805	12180	0	12180	0.0927	0.0122
Clearing Member	29693	0	29693	0.2261	26667	0	26667	0.2030	-0.0230
Market Maker	240	0	240	0.0018	147	0	147	0.0011	-0.0007
Bodies Corporate	127217	4135	131352	1.0001	133210	2390	135600	1.0324	0.0323
IEPF	0	0	0	0.0000	65612	0	65612	0.4996	0.4996
SUB TOTAL: (B)(2)	**2913546**	**284836**	**3198382**	**24.3520**	**2986739**	**212443**	**3199182**	**24.3581**	**0.0061**
Total Public Shareholding (B) = (B)(1)+(B)(2)	**3398416**	**288802**	**3687218**	**28.0739**	**3471609**	**215609**	**3687218**	**28.0739**	**0.0000**
Total (A)+(B)	**12845169**	**288802**	**13133971**	**100.0000**	**12918362**	**215609**	**13133971**	**100**	**0.0000**
C. Non Promoter - Non Public									
1) Custodian/DR Holder	0	0	0	0.0000	0	0	0	0.0000	0.0000
2) Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	0	0	0	0.0000	0	0	0	0.0000	0.0000
Grand Total (A+B+C)	**12845169**	**288802**	**13133971**	**100.0000**	**12918362**	**215609**	**13133971**	**100.0000**	**0.0000**

(ii) Share Holding of Promoters

Sl. No.	Promoter's Name	Shareholding at the beginning of the year - 01/04/2017			Shareholding at the end of the year - 31/03/2018			% 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	51.0000	6698325	51.0000	51.0000	0.0000
2.	K. C. Holdings Pvt. Ltd.	1242609	9.4610		1242609	9.4610		0.0000
3.	Mofatraj Pukharaj Munot	664371	5.0584		664371	5.0584		0.0000
4.	Parag Mofatraj Munot	445496	3.3919		445496	3.3919		0.0000
5.	Kalpataru Properties Pvt. Ltd.	273736	2.0842		273736	2.0842		0.0000
6.	Imtiaz Kanga	38288	0.2915		38288	0.2915		0.0000
7.	Mohammed Ismail Kanga	29748	0.2265		0	0.0000		-0.2265
8.	Monica Parag Munot	26300	0.2002		26300	0.2002		0.0000
9.	Yugdharm Investment & Trading Co Pvt. Ltd.	22350	0.1702		22350	0.1702		0.0000
10.	Tara Kanga	5250	0.0400		34998	0.2665		0.2265
11.	Mrigashish Investment and Trading Limited	140	0.0011		140	0.0011		0.0000
12.	Shouri Investment and Trading Company Pvt. Ltd.	140	0.0011		140	0.0011		0.0000
	Total	**9446753**	**71.9261**	51.0000	**9446753**	**71.9261**	**51.0000**	**0.0000**

(iii) Change in Promoters' Shareholding

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2017		Transactions during the year		Cumulative Shareholding at the end of the year - 2018	
		No. of shares held	% of total shares of the company	Date of Transaction	No. of shares	No. of shares held	% of total shares of the company
1	Bilcare Research GMBH	6698325	51.0000			6698325	51.0000
	At the end of the year					6698325	51.0000
2	K. C. Holdings Pvt. Ltd.	1242609	9.4610			1242609	9.4610
	At the end of the year					1242609	9.4610
3	Mofatraj Pukharaj Munot	664371	5.0584			664371	5.0584
	At the end of the year					664371	5.0584
4	Parag Mofatraj Munot	445496	3.3919			445496	3.3919
	At the end of the year					445496	3.3919
5	Kalpataru Properties Pvt. Ltd.	273736	2.0842			273736	2.0842
	At the end of the year					273736	2.0842
6	Imtiaz Kanga	38288	0.2915			38288	0.2915
	At the end of the year					38288	0.2915
7	Tara Kanga	5250	0.0400			5250	0.0400
	Transfer			22 Dec 2017	29748	34998	0.2665
	At the end of the year					34998	0.2665
8	Monica Parag Munot	26300	0.2002			26300	0.2002
	At the end of the year					26300	0.2002
9	Yugdharm Investment & Trading Co Pvt. Ltd.	22350	0.1702			22350	0.1702
	At the end of the year					22350	0.1702
10	Mrigashish Investment and Trading Company Pvt. Ltd.	140	0.0011			140	0.0011
	At the end of the year					140	0.0011
11	Shouri Investment and Trading Company Pvt. Ltd.	140	0.0011			140	0.0011
	At the end of the year					140	0.0011
12	Mohammed Ismail Kanga	29748	0.2265			29748	0.2265
	Transfer			22 Dec 2017	(29748)	0	0.0000
	At the end of the year					0	0.0000

Note: 1. Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 13133971 Shares.
2. The details of holding has been clubbed based on PAN.
3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the year.

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

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2017		Transactions during the year		Cumulative Shareholding at the end of the year - 2018	
		No. of shares held	% of total shares of the company	Date of Transaction	No. of shares	No. of shares held	% of total shares of the company
1	Life Insurance Corporation of India	483020	3.6776			483020	3.6776
	At the end of the year					483020	3.6776
2	Maya Rawat	128592	0.9791			128592	0.9791
	At the end of the year					128592	0.9791
3	Archana Khandelwal	8816	0.0671			8816	0.0671
	Transfer			29 Dec 2017	92092	100908	0.7683
	At the end of the year					100908	0.7683
4	Aparna Gupta	91621	0.6976			91621	0.6976
	At the end of the year					91621	0.6976

Sr. No.	Name & Type of Transaction	Shareholding at the beginning of the year - 2017		Transactions during the year		Cumulative Shareholding at the end of the year - 2018	
		No. of shares held	% of total shares of the company	Date of Transaction	No. of shares	No. of shares held	% of total shares of the company
5	Anjana S. Gandhi	88607	0.6746			88607	0.6746
	Transfer			07 Apr 2017	-1855	86752	0.6605
	Transfer			03 Nov 2017	-13310	73442	0.5592
	Transfer			29 Dec 2017	-2314	71128	0.5416
	Transfer			12 Jan 2018	-884	70244	0.5348
	At the end of the year					70244	0.5348
6	Bhupendra P. Shah - HUF	75683	0.5762			75683	0.5762
	Transfer			14 Apr 2017	-4500	71183	0.5420
	Transfer			16 Jun 2017	-1658	69525	0.5294
	At the end of the year					69525	0.5294
7	Rudra Dharmendrakumar Patel	36976	0.2815			36976	0.2815
	Transfer			21 Apr 2017	815	37791	0.2877
	Transfer			08 Sep 2017	712	38503	0.2932
	Transfer			24 Nov 2017	12375	50878	0.3874
	Transfer			15 Dec 2017	470	51348	0.3910
	Transfer			26 Jan 2018	1500	52848	0.4024
	Transfer			23 Feb 2018	450	53298	0.4058
	Transfer			02 Mar 2018	200	53498	0.4073
	Transfer			09 Mar 2018	300	53798	0.4096
	Transfer			16 Mar 2018	5133	58931	0.4487
	At the end of the year					58931	0.4487
8	Dipali P. Patel	39332	0.2995			39332	0.2995
	Transfer			21 Apr 2017	825	40157	0.3057
	Transfer			18Aug 2017	500	40657	0.3096
	Transfer			25 Aug 2017	3000	43657	0.3324
	Transfer			01 Sep 2017	500	44157	0.3362
	Transfer			08 Sep 2017	1200	45357	0.3453
	Transfer			24 Nov 2017	1720	47077	0.3584
	Transfer			01 Dec 2017	3275	50352	0.3834
	Transfer			08 Dec 2017	6500	56852	0.4329
	Transfer			15 Dec 2017	200	57052	0.4344
	At the end of the year					57052	0.4344
9	Musaddilal Rawat	53359	0.4063			53359	0.4063
	At the end of the year					53359	0.4063
10	Musaddilal Rawat	48320	0.3679			48320	0.3679
	At the end of the year					48320	0.3679

Note: 1. Paid up Share Capital of the Company (Face Value Rs. 10.00) at the end of the year is 13133971 Shares.
2. The details of holding has been clubbed based on PAN.
3. % of total Shares of the Company is based on the paid up Capital of the Company at the end of the year.

(v) Shareholding of Directors & KMP

Sr. No.	Name of the Shareholder	Shareholding at the beginning of the year - 01/04/2017		Shareholding at the end of the year - 31/03/2018	
		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.	K. R. Viswanathan	140	—	140	—

V. INDEBTEDNESS

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

The Company has not availed any loan (Securred/Un-securred) 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	115.75
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0.00
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	0.00
2.	Stock Option	0.00
3.	Sweat Equity	0.00
4.	Commission – as % of Profit – other, specify	0.00
5.	Other, please specify: Contribution to Provident Fund & other funds.	8.28
	Total (A)	**124.03**

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	2.25	0.00	0.00	2.25
Mr. K. V. Mani	3.50	0.00	0.00	3.50
Ms. Anjali Seth	2.25	0.00	0.00	2.25
Mr. Siddharth S. Shetye	3.00	0.00	0.00	3.00
Mr. Nitin K. Joshi	2.50	0.00	0.00	2.50
Total (1)	**13.50**	**0.00**	**0.00**	**13.50**

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	1.00	0.00	0.00	1.00
Mr. Mohan H. Bhandari	2.00	0.00	0.00	2.00
Mr. Narendra Lodha	1.00	0.00	0.00	1.00
Total (2)	**4.00**	**0.00**	**0.00**	**4.00**
Total B = (1+2)	**17.50**	**0.00**	**0.00**	**17.50**
Ceiling as per the Act	**17.50**	**0.00**	**0.00**	**17.50**

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	37.40
	(b) Value of perquisites u/s. 17(2) Income Tax Act, 1961	0.34
	(c) Profits in lieu of salary under Section 17(3) of the Income Tax Act, 1961	—
2.	Stock Option	—
3.	Sweat Equity	—
4.	Commission – as % of Profit – other, specify	 — —
5.	Other, please specify Provident Fund & other funds	3.72
	Total (c)	**41.46**

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

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

Financial Position at a Glance

(Rupees in lakhs)

	31.03.2009	31.03.2010	31.03.2011	31.03.2012	31.03.2013	31.03.2014	31.03.2015	31.03.2016	31.03.2017	31.03.2018
WE OWNED										
Fixed Assests	3022.04	2659.35	2393.20	2098.18	1968.46	1726.49	1613.42	1765.78	1707.57	1909.54
Investments	—	—	—	—	—	—	—	—	—	—
Inventories	2380.61	2155.76	3071.15	2961.88	2788.41	3666.79	2749.63	3769.20	3584.67	3928.18
Receivables	4571.11	4747.07	5349.16	5263.05	6303.34	5736.25	6061.60	5259.73	5261.32	6373.33
Liquid Funds	2324.11	2375.67	1178.86	1226.73	1747.69	2076.38	3106.04	3766.88	3244.84	2683.36
Advances	332.44	541.37	876.40	1519.72	1223.45	1302.00	1531.27	1784.85	1763.19	1477.61
	12630.31	**12479.22**	**12868.77**	**13069.56**	**14031.35**	**14507.91**	**15061.96**	**16346.44**	**15561.59**	**16372.02**
WE OWED										
Institutional Loans	—	—	—	—	—	—	—	—	—	—
Other Loans	—	—	—	—	—	—	—	—	—	—
Payable & Provisions	3276.75	2865.90	2908.42	2636.35	3224.04	3405.68	3518.29	4387.30	2811.32	3434.26
Dividend & Tax	230.49	382.88	228.97	228.97	230.49	230.49	237.12	237.12	237.12	237.51
	3507.24	**3248.78**	**3137.39**	**2865.32**	**3454.53**	**3636.17**	**3755.41**	**4624.42**	**3048.44**	**3671.77**
NET WORTH										
Share Capital	1313.40	1313.40	1313.40	1313.40	1313.40	1313.40	1313.40	1313.40	1313.40	1313.40
Reserves & Surplus	7809.67	7917.04	8417.98	8890.84	9263.42	9558.34	9993.15	10408.82	11436.87	11624.36
Dividend & Tax - Proposed	—	—	—	—	—	—	—	—	(237.12)	(237.51)
	9123.07	**9230.44**	**9731.38**	**10204.24**	**10576.82**	**10871.74**	**11306.55**	**11722.22**	**12513.15**	**12700.25**
	12630.31	**12479.22**	**12868.77**	**13069.56**	**14031.35**	**14507.91**	**15061.96**	**16346.64**	**15561.59**	**16372.02**
What We Earned and Spent										
EARNINGS	**17022.36**	**18184.97**	**20842.52**	**21467.00**	**24518.59**	**27210.58**	**27612.55**	**26765.46**	**25949.32**	**25799.23**
OUTGOINGS:										
Materials	10745.76	11116.48	13176.48	13411.17	15252.57	17532.01	17245.08	15618.33	15707.16	17032.98
Excise	1560.20	1141.88	1596.20	1617.75	2145.41	2373.96	2437.76	2343.68	2275.89	591.81
Expenses	3797.51	4250.63	4583.75	5032.86	5737.42	6140.94	6497.81	6718.95	6352.41	7236.27
Depreciation	418.95	383.73	366.18	349.39	420.12	353.26	344.67	352.68	342.88	338.01
Trf. From revaluation reserve	(12.00)	(12.00)	(12.00)	(12.00)	(76.00)	0.00	0.00	0.00	0.00	0.00
	16510.42	**16880.72**	**19710.61**	**20399.17**	**23479.52**	**26400.17**	**26525.32**	**25033.64**	**24678.34**	**25199.07**
Profit before extraordinary items and tax	511.94	1304.25	1131.91	1067.83	1039.07	810.41	1087.23	1731.82	1270.98	600.16
Extraordinary income/(expense)	—	—	—	—	—	—	—	(682.03)	223.06	—
Tax Provision	177.00	802.00	390.00	354.00	360.00	285.00	382.00	397.00	514.61	175.55
Net Profit	334.94	502.25	741.91	713.83	679.07	525.41	705.23	652.79	979.43	424.61
Dividend & Tax	230.49	382.88	228.97	228.97	230.49	230.49	237.12	237.12	237.12	237.51
Balance	**104.45**	**119.37**	**512.94**	**484.86**	**448.58**	**294.92**	**468.11**	**415.67**	**742.31**	**187.10**

Independent Auditors' Report

TO THE MEMBERS OF

CAPRIHANS INDIA LIMITED

Report on the Ind AS Financial Statements

We have audited the accompanying Ind AS financial statements of **Caprihans India Limited** ("the Company"), which comprise the Balance Sheet as at March 31, 2018, the Statement of Profit and Loss, including the statement of Other Comprehensive Income, the Cash Flow Statement and the Statement of changes in equity for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Ind AS Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under section 133 of the Act., read with the Companies (Indian Accounting Standards) Rules, 2015, as amended. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial control that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these Ind AS financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder. We conducted our audit of the Ind AS financial statements in accordance with the Standards on Auditing, issued by the Institute of Chartered Accountants of India, as specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Ind AS financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Ind AS financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Ind AS financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the Ind AS financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2018, its profit including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure 1" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;

(c) The Balance Sheet, Statement of Profit and Loss including the Statement of Other Comprehensive Income, the Cash Flow Statement and Statement of changes in equity dealt with by this Report are in agreement with the books of account;

(d) In our opinion, the aforesaid Ind AS financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Companies (Indian Accounting Standards) Rules, 2015, as amended;

(e) On the basis of written representations received from the directors as on March 31, 2018, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018, from being appointed as a director in terms of section 164(2) of the Act;

(f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure 2" to this report;

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

i. The Company has disclosed the impact of pending litigations on its financial position in its Ind AS financial statements – Refer Note 33 (c) to the Ind AS financial statements;

ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.

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

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

per Paul Alvares
Partner
Membership Number: 105754

Place of Signature: Pune
Date: May 18, 2018

Annexure '1' to The Independent Auditor's Report

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report to the Members of Caprihans India Limited of even date)

1. In respect of the Company's fixed assets:
   a. The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
   b. Fixed assets have been physically verified by the management during the year and no material discrepancies were identified on such verification.
   c. According to the information and explanations given by the management, the title deeds of immovable properties included in property, plant and equipment/ fixed assets are held in the name of the Company.
2. The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable. No material discrepancies were noticed on such physical verification. Inventories lying with third parties have been confirmed by them as at March 31, 2018 and no material discrepancies were noticed in respect of such confirmations.
3. a. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Companies Act, 2013. Accordingly, the provisions of clause 3(iii) (a) of the Order are not applicable to the Company and hence not commented upon.
   b. In respect of loan granted to a Company, in the earlier years, covered in the register maintained under Section 189 of the Companies Act, 2013, the repayment of principal amount was not made as stipulated and payment of interest has not been regular.
   c. The Company has amounts aggregating to Rs. 406.41 lacs (including interest of Rs. 131.41 lacs) which are overdue for more than ninety days from a Company covered in the register maintained under section 189 of the Companies Act, 2013 and in our opinion and according to the information and explanation given by the management, the Company has taken reasonable steps for the recovery of the principal and the interest.
4. In our opinion and according to the information and explanations given to us, there are no loans, investments, guarantees, and securities given in respect of which provisions of section 185 and 186 of the Companies Act 2013 are applicable and hence not commented upon.
5. The Company has not accepted any deposits within the meaning of Sections 73 to 76 of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable.
6. We have broadly reviewed the books of account maintained by the Company pursuant to the rules made by the Central Government for the maintenance of cost records under section 148(1) of the Companies Act, 2013, related to the manufacture or service of PVC Films, and are of the opinion that prima facie, the specified accounts and records have been made and maintained. We have not, however, made a detailed examination of the same.
7. a. The Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax, goods and service tax, cess and other statutory dues applicable to it.
   b. According to the records of the Company, the dues of income-tax, sales-tax, service tax, duty of custom, duty of excise, value added tax and cess on account of any dispute, are as follows:

Name of the statute	Nature of the dues	Amount* (Rs. lacs)	Period to which the amount relates	Forum where the dispute is pending
Income Tax Act, 1961	Income Tax, including interest	40.50*	AY 2005-06	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax, including interest	14.59*	AY 2006-07	Income Tax Appellate Tribunal
Income Tax Act, 1961	Income Tax, including interest	54.52*	AY 2007-08	Income Tax Appellate Tribunal
Central Excise Act, 1944	Excise Duty including penalty	119.62*	2004 to 2005	CESTAT

* The amounts disclosed above are net of the payments made to the respective authorities where the dispute is pending.

8. The Company did not have any outstanding loans or borrowing dues in respect of a financial institution or bank or to government or dues to debenture holders during the year. Hence, clause 3 (viii) of the Order is not commented upon.

9. According to the information and explanations given by the management, the Company has not raised any money way of initial public offer/further public offer/debt instruments and term loans hence, reporting under clause (ix) is not applicable to the Company and hence not commented upon.

10. Based upon the audit procedures performed for the purpose of reporting the true and fair view of the financial statements and according to the information and explanations given by the management, we report that no fraud by the Company or no fraud on the Company by the officers and employees of the Company has been noticed or reported during the year.

11. According to the information and explanations given by the management, the managerial remuneration has been paid/provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013.

12. In our opinion, the Company is not a nidhi company. Therefore, the provisions of clause 3(xii) of the order are not applicable to the Company and hence not commented upon.

13. According to the information and explanations given by the management, transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the notes to the financial statements, as required by the applicable accounting standards except for transactions with Bilcare Limited aggregating to Rs. 338.50 lacs, where the recoveries are not as per the stipulated terms.

14. According to the information and explanations given to us and on an overall examination of the balance sheet, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review and hence, reporting requirements under clause 3(xiv) are not applicable to the Company and, not commented upon.

15. According to the information and explanations given by the management, the Company has not entered into any non-cash transactions with directors or persons connected with him as referred to in section 192 of Companies Act, 2013.

16. According to the information and explanations given to us, the provisions of section 45-IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

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

per Paul Alvares
Partner
Membership Number: 105754

Place of Signature: Pune
Date: May 18, 2018

Annexure '2' to The Independent Auditor's Report of even Date on the Standalone Financial Statements of Caprihans India Limited

Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")

We have audited the internal financial controls over financial reporting of Caprihans India Limited ("the Company") as of March 31, 2018 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

The Company's Management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing as specified under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2018, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

per Paul Alvares
Partner
Membership Number: 105754

Place of Signature: Pune
Date: May 18, 2018

caprihans
INDIA LIMITED

BALANCE SHEET AS AT 31 MARCH 2018

Particulars	Notes	As at 31 March 2018 INR lakhs	As at 31 March 2017 INR lakhs
ASSETS			
I. Non-current assets			
(a) Property, plant and equipment	**3**	**1,670.41**	1,473.38
(b) Capital work-in-progress	**3**	**16.43**	12.72
(c) Investment property	**4**	**83.63**	87.72
(d) Intangible assets	**5**	**139.07**	127.95
(e) Intangible assets under development	**5**	**—**	5.80
(f) Financial assets			
(i) Loans	**6**	**4.41**	4.22
(ii) Other financial assets	**7**	**611.03**	461.78
(g) Deferred tax assets (net)	**30**	**318.76**	307.32
(h) Income tax assets (net)	**12**	**—**	—
(i) Other non-current assets	**8**	**36.80**	34.90
Total non-current assets		**2,880.54**	2,515.79
II. Current assets			
(a) Inventories	**9**	**3,928.18**	3,584.67
(b) Financial assets			
(i) Trade receivables	**10**	**6,373.33**	5,261.32
(ii) Cash and cash equivalents	**11**	**366.11**	1,273.61
(iii) Bank balance other than (ii) above	**11**	**2,317.25**	1,971.23
(iv) Loans	**6**	**7.33**	11.92
(v) Others financial assets	**7**	**84.93**	150.38
(c) Income tax assets (net)	**12**	**—**	—
(d) Other current assets	**13**	**414.35**	719.14
Total current assets		**13,491.48**	12,972.27
Total assets		**16,372.02**	15,488.06
EQUITY AND LIABILITIES			
Equity			
(a) Equity share capital	**14**	**1,313.40**	1,313.40
(b) Other equity			
(i) Securities premium	**15**	**6,497.27**	6,497.27
(ii) General reserve	**15**	**530.00**	480.00
(iii) Retained earnings	**15**	**4,597.09**	4,459.60
Total equity		**12,937.76**	12,750.27
LIABILITIES			
I. Non-current liabilities			
(a) Financial liabilities			
(i) Other financial liabilities	**16**	**—**	23.04
(b) Provisions	**18**	**211.70**	219.94
(c) Other non-current liabilities	**19**	**—**	—
Total non-current liabilities		**211.70**	242.98
II. Current liabilities			
(a) Financial liabilities			
(i) Trade and other payables	**17**	**2,897.33**	2,136.57
(ii) Other financial liabilities	**16**	**67.44**	79.98
(b) Other current liabilities	**19**	**100.67**	140.82
(c) Provisions	**18**	**94.03**	55.20
(d) Current tax liabilities (net)	**12**	**63.09**	82.24
Total current liabilities		**3,222.56**	2,494.81
Total liabilities		**3,434.26**	2,737.79
Total equity and liabilities		**16,372.02**	15,488.06
Summary of significant accounting policies	**2**		

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

As per our report of even date
For S R B C & Co L L P
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per PAUL ALVARES
Partner
Membership No: 105754

Place : Pune
Date : May 18, 2018

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

ROBIN BANERJEE	SIDDHARTH S. SHETYE	K. R. VISWANATHAN
Managing Director	*Director*	*CFO & Company Secretary*
DIN: 00008893	DIN: 06943119	ACS Membership No: 5931
Place : Pune	Place : Pune	Place : Pune
Date : May 18, 2018	Date : May 18, 2018	Date : May 18, 2018

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH 2018

Particulars	Notes	Year ended 31 March 2018 INR lakhs	Year ended 31 March 2017 INR lakhs
Income			
Revenue from operations			
Sale of products	**20**	**25,282.77**	25,106.19
Other operating income	**20**	**190.56**	469.88
Revenue from operations		**25,473.33**	25,576.07
Other income	**21**	**325.90**	373.25
Total revenue (I)		**25,799.23**	25,949.32
Expenses			
Cost of raw materials and components consumed	**22**	**17,032.98**	15,707.16
Excise duty on sale of goods		**591.81**	2,275.89
(Increase)/decrease in inventories of finished goods and work-in-progress	**23**	**484.10**	(405.16)
Employee benefits expense	**24**	**2,317.56**	2,217.09
Finance costs	**25**	**50.21**	52.24
Depreciation and amortisation expense	**26**	**338.01**	342.88
Other expenses	**27**	**4,400.18**	4,509.93
Total expenses (II)		**25,214.85**	24,700.03
Profit before exceptional items and tax (I-II)		**584.38**	1,249.29
Exceptional items	**28**	**—**	223.06
Profit before tax		**584.38**	1,472.35
Tax expense			
Current tax	**30**	**200.78**	466.49
Adjustment of tax relating to earlier years	**30**	**(19.00)**	(25.00)
Deferred tax charge/(credit)	**30**	**(11.45)**	65.61
Total tax expense		**170.33**	507.10
Profit for the year		**414.05**	965.25
Other comprehensive income			
Other comprehensive income not to be reclassified to profit or loss in subsequent periods:			
Re-measurement gains/(losses) on defined benefit plans	**29**	**15.78**	21.69
Income tax effect	**30**	**(5.22)**	(7.51)
		10.56	14.18
Net other comprehensive income not to be reclassified to profit or loss in subsequent periods		**10.56**	14.18
Total other comprehensive income for the year, net of tax		**10.56**	14.18
Total comprehensive income for the year, net of tax		**424.61**	979.43
Profit for the year		**414.05**	965.25
Total comprehensive income for the year		**424.61**	979.43
Earning per share [nominal value per share 31 March 2018 : INR 10/- (31 March 2017: INR 10/-)]			
Basic/diluted	**31**	**3.15**	7.35
Summary of significant accounting policies	**2**		

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

As per our report of even date
For S R B C & Co L L P
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

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

per PAUL ALVARES
Partner
Membership No: 105754

Place : Pune
Date : May 18, 2018

ROBIN BANERJEE
Managing Director
DIN: 00008893

Place : Pune
Date : May 18, 2018

SIDDHARTH S. SHETYE
Director
DIN: 06943119

Place : Pune
Date : May 18, 2018

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

Place : Pune
Date : May 18, 2018

caprihans
INDIA LIMITED

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31 MARCH 2018

Particulars	31 March 2018 INR lakhs	31 March 2017 INR lakhs
CASH FLOW FROM OPERATING ACTIVITIES		
Profit before exceptional items and tax	**584.38**	1,249.29
Adjustments to reconcile profit before tax to net cash flows:		
Depreciation and amortisation expenses	**338.01**	342.88
Loss on disposal of assets	**2.90**	0.27
Bad debts and irrecoverable balances written off	**4.99**	1.38
Foreign exchange differences	**(7.86)**	(3.62)
Finance costs	**50.21**	52.24
Finance income (including fair value change in financial instruments)	**(229.27)**	(307.22)
Provision for doubtful debts and advances	**—**	—
Working capital adjustments		
(Increase)/Decrease in trade receivables	**(1,108.14)**	(20.02)
(Increase)/Decrease in inventories	**(343.51)**	184.53
(Increase)/Decrease in loans and other financial assets	**2.21**	(10.17)
(Increase)/Decrease in other non-current assets	**(2.49)**	(0.32)
(Increase)/Decrease in other current assets	**304.79**	(217.70)
Increase/(Decrease) in trade and other payables	**759.76**	(1,424.18)
Increase/(Decrease) in financial liabilities	**(35.57)**	(5.85)
Increase/(Decrease) in non-current other liabilities	**—**	(1.60)
Increase/(Decrease) in current other liabilities	**(40.14)**	(14.98)
Increase/(Decrease) in provision	**46.36**	(1.11)
Net cash generated /(used in) from operations	**326.63**	(176.18)
Income taxes paid	**(206.15)**	(603.60)
NET CASH GENERATED/(USED IN) FROM OPERATING ACTIVITIES	**120.48**	(779.78)
CASH FLOW FROM INVESTING ACTIVITIES		
Proceeds from sale of property, plant and equipment and investment property	**—**	234.38
Interest received (finance income)	**291.50**	256.37
Purchase of property, plant and equipment and intangible assets	**(542.29)**	(319.72)
Investment in/maturity of bank deposits (having remaining maturity of more than three months) - net	**(489.86)**	1,260.00
Investments in bank deposits (having remaining maturity of more than three months) - net	**—**	—
NET CASH (USED IN)/GENERATED FROM INVESTING ACTIVITIES	**(740.65)**	1,431.03
CASH FLOW FROM FINANCING ACTIVITIES		
Interest paid (finance cost)	**(50.21)**	(52.24)
Final dividend paid	**(197.01)**	(197.01)
Tax on final dividend paid	**(40.11)**	(40.11)
NET CASH USED IN FINANCING ACTIVITIES	**(287.33)**	(289.36)
Net (decrease)/increase in cash and cash equivalents	**(907.50)**	361.89
Cash and cash equivalents at the beginning of the year	**1,273.61**	911.72
Cash and cash equivalents at the end of the year (refer note 11)	**366.11**	1,273.61

As per our report of even date
For S R B C & Co L L P
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per PAUL ALVARES
Partner
Membership No: 105754

Place : Pune
Date : May 18, 2018

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

ROBIN BANERJEE	SIDDHARTH S. SHETYE	K. R. VISWANATHAN
Managing Director	*Director*	*CFO & Company Secretary*
DIN: 00008893	DIN: 06943119	ACS Membership No: 5931
Place : Pune	Place : Pune	Place : Pune
Date : May 18, 2018	Date : May 18, 2018	Date : May 18, 2018

STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31 MARCH 2018

A. Equity share capital

Equity shares of INR 10 each issued, subscribed and fully paid	No. of Shares (in lacs)	INR lacs
At 31 March 2017	131.34	1,313.40
At 31 March 2018	**131.34**	**1,313.40**

B. Other equity

Attributable to the equity holders of the Company

Particulars	Reserves and surplus			INR lakhs
	Securities premium	General reserve	Retained earnings	Total
	Note 15	Note 15	Note 15	
As at 01 April 2016	**6,497.27**	**480.00**	**3,717.29**	**10,694.56**
Profit for the year	—	—	965.25	965.25
Other comprehensive income for the year	—	—	14.18	14.18
Total comprehensive income for the year	—	—	979.43	979.43
Final dividend for the year ended 31 March 2016	—	—	(197.01)	(197.01)
Tax on final dividend for the year ended 31 March 2016	—	—	(40.11)	(40.11)
As at 31 March 2017	**6,497.27**	**480.00**	**4,459.60**	**11,436.87**
As at 01 April 2017	**6,497.27**	**480.00**	**4,459.60**	**11,436.87**
Profit for the year	—	—	414.05	414.05
Other comprehensive income for the year	—	—	10.56	10.56
Total comprehensive income for the year	**—**	**—**	**424.61**	**424.61**
Final dividend for the year ended 31 March 2017	**—**	**—**	(197.01)	(197.01)
Tax on final dividend for the year ended 31 March 2017	**—**	**—**	(40.11)	(40.11)
Transfer from retained earnings	**—**	50.00	**—**	50.00
Transfer to general reserve	**—**	**—**	(50.00)	(50.00)
As at 31 March 2018	**6,497.27**	**530.00**	**4,597.09**	**11,624.36**

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

As per our report of even date
For S R B C & Co L L P
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per PAUL ALVARES
Partner
Membership No: 105754

Place : Pune
Date : May 18, 2018

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

ROBIN BANERJEE	SIDDHARTH S. SHETYE	K. R. VISWANATHAN
Managing Director	*Director*	*CFO & Company Secretary*
DIN: 00008893	DIN: 06943119	ACS Membership No: 5931
Place : Pune	Place : Pune	Place : Pune
Date : May 18, 2018	Date : May 18, 2018	Date : May 18, 2018

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

1. CORPORATE INFORMATION

Caprihans India Limited ('the Company') is a public company domiciled in India and is incorporated under the provisions of the Companies Act applicable in India. Its shares are listed on Bombay Stock Exchange in India. The registered office of the Company is located at Shivsagar Estate, Dr. Annie Besant Road, Worli, Mumbai - 400018. The Company is engaged in the business of manufacturing of rigid and flexible PVC films, PVdC coated films and plastic extruded products.

The financial statements of the Company were authorised for issue in accordance with a resolution of the Board of Directors at their meeting held on May 18, 2018.

2. SIGNIFICANT ACCOUNTING POLICIES

2.1. Basis of preparation

The financial statements have been prepared in accordance with Indian Accounting Standards ("Ind AS") as issued under the Companies (Indian Accounting Standards) Rules, 2015. (as amended from time to time)

The financial statements have been prepared on a historical cost basis, except for the following assets which have been measured at fair value (refer note 16):

(a) Derivative financial instruments

The financial statements are presented in INR and all values are rounded off to the nearest lacs (INR 00,000) except when otherwise indicated.

2.2. Summary of significant accounting policies

The following are the significant accounting policies applied by the Company in preparing its financial statements:

i. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current / non-current classification.

An asset is current when it is:

- Expected to be realised or intended to be sold or consumed in the normal operating cycle;
- Held primarily for the purpose of trading;
- Expected to be realised within twelve months after the reporting period; or
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in the normal operating cycle;
- It is held primarily for the purpose of trading;
- It is due to be settled within twelve months after the reporting period; or
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period.

The Company classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified as non-current assets and liabilities.

Operating cycle

Operating cycle of the Company is the time between the acquisition of assets for processing and their realisation in cash or cash equivalents. The Company has identified twelve months as its operating cycle.

ii. Foreign currencies

The Company's financial statements are presented in INR, which is also the Company's functional currency.

a) Transactions and balances

Transactions in foreign currencies are initially recorded by the Company at their respective functional currency spot rates at the date the transaction first qualifies for recognition.

Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency spot rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in statement of profit or loss.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2. SIGNIFICANT ACCOUNTING POLICIES: (contd.)

iii. Foreign currency transactions and advance consideration

On March 28, 2018, MCA has notified the Companies (Indian Accounting Standards) Amendment Rules, 2018 containing Appendix B to Ind AS 21, Foreign currency transactions and advance consideration which clarifies the date of the transaction for the purpose of determining the exchange rate to use on initial recognition of the related asset, expense or income, when an entity has received or paid advance consideration in a foreign currency. This amendment will come into force from April 1, 2018. The Company has evaluated the effect of this on the financial statements and the impact is not material.

iv. Fair value measurement

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

– In the principal market for the asset or liability

  Or

– In the absence of a principal market, in the most advantageous market for the asset and liability.

The principal or the most advantageous market, referred above, must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

– Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities.
– Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable.
– Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable.

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period.

The Company's finance team determines the policies and procedures for recurring fair value measurement for items, such as derivative instruments.

External valuers are involved for valuation of significant assets such as investment properties. Involvement of external valuation experts is decided upon annually by the finance team after discussion with and approval by the Company's Audit Committee. Selection criteria include market knowledge, reputation, independence and whether professional standards are maintained. The finance team decides, after discussions with the Company's external valuers, which valuation techniques and inputs to use for each case.

At each reporting date, the finance team analyses the movements in the values of assets and liabilities which are required to be re-measured or re-assessed as per the Company's accounting policies. For this analysis, the finance team verifies the major inputs applied in the latest valuation by agreeing the information in the valuation computation to contracts and other relevant documents.

The Finance team, in conjunction with the Company's external valuers, also compares the change in the fair value of each asset and liability with relevant external sources to determine whether the change is reasonable.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2. SIGNIFICANT ACCOUNTING POLICIES: (contd.)

On an interim basis, the finance team and the Company's external valuers present the valuation results to the Audit Committee and the Company's independent auditors. This includes a discussion of the major assumptions used in the valuations.

For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

This note summarises accounting policy for fair value. Other fair value related disclosures are given in the relevant notes.

a) Dislcosures for valuation methods, significant estimates and assumptions (note 2.3, 38 and 40)

b) Quantitative disclosures of fair value measurement hierarchy (note 16)

c) Investment properties (note 4)

d) Financial instruments (including those carried at amortised cost) (note 6, 7, 10, 11, 16, 17, 36, 38)

v. Property, plant and equipment

Property, plant and equipment and capital work in progress are stated at cost, net of accumulated depreciation and accumulated impairment losses, if any. Such cost includes the cost of replacing parts of the property, plant and equipment and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of property, plant and equipment are required to be replaced at intervals, the Company recognises such parts as individual assets with specific useful lives and depreciates them accordingly. Likewise, when a major inspection is performed, its cost is recognised in the carrying amount of the plant and equipment as a replacement if the recognition criteria are satisfied. All other repair and maintenance costs are recognised in the statement of profit and loss as incurred.

Depreciation

Depreciation is calculated on assets over the estimated useful life of assets and methods used as mentioned below:

Asset Category	Depreciation method	Useful lives estimated by the management (years)	Useful lives as per Schedule II (years)
Land leasehold	Straight line	95-99	N.A.
Buildings	Written down value	30-60	30-60
Plant & equipment (Production)	Written down value	15	15
Plant & equipment (other than production)	Written down value	10-15	10-15
Furniture & fixture	Written down value	10	10
Vehicles	Written down value	8	8
Office equipment	Written down value	3-6	3-6

An item of property, plant and equipment is derecognised upon disposal or when no future economic benefits are expected from its use or disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

vi Investment properties

Investment properties are measured initially at cost, including transaction costs. Subsequent to initial recognition, investment properties are stated at cost less accumulated depreciation and accumulated impairment losses, if any.

The cost includes the cost of replacing parts and borrowing costs for long-term construction projects if the recognition criteria are met. When significant parts of the investment property are required to be replaced at intervals, the Company depreciates them separately based on their specific useful lives. All other repair and maintenance costs are recognised in the statement of profit or loss as incurred.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2. SIGNIFICANT ACCOUNTING POLICIES: (contd.)

Depreciation

Depreciation on investment property is calculated on a written down value basis over the estimated useful life of assets as follows:

Asset Category	Useful lives estimated by the management (years)	Useful lives as per Schedule II (years)
Buildings	60	60

Though the Company measures investment property using cost based measurement, the fair value of investment property is disclosed in the notes. Fair values are determined based on an annual evaluation performed by an accredited external independent valuer.

An investment property is derecognised on disposal or on permanent withdrawal from use and no future economic benefits are expected from its disposal. Any gain or loss arising on de-recognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the statement of profit and loss when the asset is derecognised.

vii. Intangible assets

Intangible assets acquired separately are measured on initial recognition at cost. Following initial recognition, intangible assets are carried at cost less accumulated amortisation and accumulated impairment losses, if any. Internally generated intangible assets, excluding capitalised development costs, are not capitalised and the expenditure is recognised in the statement of profit and loss in the period in which the expenditure is incurred.

The useful lives of intangible assets are assessed as finite.

Intangible assets with finite lives are amortised over their useful economic lives and assessed for impairment whenever there is an indication that the intangible asset may be impaired. The amortisation period and the amortisation method for an intangible asset with a finite useful life are reviewed at least at the end of each reporting period. Changes in the expected useful life or the expected pattern of consumption of future economic benefits embodied in the asset is accounted for by changing the amortisation period or method, as appropriate, and are treated as changes in accounting estimates. The amortisation expense on intangible assets with finite lives is recognised in the statement of profit and loss.

Gains or losses arising from de-recognition of an intangible asset are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the statement of profit or loss when the asset is derecognised.

Amortisation

Amortisation of intangible assets with finite useful life is calculated on a straight-line basis as follows:

Asset category	Life in years
Computer Software	5

viii. Non-current assets held for sale

The Company has disclosed non-current assets as held for sale if their carrying amounts will be recovered principally through a sale rather than through continuing use. Actions required to complete the sale should indicate that it is unlikely that significant changes to the sale will be made or that the decision to sell will be withdrawn. Management must be committed to the sale expected within one year from the date of classification.

The criteria for held for sale classification is regarded as met only when the assets is available for immediate sale in its present condition, subject only to terms that are usual and customary for sales of such assets, its sale is highly probable; and it will genuinely be sold, not abandoned. The Company treats sale of the asset to be highly probable when:

- The appropriate level of management is committed to a plan to sell the asset,
- An active programme to locate a buyer and complete the plan has been initiated (if applicable),
- The asset is being actively marketed for sale at a price that is reasonable in relation to its current fair value,
- The sale is expected to qualify for recognition as a completed sale within one year from the date of classification, and
- Actions required to complete the plan indicate that it is unlikely that significant changes to the plan will be made or that the plan will be withdrawn.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2. SIGNIFICANT ACCOUNTING POLICIES: (contd.)

Non-current assets held for sale are measured at the lower of their carrying amount and the fair value less costs to sell.

Property, plant and equipment and intangible assets once classified as held for sale are not depreciated or amortised.

Additional disclosures are provided in note 4.

ix. Leases

The determination of whether an arrangement is, or contains, a lease is based on the substance of the arrangement at the inception of the lease. The arrangement is, or contains, a lease if fulfilment of the arrangement is dependent on the use of a specific asset or assets and the arrangement conveys a right to use the asset or assets, even if that right is not explicitly specified in an arrangement.

Company as a lessee

Leases in which there is substantially no transfer of all the risks and rewards incidental to ownership of the asset are classified as operating leases.

Operating lease payments are recognised as an operating expense in the statement of profit and loss on an actual basis as and when incurred as the lease escalation rates in the respective lease arrangements reflects the inflationary effect.

Company as a lessor

Leases in which the Company does not transfer substantially all the risks and rewards of ownership of an asset are classified as operating leases. Rental income from operating lease is recognised on an actual basis as and when incurred as the lease escalation rates in the respective lease agreements reflects the inflationary effect. Initial direct costs incurred in negotiating and arranging an operating lease are added to the carrying amount of the leased asset, if material and recognised over the lease term on the same bases as rental income. Contingent rents are recognised as revenue in the statement of profit and loss, in the period in which they are earned.

x. Inventories

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

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

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

xi. Impairment of non-financial assets

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

In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. In determining fair value less costs of disposal, recent market transactions are taken into account, if available. If no such transactions can be identified, an appropriate valuation model is used. These calculations are corroborated by valuation multiples, quoted share prices for publicly traded companies or other available fair value indicators.

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

Impairment losses including impairment on inventories, are recognised in the statement of profit and loss in those expense categories consistent with the function of the impaired asset.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2. SIGNIFICANT ACCOUNTING POLICIES: (contd.)

For assets, an assessment is made at each reporting date to determine whether there is an indication that previously recognised impairment losses may no longer exist or have decreased. If such indication exists, the Company estimates the asset's or CGU's recoverable amount. A previously recognised impairment loss is reversed only if there has been a change in the assumptions used to determine the asset's recoverable amount since the last impairment loss was recognised. The reversal is limited so that the carrying amount of the asset does not exceed its recoverable amount, nor exceed the carrying amount that would have been determined, net of depreciation, had no impairment loss been recognised for the asset in prior years. Such reversal is recognised in the statement of profit and loss.

Intangible assets with indefinite useful lives are tested for impairment annually either individually or at the CGU level, as appropriate and when circumstances indicate that the carrying value may be impaired.

xii. Revenue recognition

Revenue is recognised to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured, regardless of when the payment is received. Revenue is measured at the fair value of the consideration received or receivable, taking into account contractually defined terms of payment and excluding taxes or duties collected on behalf of the government.

Based on the Educational Material on Ind AS 18 issued by the ICAI, the Company has assumed that recovery of excise duty flows to the Company on its own account. This is for the reason that it is a liability of the manufacturer which forms part of the cost of production, irrespective of whether the goods are sold or not. Since the recovery of excise duty flows to the Company on its own account, revenue includes excise duty upto June 30, 2017.

However, sales tax/ value added tax (VAT)/ GST is not received by the Company on its own account. Rather, it is tax collected on value added to the commodity by the seller on behalf of the government. Accordingly, it is excluded from revenue.

The following specific recognition criteria must also be met before revenue is recognised:

Sale of goods

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have passed to the buyer, usually on delivery of the goods. Revenue from the sale of goods is measured at the fair value of the consideration received or receivable, net of returns and allowances, trade discounts and volume rebates.

Interest income

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

Rental income

Rental income arising from operating leases on investment properties is accounted for on an actual basis and is included under the head "other income" in the statement of profit and loss.

Ind AS 115 Revenue from Contracts with Customers (applicable for accounting periods beginning on or after April 01, 2018).

The core principle of the new standard is for Companies to recognize revenue to depict the transfer of goods and services to customers in amounts that reflect the consideration to which the Company expects to be entitled in exchange of those goods or services. The new standard will also result in enhanced disclosures about revenue, provide guidance for transactions that were not previously addressed comprehensively (for example, service revenue and contract modifications) and improve guidance for multiple-element arrangements. In view of the Company's activities, the Company does not expect the application of Ind AS 115 will have a significant impact on its financial position and/or it's financial performance.

xiii. Financial instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity.

(a) Financial assets

(i) Initial recognition and measurement

All financial assets are recognised initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial assets. Purchases or sales of financial assets that require delivery of assets within a time frame established by regulation or convention in the market place (regular way trades) are recognised on the trade date, i.e., the date that the Company commits to purchase or sell the asset.

The financial assets are subsequently measured at amortised cost.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2. SIGNIFICANT ACCOUNTING POLICIES: (contd.)

(ii) De-recognition of financial assets

A financial asset is derecognised when:

– the rights to receive cash flows from the asset have expired, or

– the Company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party and either (a) the Company has transferred substantially all the risks and rewards of the asset, or (b) the Company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

When the Company has transferred its rights to receive cash flows from an asset it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Continuing involvement that takes the form of a guarantee over the transferred asset is measured at the lower of the original carrying amount of the asset and the maximum amount of consideration that the Company could be required to repay.

(iii) Impairment of financial assets

In accordance with Ind AS 109, the Company applies expected credit loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

– Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, deposits and bank balances

– Trade receivables under Ind AS 18

The Company follows 'simplified approach' for recognition of impairment loss allowance on trade receivables resulting from transactions within the scope of Ind AS 18.

The application of simplified approach does not require the Company to track changes in credit risk. Rather, it recognises impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

For recognition of impairment loss on other financial assets and risk exposure, the Company determines that whether there has been a significant increase in the credit risk since initial recognition. If credit risk has not increased significantly, 12-month ECL is used to provide for impairment loss. However, if credit risk has increased significantly, lifetime ECL is used. If, in a subsequent period, credit quality of the instrument improves such that there is no longer a significant increase in credit risk since initial recognition, then the entity reverts to recognising impairment loss allowance based on 12-month ECL.

Lifetime ECL are the expected credit losses resulting from all possible default events over the expected life of a financial instrument. The 12-month ECL is a portion of the lifetime ECL which results from default events that are possible within 12 months after the reporting date.

ECL is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e., all cash shortfalls), discounted at the original EIR. When estimating the cash flows, an entity is required to consider:

– All contractual terms of the financial instrument (including prepayment, extension, call and similar options) over the expected life of the financial instrument. However, in rare cases when the expected life of the financial instrument cannot be estimated reliably, then the Company is required to use the remaining contractual term of the financial instrument

– Cash flows from the sale of collateral held or other credit enhancements that are integral to the contractual terms

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2. SIGNIFICANT ACCOUNTING POLICIES: (contd.)

ECL impairment loss allowance (or reversal) recognized during the period is recognized as income / expense in the statement of profit and loss (P&L). This amount is reflected under the head 'other expenses' in the P&L. The balance sheet presentation for various financial instruments is described below:

– Financial assets measured as at amortised cost and revenue receivables: ECL is presented as an allowance, i.e. as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the Company does not reduce impairment allowance from the gross carrying amount.

– Loan commitments: ECL is presented as a provision in the balance sheet, i.e. as a liability.

For assessing increase in credit risk and impairment loss, the Company combines financial instruments on the basis of shared credit risk characteristics with the objective of facilitating an analysis that is designed to enable significant increases in credit risk to be identified on a timely basis.

The Company does not have any purchased or originated credit-impaired (POCI) financial assets, i.e., financial assets which are credit impaired on purchase / origination.

(b) Financial liabilities

(i) Initial recognition and measurement

All financial liabilities are recognised initially at fair value and in the case of financial liabilities not recorded at fair value through profit or loss, transaction costs that are attributable to the issue of the financial liabilities.

The Company's financial liabilities include trade and other payables.

(ii) Subsequent measurement of financial liabilities

For purposes of subsequent measurement, financial liabilities are classified and measured as follows:

– Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities designated upon initial recognition as at fair value through profit or loss. This category also includes derivative financial instruments entered into by the Company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.

Financial liabilities designated upon initial recognition at fair value through profit or loss are designated at the initial date of recognition, and only if the criteria in Ind-AS 109 are satisfied. For liabilities designated as fair value through profit or loss('FVTPL'), fair value gains/ losses attributable to changes in own credit risks are recognized in OCI. These gains/ loss are not subsequently transferred to P&L. However, the Company may transfer the cumulative gain or loss within equity. All other changes in fair value of such liability are recognised in the statement of profit and loss. The Company has designated derivative instruments as financial liability as at fair value through profit and loss.

(iii) De-recognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expired. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit or loss.

xiv. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with a maturity of three months or less, which are subject to an insignificant risk of changes in value.

xv. Government grants

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with. When the grant relates to an expense item, it is recognised as income on a systematic basis over the periods that the related costs, for which it is intended to compensate, are expensed. When the grant relates to an asset, it is recognised as income in equal amounts over the expected useful life of the related asset.

Export incentives

Export incentives under various schemes notified by government are accounted for in the year of exports as grant related to income and is recognized as other operating income in the profit or loss if the entitlements can be estimated with reasonable accuracy and conditions precedent to claim are fulfilled.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2. SIGNIFICANT ACCOUNTING POLICIES: (contd.)

xvi. Taxes

Current income tax

Current income tax assets and liabilities are measured at the amounts expected to be recovered from or paid to the taxation authorities; on the basis of the taxable profits computed for the current accounting period in accordance with Income Tax Act, 1961. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted at the reporting date.

Current income tax relating to items recognised in other comprehensive income or directly in equity is recognised in other comprehensive income or in equity, respectively, and not in the statement of profit or loss. The management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability method on temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

– When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

– When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss;

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised. Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realised or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside the profit or loss is recognised outside the profit or loss. Deferred tax items are recognised in correlation to the underlying transaction either in other comprehensive income or directly in equity.

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

Sales / value added tax / GST

Expenses and assets are recognised net of the amount of sales / value added taxes / GST paid, except:

– When the tax incurred on a purchase of assets or services is not recoverable from the taxation authority, in which case, the tax paid is recognised as part of the cost of acquisition of the asset or as part of the expense item, as applicable

– When receivables and payables are stated with the amount of tax included

The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet.

xvii. Retirement and other employee benefits

Retirement benefits in the form of provident fund, superannuation scheme and employee state insurance scheme are defined contribution schemes. The Company has no obligation, other than the contribution payable to the schemes. The Company recognizes contribution payable to the schemes as an expense, when an employee renders the related service. If the contribution payable to the schemes for service received before the balance sheet date exceeds the contribution already paid, the deficit payable to the schemes are recognized as a liability after deducting the contribution already

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2. SIGNIFICANT ACCOUNTING POLICIES: (contd.)

paid. If the contribution already paid exceeds the contribution due for services received before the balance sheet date, then excess is recognized as an asset to the extent that the pre-payment will lead to, for example, a reduction in future payment or a cash refund.

The employee's gratuity fund scheme is Company's defined benefit plan. The present value of the obligation under such defined benefit plan is determined based on the actuarial valuation using the projected unit credit method as at the date of the balance sheet. In case of funded plans, the fair value of plan asset is reduced from the gross obligation under the defined benefit plans, to recognise the obligation on a net basis.

Re-measurements, comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets (excluding amounts included in net interest on the net defined benefit liability), are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI in the period in which they occur. Re-measurements are not reclassified to the profit or loss in subsequent periods.

Past service costs are recognised in profit or loss on the earlier of:

– The date of the plan amendment or curtailment, and
– The date that the Company recognises related restructuring costs

Net interest is calculated by applying the discount rate to the net defined benefit liability or asset. The Company recognises the following changes in the net defined benefit obligation as an expense in the profit and loss:

– Service costs comprising current service costs, past-service costs, gains and losses on curtailments and non-routine settlements; and
– Net interest expense or income.

Other long term employment benefits:

The employee's long term compensated absences are Company's defined benefit plans. The present value of the obligation is determined based on the actuarial valuation using the projected unit credit method as at the date of the balance sheet.

In regard to other long term employment benefits, the Company recognises the net total of service costs; net interest on the net defined benefit liability; and re-measurements of the net defined benefit liability in the profit or loss.

xviii. Earnings per share ('EPS')

Basic EPS is calculated by dividing the Company's earnings for the year attributable to ordinary equity shareholders of the Company by the weighted average number of ordinary shares outstanding during the year. The earnings considered in ascertaining the Company's Earnings per Share ('EPS') comprise the net profit after tax attributable to equity shareholders. The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split, and reverse share split (consolidation of shares) other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares. There were no instruments excluded from the calculation of diluted earnings per share for the periods presented because of an anti-dilutive impact.

xix. Cash dividend

The Company recognises a liability to make cash distributions to the equity holders of the Company when the distribution is authorised and the distribution is no longer at the discretion of the Company. As per the provisions of Companies Act, 2013, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

xx. Provisions

General

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit or loss net of any reimbursement.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

2. SIGNIFICANT ACCOUNTING POLICIES: (contd.)

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Contingent liability

Contingent liability is disclosed in the case of :

- a present obligation arising from past events, when it is not probable that an outflow of resources embodying economic benefits will be required to settle the obligation;
- a present obligation arising from past events, where no reliable estimate is possible; and
- a possible obligation arising from past events, unless the probability of outflow of resources is remote.

A contingent asset is disclosed where an inflow of economic benefits is probable. Provisions, contingent liabilities and contingent assets are reviewed at each balance sheet date.

2.3 Significant accounting judgements, estimates and assumptions

The preparation of the Company's financial statements requires management to make judgements, estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

a. Judgements

In the process of applying the Company's accounting policies, the management has made the following judgements, which have the most significant effect on the amounts recognised in the financial statements:

Operating lease commitments – Company as lessor

The Company has entered into commercial property leases on its investment property portfolio. The Company has determined, based on an evaluation of the terms and conditions of the arrangements, such as the lease term not constituting a major part of the economic life of the commercial property and the fair value of the asset, that it retains all the significant risks and rewards of ownership of these properties and accounts for the contracts as operating leases.

b. Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

Defined benefit plans

The cost of the defined benefit plans and other employment benefits and the present value of the obligation are determined using actuarial valuation. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates. Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

The parameter most subject to change is the discount rate. In determining the appropriate discount rate, management considers the interest rates of government bonds in currencies consistent with the currencies of the post-employment benefit obligation. The underlying bonds are further reviewed for quality. Those having excessive credit spreads are excluded from the analysis of bonds on which the discount rate is based, on the basis that they do not represent high quality corporate bonds.

The mortality rate is based on publicly available mortality tables. Those mortality tables tend to change only at intervals in response to demographic changes. Future salary increases are based on expected future inflation rates for the country.

Further details about defined benefit obligations are provided in Note 32.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 3 : PROPERTY, PLANT AND EQUIPMENT (INR lakhs)

	Land Leasehold	Buildings	Plant & Equipment	Furniture & Fixtures	Vehicles	Office Equipment	Total
At Cost							
As at 01 April 2016	**2.28**	**267.81**	**1,330.86**	**29.25**	**17.58**	**85.48**	**1,733.26**
Additions	—	—	288.69	7.36	—	17.97	314.02
Disposals	—	—	—	0.32	—	0.19	0.51
As at 31 March 2017	**2.28**	**267.81**	**1,619.55**	**36.29**	**17.58**	**103.26**	**2,046.77**
Additions	—	57.54	384.75	10.55	—	42.55	495.39
Disposals	—	—	3.10	0.01	—	0.19	3.30
As at 31 March 2018	**2.28**	**325.35**	**2,001.20**	**46.83**	**17.58**	**145.62**	**2,538.86**
Depreciation and Impairment							
As at 01 April 2016	**0.04**	**37.67**	**222.17**	**6.90**	**5.53**	**30.74**	**303.05**
Depreciation for the year	0.05	15.60	211.93	6.26	3.80	32.92	270.56
Disposals	—	—	—	0.09	—	0.13	0.22
As at 31 March 2017	**0.09**	**53.27**	**434.10**	**13.07**	**9.33**	**63.53**	**573.39**
Depreciation for the year	0.04	16.58	243.76	6.06	2.39	26.63	295.46
Disposals	—	—	0.39	—	—	0.01	0.40
As at 31 March 2018	**0.13**	**69.85**	**677.47**	**19.13**	**11.72**	**90.15**	**868.45**
Net book value							
As at 31 March 2018	2.15	255.50	1,323.73	27.70	5.86	55.47	1,670.41
As at 31 March 2017	2.19	214.54	1,185.45	23.22	8.25	39.73	1,473.38

Notes:

(i) Capital work in progress:

Capital work-in-progress comprises cost of assets that are not yet installed and ready for their intended use at the balance sheet date. Total amount of CWIP as at 31 March 2018 is INR 16.43 lacs (31 March 2017: INR 12.72 lacs).

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 4 : INVESTMENT PROPERTY (INR lakhs)

	Building
Cost	
As at 01 April 2016	**108.30**
Additions	—
Disposals	11.80
As at 31 March 2017	**96.50**
Additions	**—**
Disposals	—
As at 31 March 2018	**96.50**
Depreciation and Impairment	
As at 01 April 2016	**4.94**
Depreciation for the year	4.32
Disposals	0.48
As at 31 March 2017	**8.78**
Depreciation for the year	4.09
Disposals	—
As at 31 March 2018	**12.87**
Net Book value	
As at 31 March 2018	83.63
As at 31 March 2017	87.72

Notes:

(i) **Information regarding income and expenditure of investment property**

	31 March 2018 INR lakhs	31 March 2017 INR lakhs
Rental income derived from investment properties	**20.02**	19.98
Direct operating expenses (including repairs and maintenance) generating rental income	**2.81**	3.42
Direct operating expenses (including repairs and maintenance) that did not generate rental income	**—**	—
Profit arising from investment properties before depreciation and indirect expenses	**17.21**	16.56
Less : Depreciation	**4.09**	4.32
Profit arising from investment properties before indirect expenses	**13.12**	12.24

(ii) The Company's investment property consist of residential flats (2 flats as at 31 March 2018; 2 flats at 31 March 2017) at Mumbai which have been leased out.

As at 31 March 2018 and 31 March 2017, the fair values of the properties are based on valuations performed by an accredited independent valuer, who is a specialist in valuing these types of investment properties.

(iii) The Company has no restrictions on the realisability of its investment properties. Further, the Company has no contractual obligations to purchase, construct or develop investment properties or for repairs, maintenance and enhancements.

(iv) **Fair value of the investment properties are as under**

Fair value	Building
	INR lakhs
Balance as at 01 April 2016	1,122.59
Fair value movement for the year	70.33
Sales at fair value	(220.44)
Balance as at 31 March 2017	**972.48**
Fair value movement for the year	79.92
Sales at fair value	0.00
Balance as at 31 March 2018	**1,052.40**

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 4 : INVESTMENT PROPERTY (Contd.)

Description of valuation techniques used and key inputs to valuation on investment properties:

Particulars	Valuation techniques	Fair value hierarchy	Fair Value	
			31 March 2018	31 March 2017
			INR lakhs	INR lakhs
Flat at Bandra (West), Mumbai	Fair market value	Level 2	**764.40**	707.52
Flats at Sion (East), Mumbai	Fair market value	Level 2	**288.00**	264.96

Fair value note as per valuation report of accreditated valuer

The strengths and weakness of the said property, the environmental conditions, prevailing market conditions in the nearby locality and other relevant factors have been taken into account in carrying out the exercise of valuation.

(v) **Assets held for sale (Investment Property)**

Particulars	As at 31 March 2018	As at 31 March 2017
	INR lakhs	INR lakhs
Gross block	**Nil**	Nil
Depreciation for the year	**Nil**	Nil
Net block	**Nil**	Nil

NOTE 5 : INTANGIBLE ASSETS (INR lakhs)

	Computer Software	Total
Cost		
As at 01 April 2016	**223.80**	**223.80**
Additions	16.81	16.81
Write Off	5.22	5.22
As at 31 March 2017	**235.39**	**235.39**
Additions	49.58	49.58
Write Off	—	—
As at 31 March 2018	**284.97**	**284.97**
Amortisation and impairment		
As at 01 April 2016	44.66	44.66
Amortisation for the year	68.00	68.00
Deductions	5.22	5.22
As at 31 March 2017	**107.44**	**107.44**
Amortisation for the year	38.46	38.46
Deductions	—	—
As at 31 March 2018	**145.90**	**145.90**
Net Block		
As at 31 March 2018	139.07	139.07
As at 31 March 2017	127.95	127.95

Note:

Intangible assets under development comprises of softwares that are not yet installed and ready for their intended use at the balance sheet date. Total amount as at 31 March 2018 is INR NIL (31 March 2017: INR 5.80 lacs)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 6 : LOANS

Particulars	As at 31 March 2018 INR lakhs	As at 31 March 2017 INR lakhs
Non-current		
Loans to employees (unsecured, considered good)	**4.41**	4.22
Loans to related party (unsecured, considered good) (refer note 34)	**—**	—
Total loans	**4.41**	4.22
Current		
Loans to employees (unsecured, considered good)	**7.33**	11.92
Loans to related party (unsecured, considered good) (refer note 34)	**—**	—
Loans to related party (considered doubtful) (refer note 34)	**275.00**	300.00
	282.33	311.92
Less: Provision for doubtful loans	**(275.00)**	(300.00)
Total loans	**7.33**	11.92
Total Loans	**11.74**	16.14

Loans are non-derivative financial assets carried at amortised cost which generate a fixed interest income for the Company. The carrying value may be affected by changes in the credit risk of the counterparties.

There are no loans given to directors or firms / private companies where directors are interested for the periods presented.

NOTE 7 : OTHER FINANCIAL ASSETS

Particulars	As at 31 March 2018 INR lakhs	As at 31 March 2017 INR lakhs
Non-current (unsecured considered good unless otherwise specified)		
Security deposits	**166.83**	164.62
Interest accrued on deposits	**5.69**	2.49
Receivable in respect of non-core activities (net)	**245.74**	245.74
Bank deposits with remaining maturity of more than 12 months	**192.77**	48.93
Total non current financial assets	**611.03**	461.78
Current (unsecured considered good unless otherwise specified)		
Interest accrued on deposits	**84.93**	150.38
Interest accrued on intercorporate deposits (refer note 34)	**—**	—
Interest accrued on intercorporate deposits (considered doubtful) (refer note 34)	**140.13**	81.33
	225.06	231.71
Less: Provision for doubtful assets	**(140.13)**	(81.33)
Total current financial assets	**84.93**	150.38
Total other financial assets	**695.96**	612.16

Note - Receivable in respect of non-core activities

In terms of the agreement with Kalpataru Ltd (KL) for disposal of assets of the activities identified as non-core (referred to as non-core assets) the Company is yet to realise an amount of INR 245.74 lacs, which is outstanding since 2005. The delay in the realisation is on account of appeal filed by the Company before the Hon'ble High Court of Bombay challenging the arbitration award passed in the earlier year. As the realisation of this amount is underwritten by KL and the performance of KL has been guaranteed by Mr. Mofatraj P. Munot, Director of the Company, Kalpataru Group Companies and others, the management is confident of full recovery of non-core dues in due course. Further the Company has received interest income for the year ended 31 March 2018 of INR 14.70 lacs (31 March 2017 of INR 14.70 lacs) from KL on account of delay in realisation.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 8 : OTHER NON-CURRENT ASSETS

Particulars	As at 31 March 2018 INR lakhs	As at 31 March 2017 INR lakhs
Capital advances (unsecured considered good)	**33.12**	33.71
Prepaid expenses (unsecured considered good)	**3.68**	1.19
Total	**36.80**	34.90

There are no advances given to directors or firms / private companies where directors are interested for all the periods presented.

NOTE 9 : INVENTORIES (AT LOWER OF COST AND NET REALISABLE VALUE)

Particulars	As at 31 March 2018 INR lakhs	As at 31 March 2017 INR lakhs
Raw materials		
Raw materials and components	**1,254.52**	1,591.71
Raw materials in transit	**1,669.09**	537.17
Work-in-progress	**74.40**	186.27
Finished goods	**737.46**	1,103.28
Stores and spares	**99.01**	77.92
Packing materials and fuel	**62.55**	50.76
Scrap	**31.15**	37.56
Total	**3,928.18**	3,584.67

In terms of Ind AS-2, inventories are valued at lower of cost and net realisable value and the resultant impact is recognised as an expense /(income) in the statement of profit and loss for the year ended 31 March 2018 which amounts to INR 43.02 lacs (31 March 2017, INR 3.24 lacs).

NOTE 10 : TRADE RECEIVABLES

Particulars	As at 31 March 2018 INR lakhs	As at 31 March 2017 INR lakhs
Trade receivables	**6,373.33**	5,261.32
Receivables from related parties (refer note 34)	**—**	—
Total trade receivables	**6,373.33**	5,261.32
Break-up for security details:		
Trade receivables		
Unsecured, considered good	**6,373.33**	5,261.32
Doubtful	**677.52**	680.58
	7,050.85	5,941.90
Impairment allowance (allowance for bad and doubtful debts)		
Doubtful	**(677.52)**	(680.58)
Total Trade receivables	**6,373.33**	5,261.32
Non-current	**—**	—
Current	**6,373.33**	5,261.32
Total	**6,373.33**	5,261.32

No trade or other receivables are due from directors or other officers of the Company either severally or jointly with any other person.

Nor any trade or other receivables are due from firms or private companies respectively in which any director is a partner, a director or a member.

Trade receivables are non-interest bearing and are generally on terms of 0-90 days.

For terms and conditions relating to related party receivables, refer note 34.

See note 40 on credit risk of trade receivables, which explains how the Company manages and measures credit quality of trade receivables that are neither past due nor impaired.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 11 : CASH AND BANK BALANCES

Particulars	As at 31 March 2018 INR lakhs	As at 31 March 2017 INR lakhs
Cash and cash equivalents		
Balance with banks		
Current accounts	**224.37**	174.47
Unpaid dividend accounts	**14.42**	15.66
Deposits with original maturity of less than three months	**50.00**	1,048.00
Remittances in transit	**75.59**	32.25
Cash on hand	**1.73**	3.23
Total cash and cash equivalents	**366.11**	1,273.61
Other bank balances		
Deposits with remaining maturity of less than 12 months	**2,078.70**	1,222.00
Margin money deposits	**238.55**	749.23
	2,317.25	1,971.23
Total	**2,683.36**	3,244.84

Deposits are made for varying periods generally between one day and twelve months; and occasionally for periods beyond 12 months; depending on the immediate cash requirement of the Company and earn interest at the respective short term deposit rate.

The Company has earmarked two fixed deposits of INR 25 lacs each towards creation of sinking fund for operational purpose.

Financial assets carried at amortised cost

Particulars	As at 31 March 2018 INR lakhs	As at 31 March 2017 INR lakhs
Loans (Note 6)	**11.74**	16.14
Other financial assets (Note 7)	**695.96**	612.16
Trade receivables (Note 10)	**6,373.33**	5,261.32
Cash and bank balances (Note 11)	**2,683.36**	3,244.84
Total	**9,764.39**	9,134.46

NOTE 12 : CURRENT TAX LIABILITIES (NET)

Particulars	As at 31 March 2018 INR lakhs	As at 31 March 2017 INR lakhs
Provision for taxation	**154.63**	155.77
Income tax receivables (net of provision)	**91.54**	73.53
Total Current tax liabilities (net)	**63.09**	82.24
Non-current	**—**	—
Current	**63.09**	82.24
Total	**63.09**	82.24

NOTE 13 : OTHER CURRENT ASSETS

Particulars	As at 31 March 2018 INR lakhs	As at 31 March 2017 INR lakhs
Advances recoverable in cash or in kind (unsecured considered good)	**117.89**	200.30
Balances with GST/central excise authorities (unsecured considered good)	**276.38**	497.11
Prepaid expenses (unsecured considered good)	**20.08**	21.73
Total	**414.35**	719.14

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 14 : SHARE CAPITAL

Authorised share capital

Equity shares of INR 10 each

Particulars	No. of shares	INR lakhs
At 01 April 2016	20,000,000	2,000.00
Increase/(decrease) during the year	—	—
At 31 March 2017	20,000,000	2,000.00
Increase/(decrease) during the year	—	—
At 31 March 2018	**20,000,000**	**2,000.00**

Terms/rights attached to the equity shares

The Company has only one class of equity shares having a par value of INR 10/- each. Each equity shareholder is entitled to one vote per share. The Company declares and pays dividend in Indian rupees. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing annual general meeting.

The Board of Directors has recommended a dividend @ 15% on the equity share capital (INR 1.50 per share of the value of INR 10 each) subject to approval of the shareholders in the ensuing annual general meeting.

In the event of liquidation of the Company, the holders of equity shares will be entitled to receive remaining assets of the Company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.

Issued, subscribed & fully paid up share capital

Equity shares of INR 10 each

Particulars	No. of shares	INR lakhs
At 01 April 2016	13,133,971	1,313.40
Changes during the year	—	—
At 31 March 2017	13,133,971	1,313.40
Changes during the year	—	—
At 31 March 2018	13,133,971	1,313.40

14.1. SHARES HELD BY HOLDING COMPANY

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

Particulars	As at 31 March 2018		As at 31 March 2017	
	No. of shares	**INR lakhs**	No. of shares	INR lakhs
Bilcare Research GmbH				
Equity shares of INR 10 each	**6,698,325**	**669.83**	6,698,325	669.83
Equity share holding (%)		**51.00%**		51.00%

14.2. NUMBER OF SHARES HELD BY EACH SHAREHOLDER HOLDING MORE THAN 5% SHARES IN THE COMPANY

Name of the shareholder	As at 31 March 2018		As at 31 March 2017	
	No. of shares	**% of shareholding**	No. of shares	% of shareholding
Bilcare Research GmbH	**6,698,325**	**51.00%**	6,698,325	51.00%
K. C. Holdings Pvt. Ltd.	**1,242,609**	**9.46%**	1,242,609	9.46%
Mofatraj P. Munot	**664,371**	**5.06%**	664,371	5.06%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 15 : OTHER EQUITY

NOTE 15.1 OTHER RESERVES

INR lakhs

Particulars	Securities premium	General reserve	Retained earnings	Total
As at 01 April 2016	6,497.27	480.00	3,717.29	**10,694.56**
Add: Profit for the year	—	—	965.25	**965.25**
Add: Other comprehensive income for the year	—	—	14.18	**14.18**
Balance available for appropriation	6,497.27	480.00	4,696.72	**11,673.99**
Less : Appropriations				
Transferred to general reserve	—	—	—	**—**
Final dividend for the year ended 31 March 2016	—	—	197.01	**197.01**
Tax on dividend	—	—	40.11	**40.11**
As at 31 March 2017	6,497.27	480.00	4,459.60	**11,436.87**
Add: Profit for the year	—	—	414.05	414.05
Add: Other comprehensive income for the year	—	—	10.56	10.56
Balance available for appropriation	6,497.27	480.00	4,884.21	11,861.48
Less : Appropriations				
Transferred to general reserve	—	—	50.00	50.00
Add: Transfer from retained earnings		50.00		50.00
Final dividend for the year ended 31 March 2017	—	—	197.01	197.01
Tax on dividend	—	—	40.11	40.11
As at 31 March 2018	**6,497.27**	**530.00**	**4,597.09**	**11,624.36**

Other reserves

Particulars	As at 31 March 2018 INR lakhs	As at 31 March 2017 INR lakhs
Securities premium	**6,497.27**	6,497.27
General reserve	**530.00**	480.00
Retained earnings	**4,597.09**	4,459.60
Total other reserves	**11,624.36**	11,436.87

NOTE 15.2 DISTRIBUTIONS MADE AND PROPOSED

Particulars	As at 31 March 2018 INR lakhs	As at 31 March 2017 INR lakhs
Cash dividends on equity shares declared and paid		
Final dividend for the year ended 31 March 2017: INR 1.50 per share (31 March 2016: INR 1.50 per share)	**197.01**	197.01
Dividend distribution tax on final dividend	**40.11**	40.11
	237.12	237.12
Proposed dividends on equity shares		
Final cash dividend proposed for the year ended 31 March 2018: INR 1.50 per share (31 March 2017: INR 1.50 per share)	**197.01**	197.01
Dividend distribution tax on proposed dividend	**40.50**	40.11
	237.51	237.12

Proposed dividend on equity shares are subject to approval of the shareholders of the Company at the annual general meeting and are not recognised as a liability (including taxes thereon) as at 31 March.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 16 : OTHER FINANCIAL LIABILITIES

Particulars		As at 31 March 2018 INR lakhs	As at 31 March 2017 INR lakhs
Non current			
Financial liabilities at amortised cost			
Deposits from customers and others		—	23.04
Total financial liabilities at amortised cost		—	23.04
Total non current other financial liabilities	(a)	—	23.04
Current			
Financial liabilities at amortised cost			
Deposits from customers and others		**53.02**	58.24
Unclaimed dividends		**14.42**	15.66
Total financial liabilities at amortised cost		**67.44**	73.90
Financial liabilities at fair value			
Marked - to - market losses on forward contracts		—	6.08
Total financial liabilities at fair value		—	6.08
Total current other financial liabilities	(b)	**67.44**	79.98
Total other financial liabilities		**67.44**	103.02

Quantitative disclosure of fair value measurement hierarchy

Particulars	Fair value hierarchy	As at 31 March 2018 INR lakhs	As at 31 March 2017 INR lakhs
Forward contracts	Level 2	—	6.08

For explanations on the Company's interest risk, foreign currency risk and liquidity risk management processes, refer to note 40.

Financial liabilities at amortised cost

Particulars	As at 31 March 2018 INR lakhs	As at 31 March 2017 INR lakhs
Trade payables (Note 17)	**2,897.33**	2,136.57
Other financial liabilities (Note 16)	**67.44**	96.94
Total financial liabilities carried at amortised cost	**2,964.77**	2,233.51

NOTE 17 : TRADE AND OTHER PAYABLES

Particulars	As at 31 March 2018 INR lakhs	As at 31 March 2017 INR lakhs
Trade payables - current		
Trade payables	**2,897.33**	2,136.57
Total current trade payables	**2,897.33**	2,136.57

Trade payables are non-interest bearing and are normally settled on 0 - 90 days terms.

For explanations on the Company's foreign currency risk and liquidity risk management processes, refer to note 40.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 18 : PROVISIONS

Particulars		As at 31 March 2018 INR lakhs	As at 31 March 2017 INR lakhs
Non-current			
Employee benefit obligations:			
Compensated absences		**211.70**	219.94
Total non-current employee benefit obligations	(a)	**211.70**	219.94
Current			
Employee benefit obligations:			
Compensated absences		**76.86**	42.51
Gratuity		**17.17**	12.69
Total current employee benefit obligations	(b)	**94.03**	55.20
Total Provisions	(a + b)	**305.73**	275.14

Employee benefits obligations

a) Gratuity

The Company provides gratuity for employees as per the Payment of Gratuity Act, 1972. Employees who are in continuous service for a period of five years are eligible for gratuity. The amount of gratuity is payable on retirement or termination whichever is earlier. The level of benefits provided depends on the member's length of service and salary. The gratuity plan is funded plan. The gratuity obligation is calculated by the Company without keeping any upper limit.

b) Compensated absences

The leave obligation cover the Company's liability for earned leaves.

Also refer note 32 for detailed disclosure.

NOTE 19 : OTHER CURRENT LIABILITIES

Particulars	As at 31 March 2018 INR lakhs	As at 31 March 2017 INR lakhs
Advance from customers	**51.30**	64.83
Other payables		
Statutory dues including provident fund and tax	**9.28**	8.96
Tax deducted at source	**13.81**	12.43
Sales tax	**26.28**	53.00
Income received in advance	**—**	1.60
Total other liabilities	**100.67**	140.82
Total	**100.67**	140.82

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 20 : REVENUE FROM OPERATIONS

Particulars	31 March 2018 INR lakhs	31 March 2017 INR lakhs
Sale of products (including excise duty)	**25,282.77**	25,106.19
Total sale of products	**25,282.77**	25,106.19
Other operating income		
Sale of scrap	**147.64**	287.39
Sale of raw material	**3.52**	16.28
Income from exports scheme	**39.40**	44.71
Processing charges	**—**	121.50
	190.56	469.88
Total	**25,473.33**	25,576.07

Revenue from operations includes excise duty collected from customers of INR 591.81 lacs (Upto 30 June 2017) (31 March 2017: INR 2275.89 lacs). From July 01, 2017 onwards the excise duty and most indirect taxes in India have been replaced by the Goods and Service Tax (GST). The Company collects GST on behalf of the government. Hence, GST is not included in revenue from operations. In view of the aforesaid change in indirect taxes, revenue from operations for the year ended 31 March 2018 is not comparable with 31 March 2017.

NOTE 21 : OTHER INCOME

Particulars	31 March 2018 INR lakhs	31 March 2017 INR lakhs
Interest		
On bank deposits	**191.29**	278.52
On others	**37.98**	28.70
Rent received	**22.64**	23.36
Exchange differences (net)	**29.54**	24.51
Provision no longer required	**25.00**	—
Miscellaneous income	**19.45**	18.16
Total	**325.90**	373.25

NOTE 22 : COST OF RAW MATERIALS AND COMPONENTS CONSUMED

Particulars	31 March 2018 INR lakhs	31 March 2017 INR lakhs
Inventory at the beginning of the year	**1,591.71**	1,521.77
Add : Purchases	**16,695.79**	15,777.10
	18,287.50	17,298.87
Less : Inventory at the end of the year	**(1,254.52)**	(1,591.71)
Total	**17,032.98**	15,707.16

NOTE 23 : CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK-IN-PROGRESS

Particulars	31 March 2018 INR lakhs	31 March 2017 INR lakhs
Opening inventory		
Work-in-process	**186.27**	92.37
Finished goods	**1,103.28**	785.20
Scrap	**37.56**	44.38
Closing inventory		
Work-in-process	**74.40**	186.27
Finished goods	**737.46**	1,103.28
Scrap	**31.15**	37.56
Changes in inventory	**484.10**	(405.16)

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 24 : EMPLOYEE BENEFITS EXPENSE

Particulars	31 March 2018 INR lakhs	31 March 2017 INR lakhs
Salaries, wages and bonus	**2,043.01**	1,943.98
Gratuity expense (refer note 32)	**32.95**	34.38
Contribution to provident and other funds	**110.07**	104.89
Staff welfare expenses	**131.53**	133.84
Total	**2,317.56**	2,217.09

NOTE 25 : FINANCE COSTS

Particulars	31 March 2018 INR lakhs	31 March 2017 INR lakhs
Interest costs	**1.76**	2.63
Bank charges	**48.45**	49.61
Total	**50.21**	52.24

NOTE 26 : DEPRECIATION AND AMORTISATION EXPENSE

Particulars	31 March 2018 INR lakhs	31 March 2017 INR lakhs
Depreciation and amortisation expense		
Depreciation on tangible assets (refer note 3)	**295.46**	270.56
Depreciation on investment properties (refer note 4)	**4.09**	4.32
Amortisation on intangible assets (refer note 5)	**38.46**	68.00
Total	**338.01**	342.88

NOTE 27 : OTHER EXPENSES

Particulars	31 March 2018 INR lakhs	31 March 2017 INR lakhs
Consumption of stores	**185.46**	198.72
Consumption of packing material	**661.24**	586.29
Sub-contracting expenses	**46.33**	58.30
Excise duty on increase/(decrease) in inventory	**(109.78)**	0.45
Power and fuel	**1,688.90**	1,719.42
Freight and forwarding charges	**1,013.65**	883.92
Rent	**36.74**	35.54
Rates and taxes	**5.84**	6.11
Insurance	**16.21**	19.30
Repairs and maintenance		
Plant and machinery	**73.92**	70.62
Building	**30.54**	26.68
Others	**14.98**	27.74
CSR expenditure (refer details below)	**39.74**	28.62
Sales commission	**105.31**	193.49
Travelling and conveyance	**140.15**	165.42
Communication costs	**34.25**	44.52
Printing and stationery	**14.11**	21.32
Advertising and sales promotion	**8.19**	13.64
Legal and professional fees	**99.28**	126.25

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 27 : OTHER EXPENSES (Contd.)

Particulars	31 March 2018 INR lakhs	31 March 2017 INR lakhs
Directors sitting fees	**17.50**	10.50
Payment to auditor (refer details below)	**26.34**	31.77
Bad debts and advances written off	**4.99**	1.38
Loss on sales of fixed assets	**2.90**	0.27
Expenses relating to non-core activities	**—**	5.18
(Reimbursement) of expenses relating to non-core activities by Kalpataru Ltd	**—**	(5.18)
Miscellaneous expenses	**243.39**	239.66
Total	**4,400.18**	4,509.93

Payment to auditors (net of service tax/GST)

Particulars	31 March 2018 INR lakhs	31 March 2017 INR lakhs
As Auditor		
Audit fees	**15.00**	20.00
Limited review fees	**9.00**	9.00
Reimbursement of expenses	**2.34**	2.77
Total	**26.34**	31.77

Details of CSR expenditure:

Particulars	31 March 2018 INR lakhs	31 March 2017 INR lakhs
Gross amount required to be spent by the Company during the year	**24.16**	19.65

Amount spent during the year ending on March 31, 2018

	In cash	Yet to be paid in cash	Total
i) Construction of asset	**—**	**14.38**	**14.38**
ii) On purposes other than (i) above	**24.28**	**1.08**	**25.36**

Amount spent during the year ending on March 31, 2017

	In cash	Yet to be paid in cash	Total
i) Construction of asset	—	12.77	12.77
ii) On purposes other than (i) above	11.62	4.23	15.85

NOTE 28 : EXCEPTIONAL ITEMS

Particulars	31 March 2018 INR lakhs	31 March 2017 INR lakhs
Profit from sale of residential flat	**—**	223.06
Total	**—**	223.06

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 29 : COMPONENTS OF OTHER COMPREHENSIVE INCOME (OCI)

The disaggregation of changes to OCI by each type of reserve in equity is shown below:

Particulars	Retained earnings INR lakhs	Total INR lakhs
During the year ended 31 March 2018		
Re-measurement gains on defined benefit plans	**15.78**	15.78
	15.78	15.78
During the year ended 31 March 2017		
Re-measurement gains on defined benefit plans	**21.69**	21.69
	21.69	21.69

NOTE 30 : INCOME TAX

The note below details the major components of income tax expenses for the year ended 31 March 2018 and 31 March 2017. The note further describes the significant estimates made in relation to Company's income tax position and also explains how the income tax expense is impacted by non-assessable and non-deductible items.

Particulars	31 March 2018 INR lakhs	31 March 2017 INR lakhs
Statement of profit and loss		
Current income tax		
Current income tax charge	**200.78**	466.49
Adjustment in respect of current income tax relating to earlier years	**(19.00)**	(25.00)
Deferred tax		
Relating to origination and reversal of temporary differences	**(11.45)**	65.61
Income tax expense reported in the statement of profit and loss	**170.33**	507.10

Other Comprehensive Income (OCI)

Particulars	31 March 2018 INR lakhs	31 March 2017 INR lakhs
Tax related to items recognised in OCI during the year	**(5.22)**	(7.51)
Income tax charged to OCI	**(5.22)**	(7.51)

Reconciliation of tax expense and the accounting profit multiplied by applicable tax rate as notified under Income Tax Act, 1961 enacted in India for the years ended 31 March 2018 and 31 March 2017.

A) Current tax

Particulars	31 March 2018 INR lakhs	31 March 2017 INR lakhs
Accounting profit before income tax expense	**584.38**	1,472.35
Other comprehensive income before tax	**15.78**	21.69
Total comprehensive income before tax	**600.16**	1,494.04
Tax @ 33.06% (31 March 2017: 34.61%)	**198.41**	517.09
Tax effect of adjustments in calculating taxable income:		
Items not allowed for tax purpose	**14.10**	13.37
Income tax adjustments (earlier years)	**(19.00)**	(25.00)
Other tax allowances	**(21.98)**	—
Other disallowances	**4.02**	9.15
At the effective income tax rate of 31 March 2018 29.24% (31 March 2017 : 34.44%)	**175.55**	514.61
Income tax effect on OCI	**5.22**	7.51
Income tax expenses reported in the statement of profit and loss	**170.33**	507.10
Income tax Total	**175.55**	514.61

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 30 : INCOME TAX (Contd.)

B) Deferred tax

Particulars	Balance sheet		Statement of profit and loss	
	31 March 2018 INR lakhs	31 March 2017 INR lakhs	**31 March 2018 INR lakhs**	31 March 2017 INR lakhs
Depreciation	**(85.54)**	(79.85)	**(5.69)**	16.83
Disallowances u/s 43B of Income Tax Act	**134.01**	123.47	**10.54**	(95.06)
Provision for doubtful debts & advances	**270.29**	263.70	**6.59**	12.62
Deferred tax expense/(income)			**11.44**	(65.61)
Net deferred tax assets/(liabilities)	**318.76**	307.32		
Reflected in the balance sheet as follows:				
Deferred tax liabilities	**(85.54)**	(79.85)		
Deferred tax assets	**404.30**	387.17		
Deferred tax assets (net)	**318.76**	307.32		

Particulars	**31 March 2018**	31 March 2017
Reconciliation of deferred tax assets net		
Opening balance	**307.32**	372.93
Tax income / (expense) during the year recognised in profit or loss	**11.44**	(65.61)
Closing balance	**318.76**	307.32

The Company offsets tax assets and liabilities if and only if it has a legally enforceable right to set off current tax assets and current tax liabilities and the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same tax authority.

During the year ended 31 March 2018 and 31 March 2017, the Company has paid dividend to its shareholders. This has resulted in payment of dividend distribution tax (DDT) to the taxation authorities. The Company believes that dividend distribution tax represents additional payment to taxation authority on behalf of the shareholders. Hence dividend distribution tax paid is charged to equity.

The applicable tax rate for 31 March 2018 : 33.063% (31 March 2017: 34.608%)

NOTE 31 : EARNINGS PER SHARE

Basic EPS amounts are calculated by dividing the profit for the year by the weighted average number of equity shares outstanding during the year. The earnings considered in ascertaining the Company's earnings per share ('EPS') comprise the net profit after tax attributable to equity shareholders.

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

Particulars	**31 March 2018 INR lakhs**	31 March 2017 INR lakhs
Earning per share (Basic and diluted)		
Profit attributable to owners of the Company (INR in lacs)	**414.05**	965.25
Weighted average number of equity shares for the purpose of computing earnings per share (basic and diluted)*	**13,133,971**	13,133,971
Basic and diluted earnings per share	**3.15**	7.35

* The weighted average number of equity shares outstanding during the year is adjusted for events of bonus issue, bonus element in a rights issue to existing shareholders, share split, and reverse share split (consolidation of shares) other than the conversion of potential equity shares that have changed the number of equity shares outstanding, without a corresponding change in resources.

NOTE 32 : GRATUITY AND OTHER EMPLOYMENT BENEFITS

A. Defined contribution plans:

Amount for the period ended 31 March 2018 of INR 95.32 lacs (31 March 2017: INR 89.31 lacs) is recognised as expenses and included in note 24 "Employee benefit expense".

B. Defined benefit plans:

The Company has a defined benefit gratuity plan. The fund is administered by ICICI Prudential Life Insurance. The following table summarises the components of net benefit expense recognised in the statement of profit or loss and the funded status and amounts recognised in the balance sheet for gratuity.

31 March 2018 : Changes in defined benefit obligation and plan assets

(INR Lakhs)

	Gratuity cost charged to statement of profit and loss					Remeasurement gains/(losses) in other comprehensive income					
	1 April 2017	Service cost	Net interest expense	**Sub-total included in statement of profit and loss (note 24)**	**Benefit paid**	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in financial assumptions	Experience adjustments	**Sub-total included in OCI (note 29)**	**Contributions by employer**	**31 March 2018**
Gratuity											
Defined benefit obligation	(556.84)	(32.07)	(38.39)	**(70.46)**	43.94	—	21.97	(7.91)	14.06	—	(569.30)
Fair value of plan assets	544.15	—	37.52	**37.52**	(43.94)	1.72	—	—	1.72	12.69	552.14
Benefit liability	**(12.69)**	**(32.07)**	**(0.87)**	**(32.94)**	**—**	**1.72**	**21.97**	**(7.91)**	**15.78**	**12.69**	**(17.16)**
Total benefit liability	**(12.69)**	**(32.07)**	**(0.87)**	**(32.94)**	**—**	**1.72**	**21.97**	**(7.91)**	**15.78**	**12.69**	**(17.16)**

31 March 2017 : Changes in defined benefit obligation and plan assets

(INR Lakhs)

	Gratuity cost charged to statement of profit and loss					Remeasurement gains/(losses) in other comprehensive income					
	1 April 2016	Service cost	Net interest expense	**Sub-total included in statement of profit and loss (note 24)**	**Benefit paid**	Return on plan assets (excluding amounts included in net interest expense)	Actuarial changes arising from changes in financial assumptions	Experience adjustments	**Sub-total included in OCI (note 29)**	**Contributions by employer**	**31 March 2017**
Gratuity											
Defined benefit obligation	(541.62)	(31.36)	(41.13)	(72.49)	63.23	—	(24.52)	18.56	(5.96)	—	(556.84)
Fair value of plan assets	501.89	—	38.11	38.11	(63.23)	27.65	—	—	27.65	39.73	544.15
Benefit liability	**(39.73)**	**(31.36)**	**(3.02)**	**(34.38)**	**—**	**27.65**	**(24.52)**	**18.56**	**21.69**	**39.73**	**(12.69)**
Total benefit liability	**(39.73)**	**(31.36)**	**(3.02)**	**(34.38)**	**—**	**27.65**	**(24.52)**	**18.56**	**21.69**	**39.73**	**(12.69)**

NOTE 32 : DISCLOSURE PURSUANT TO EMPLOYEE BENEFITS (Continued)

C. Other long-term employment benefits

The Company has compensated absences plan which is covered by other long-term employment benefits

31 March 2018 : Changes in defined benefit obligation of compensated absences

(INR Lakhs)

		Cost charged to statement of profit and loss					
	1 April 2017	Service cost	Interest cost	Actuarial changes arising from various assumption	**Sub-total included in statement of profit and loss (note 24)**	**Benefit paid**	**31 March 2018**
Compensated absences							
Defined benefit obligation	(262.45)	(40.28)	(18.10)	(13.29)	(71.67)	45.56	(288.56)
Benefit liability	**(262.45)**	**(40.28)**	**(18.10)**	**(13.29)**	**(71.67)**	**45.56**	**(288.56)**

31 March 2017 : Changes in defined benefit obligation and plan assets of Compensated absences

		Cost charged to statement of profit and loss					
	1 April 2016	Service cost	Interest cost	Actuarial changes arising from various assumption	**Sub-total included in statement of profit and loss (note 24)**	Benefit paid	31 March 2017
Compensated absences							
Defined benefit obligation	(258.21)	—	(19.61)	(33.23)	(52.84)	48.60	(262.45)
Benefit liability	**(258.21)**	**—**	**(19.61)**	**(33.23)**	**(52.84)**	**48.60**	**(262.45)**

The major categories of plan assets as a percentage of the fair value of the total plan assets of gratuity are as follows:

Particulars	**31 March 2018**	31 March 2017
Insured managed funds (INR in lacs)	**552.14**	544.15
(%) of total plan assets	**100%**	100%

The principal assumptions used in determining above defined benefit obligations for the Company's plans are shown below:

Particulars	**31 March 2018**	31 March 2017
Discount rate	**7.5%**	6.9%
Future salary increase	**8.0%**	8.0%
Expected rate of return on plan assets	**8.0%**	8.0%
Expected average remaining working lives (in years)		
Gratuity	**17.88 Years**	18.37 Years
Compensated absences	**17.88 Years**	18.37 Years
Withdrawal rate (based on grade and age of employees)		
Gratuity	**5.0%**	5.0%
Compensated absences	**5.0%**	5.0%

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 32 : DISCLOSURE PURSUANT TO EMPLOYEE BENEFITS (Continued)

A quantitative sensitivity analysis for significant assumption is as shown below:

Gratuity

Particulars	Sensitivity level	Increase/decrease in defined benefit obligation (Impact)	
		31 March 2018 INR lakhs	31 March 2017 INR lakhs
Discount rate	1% increase	**535.73**	538.99
	1% decrease	**606.96**	575.76
Future salary increase	1% increase	**606.41**	575.47
	1% decrease	**535.58**	539.09
Withdrawal rate	50% increase	**566.62**	554.53
	50% decrease	**572.64**	559.35

The sensitivity analyses above have been determined based on a method that extrapolates the impact on defined benefit obligations as a result of reasonable changes in key assumptions occurring at the end of the reporting period.

The followings are the expected future benefit payments for the defined benefit plan:

Particulars	**31 March 2018 INR lakhs**	31 March 2017 INR lakhs
Within the next 12 months (next annual reporting period)		
Gratuity	**122.17**	93.69
Between 2 and 5 years		
Gratuity	**208.60**	226.73
Beyond 5 years		
Gratuity	**680.83**	650.55
Total expected payments	**1,011.60**	970.97

Weighted average duration of defined plan obligation (based on discounted cash flows)

Particulars	**31 March 2018 Years**	31 March 2017 Years
Gratuity	**6 years**	7 years

The followings are the expected contributions to planned assets for the next year:

Particulars	**31 March 2018 INR lakhs**	31 March 2017 INR lakhs
Gratuity	**45.42**	42.59

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 33 : COMMITMENTS AND CONTINGENCIES

a. Leases

Operating lease commitments – Company as a lessee

The Company has entered into various operating leases for offices and godowns. These leases have an average life between one and five years with renewal option included in the contracts.

The Company has paid for the year ended 31 March 2018 INR 36.74 lacs (31 March 2017: INR 35.54 lacs) during the year towards minimum lease payment.

Future minimum rentals payable under non-cancellable operating leases as at 31 March are, as follows:

Particulars	**31 March 2018 INR lakhs**	31 March 2017 INR lakhs
Within one year	**2.35**	—
After one year but not more than five years	**—**	—
More than five years	**—**	—

Operating lease commitments – Company as lessor

The Company has entered into operating leases on its investment property consisting of residential flats and have lease term between one and five years with renewal options.

b. Capital and other commitments

Particulars	**31 March 2018 INR lakhs**	31 March 2017 INR lakhs
Capital commitments		
Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances)	**76.56**	211.07

c. Contingent Liabilities

Particulars	**31 March 2018 INR lakhs**	31 March 2017 INR lakhs
Contingent liabilities not provided for		
a. Demands of Excise authorities which are disputed in appeals by the Company	**62.24**	62.24
b. Other excise notices pending adjudication	**190.50**	192.93
c. Demands of Income tax authorities which are disputed in appeals and not provided for (refer Note 1 below)	**—**	—
d. Claims against the company not acknowledged as debts - estimated	**395.99**	365.69
	648.73	620.86

Note:

In earlier years, the Company had received order from the Income Tax Appellate Tribunal (ITAT) in its favour relating to assessment years 2001-02 to 2004-05. The Income Tax Department have filed appeals before the Hon'ble Bombay High Court against the ITAT order. The Company estimates that liability may not arise based on the facts mentioned in ITAT order and matters settled by Hon'ble Bombay High Court on similar and like cases.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 34 : RELATED PARTY TRANSACTIONS

Related parties have been identified on the basis of representation made by the Key Management Persons and taken on record by the Board.

Disclosures of transactions with related parties are as under:

A. Description of Related Parties

i) Name of the related party and nature of relationship where control exists

Related party category	Name of the Entity
Holding company	Bilcare Research GmbH
	Bilcare Research AG
Ultimate holding company	Bilcare Limited
Associates of Indian promoters group	Kalpataru Limited
Enterprises over which one of the Key Management Personnel exercise control/significant influence in the capacity of partner of the firm	Kanga & Co.
Enterprises in which key management personnel is director	K. C. Holdings Pvt Ltd Kalpataru Properties Private Limited
Relatives of key management personnel	Parag Mofatraj Munot

ii) Key management personnel

Name	Name of the office held
Mr. Mofatraj P. Munot	Chairman, Promoter Director
Mr. Robin Banerjee	Managing Director
Mr. Mohan H. Bhandari	Promoter Director
Mr. Bhoumik S. Vaidya	Independent Director
Mr. K V Mani	Independent Director
Ms. Anjali Seth	Independent Director
Mr. Nitin K Joshi	Independent Director
Mr. Siddharth S. Shetye	Independent Director
Mr. Narendra Lodha	Non Independent Director

NOTE 34 : RELATED PARTY TRANSACTIONS (Continued)

B. Transactions with related parties

Related party category	Name of the related party	31 March 2018 INR lakhs	31 March 2017 INR lakhs	Nature of transaction
Enterprises over which one of the key management personnel exercise control/significant influence in the capacity of partner of the firm	Kanga & Co.	**Nil**	14.25	Professional services paid
Total		**Nil**	14.25	
Ultimate Holding Company	Bilcare Limited	**65.33**	42.00	Interest accrued (gross)
Associates of Indian promoters group	Kalpataru Limited	**14.70**	14.70	Interest accrued (gross)
Total		**80.03**	56.70	
Holding Company	Bilcare Research AG	**17.50**	17.46	Reimbursement of expenses
Enterprises over which one of the key management personnel exercise control/significant influence in the capacity of partner of the firm	Kalpataru Limited	**—**	5.18	Reimbursement of expenses
Total		**17.50**	22.64	
Ultimate Holding Company	Bilcare Limited	**25.00**	—	Intercorporate Deposits principle received
Total		**25.00**	—	
Ultimate Holding Company	Bilcare Limited	**58.80**	37.80	Expense recognised during the period in respect for bad or doubtful debts/ advances
Ultimate Holding Company	Bilcare Limited	**(25.00)**	—	Expense recognised during the period in respect for bad or doubtful debts/ advances
Total		**33.80**	37.80	
Holding Company	Bilcare Research Gmbh	100.47	100.47	Dividend paid
Enterprises in which key management personnel is director	K. C. Holdings Pvt Ltd	18.64	18.64	Dividend paid
Key management personnel	Mofatraj P. Munot	9.97	9.97	Dividend paid
Enterprises in which key management personnel is director	Kalpataru Properties Pvt Ltd	**4.11**	4.11	Dividend paid
Relatives of key management personnel	Parag Mofatraj Munot	**6.68**	6.68	Dividend paid
Total		**139.87**	139.87	

NOTE 34 : RELATED PARTY TRANSACTIONS (Continued)

C. Outstanding with/from related party

Nature of balances	Name of the related party	31 March 2018 INR lakhs	31 March 2017 INR lakhs
Accounts receivable Ultimate Holding Company			
Sale of goods	Bilcare Limited	**338.50**	338.50
Intercorporate Deposits	Bilcare Limited	**275.00**	300.00
Interest on Intercorporate deposits	Bilcare Limited	**140.13**	81.33
Total		**753.63**	719.83
Provision for doubtful receivables			
Ultimate Holding Company	Bilcare Limited	**753.63**	719.83
Total		**753.63**	719.83
Receivables in respect of non core activities			
Enterprises over which one of the key management personnel exercise control/significant influence in the capacity of partner of the firm	Kalpataru Limited	**245.74**	245.74
Total		**245.74**	245.74

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 34 : RELATED PARTY TRANSACTIONS (Continued)

Terms and conditions of transactions with related parties

Outstanding balances are unsecured and interest free and settlement occurs in cash. For the year ended 31 March 2018, the Company has recorded an impairment of receivables relating to amounts owed by related parties of INR 58.80 lacs (31 March 2017: INR 37.80 lacs). This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related party operates.

Commitments with related parties

The Company has not provided any commitment to the related party as at 31 March 2018 (31 March 2017: INR Nil)

Guarantee from related parties:

The realisation of amount due on account of disposal of assets of the activities identified as non core is underwritten by Kalpataru Limited (KL) and the performance of KL has been guaranteed by Mr. Mofatraj P. Munot, Director of the Company, Kalpataru Group Companies and others. (refer note 7)

Transactions with key management personnel

Compensation of key management personnel of the Company

Particulars	**31 March 2018 INR lakhs**	31 March 2017 INR lakhs
Mr. Robin Banerjee, Managing Director		
Salary & allowances	**111.00**	110.35
Reimbursement of medical & leave travel expenses	**4.75**	4.68
Contribution to Provident & other funds	**8.28**	8.25
Total	**124.03**	123.28

The amount disclosed in the table are the amount recognised as an expense during the reporting period related to key management personnel.

Particulars	**Name of the office held**	**31 March 2018 INR lakhs**	31 March 2017 INR lakhs
Mr. Mofatraj P. Munot	Chairman, Promoter Director	**1.00**	0.60
Mr. Mohan H. Bhandari	Promoter Director	**2.00**	1.10
Mr. Suresh Gandhi #	Non Promoter Director	**0.00**	1.00
Mr. Bhoumik S. Vaidya	Independent Director	**2.25**	2.40
Mr. K V Mani	Independent Director	**3.50**	1.55
Ms. Anjali Seth	Independent Director	**2.25**	0.60
Mr. Nitin K Joshi	Independent Director	**2.50**	1.30
Mr. Siddharth S. Shetye	Independent Director	**3.00**	1.95
Mr. Narendra Lodha	Non-Independent Director	**1.00**	0.00
Total		**17.50**	10.50

Held office upto 30th September, 2016

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 35 : OPERATING SEGMENT

The Company is engaged mainly in processing of plastic polymers and its products are covered under a one business segment i.e. processing of plastic polymers as primary segment. The geographical information required by Ind AS 108 is as under:

Particulars	31 March 2018 INR lakhs	31 March 2017 INR lakhs
a) Revenue from operations		
Sale of products		
Within India	**21,502.29**	22,168.28
Outside India	**3,971.03**	3,407.79
Total	**25,473.32**	25,576.07
b) Non-current assets*		
Within India	**1,946.34**	1,804.28
Outside India	**—**	—
Total	**1,946.34**	1,804.28

***Note:** Non current assets excludes financial assets, deferred tax assets and post employment benefit assets.

NOTE 36 : DERIVATIVES NOT DESIGNATED AS HEDGING INSTRUMENTS

The Company uses foreign exchange forward contracts to manage some of its transaction exposures. The foreign exchange forward contracts are not designated as cash flow hedges and are entered into for periods consistent with foreign currency exposure of the underlying transactions, generally upto three months.

NOTE 37 : DETAILS OF DUES TO MICRO AND SMALL ENTERPRISES AS DEFINED UNDER THE MSMED ACT, 2006

Particulars	31 March 2018 INR lakhs	31 March 2017 INR lakhs
(i) The principal amount and the interest due thereon remaining unpaid to any supplier as at the end of each accounting year		
– Principal amount due to micro and small enterprises	**66.58**	51.83
– Interest due on above (*)	**0.24**	0.12
(ii) The amount of interest paid by the buyer in terms of section 16 of the MSMED Act 2006 along with the amounts of the payment made to the supplier beyond the appointed day during each accounting year	—	—
(iii) The amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act 2006. (*)	**7.13**	7.01
(iv) The amount of interest accrued and remaining unpaid at the end of each accounting year	—	—
(v) The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprise for the purpose of disallowance as a deductible expenditure under section 23 of the MSMED Act, 2006 (*)	**7.13**	2.23

(*) As per the terms of the commercial agreements with micro, small and medium enterprises there is no interest amount to be paid / payable by the Company.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 38 : FAIR VALUE DISCLOSURES FOR FINANCIAL ASSETS AND FINANCIAL LIABILITIES

Management believes that the fair values of non-current financial assets (loans and others), current financial assets (e.g., cash and cash equivalents, trade and other receivables and loans), non-current financial liabilities and current financial liabilities (e.g., trade payables and other payables and others) approximate their carrying amounts and accordingly, seperate disclosure have not been made. Refer note 7 to the financial statements.

NOTE 39 : EXPENDITURE INCURRED ON RESEARCH AND DEVELOPMENT (R&D)

The Company received from Ministry of Science & Technology, Government of India recognition for In House R&D Unit at its Nashik Factory and at its Thane Factory during the year ended 31 March 2018 and 31 March 2017 respectively.

The details of expenditure incurred on R&D for the financial year ended 31 March 2018 are as under:

Particulars	31 March 2018 INR in lacs Thane Unit	31 March 2018 INR in lacs Nashik Unit	31 March 2018 INR in lacs Total
Capital	**8.56**	**2.73**	**11.29**
Revenue	**27.11**	**39.04**	**66.15**
Total	**35.67**	**41.77**	**77.44**

The details of expenditure incurred on R&D for the financial year ended 31 March 2017 are as under:

Particulars	31 March 2017 INR in lacs Thane Unit	31 March 2017 INR in lacs Nashik Unit	31 March 2017 INR in lacs Total
Capital	**3.83**	**0.43**	**4.26**
Revenue	**33.10**	**42.49**	**75.59**
Total	**36.93**	**42.92**	**79.85**

NOTE 40: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES

The Company's principal financial liabilities comprise of trade and other payables and other financial liabilities. The Company's principal financial assets includes loans, trade receivables, cash and bank balances, other assets and other financial assets that derive directly from its operations.

The Company is exposed to market risk, credit risk and liquidity risk. The Company's senior management oversees and advises on these risks. The Company's senior finance team advises on financial risks and provides assurance that the Company's financial risk are identified, measured, managed and mitigated in accordance with general risk mitigation policies and objectives. All derivative activities, primarily forward exchange cover are carried out by senior finance team who has the appropriate skills, expertise and experience and is being overseen by the Managing Director from time to time as per business needs. It is the Company's policy that no trading in derivatives for speculative purposes be undertaken. The Board of Directors review and agree policies for managing each of these risks, which are summarised below.

(a) Market risk

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risk: interest rate risk, currency risk and other price risk, such as equity price risk and commodity risk. Financial instruments affected by market risk include deposits, trade and other receivables and trade and other payables.

The sensitivity analyses in the following sections relate to the position as at 31 March 2018 and 31 March 2017.

The sensitivity analyses have been prepared on the basis that the amount of net debt, the ratio of fixed to floating interest rates of the debt and derivatives and the proportion of financial instruments in foreign currencies are all constant and on the basis of the hedge designations in place at 31 March 2018.

The analyses exclude the impact of movements in market variables on: the carrying values of gratuity, pension and other post-retirement obligations and provisions.

The following assumption has been made in calculating the sensitivity analyses:

- The sensitivity of the relevant statement of profit or loss item is the effect of the assumed changes in respective market risks. This is based on the financial assets and financial liabilities held at 31 March 2018 and 31 March 2017.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 40: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Interest rate risk

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company does not have any long term & short term borrowings.

The impact of +/(-) 25 bps in bank interest rates on deposits is estimated at +/(-) INR 6.40 lacs as on 31.03.2018, +/(-) INR 7.70 lacs as on 31.03.2017, without considering any change in deposit amounts.

Foreign currency risk

Foreign currency risk is the risk that the fair value or future cash flows of an exposure will fluctuate because of changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the Company's operating activities (when revenue or expense is denominated in a foreign currency).

Following table demonstrates Company's foreign currency exposure

Nature of exposure	**Currency**	**31 March 2018**		31 March 2017	
		Foreign currencies	**INR lakhs**	Foreign currencies	INR lakhs
Receivable –					
Export Trade receivable	USD	1,268,734	826.83	796,457	515.87
	EUR	8,524	6.84	13,350	9.23
	AED	258,904	45.88	39,710	7.15
Payable –					
Import Trade payable	USD	2,919,710	1,903.07	961,573	622.91
	EUR	191,091	153.41	62,516	43.24
Hedged portion					
Forward contract to buy US$	USD	—	—	450,000	291.51

When a derivative is entered into for the purpose of being a hedge, the Company negotiates the terms of those derivatives to match the terms of the hedged exposure. For hedges of forecast transactions the derivatives cover the period of exposure from the point the cash flows of the transactions are forecasted up to the point of settlement of the resulting receivable or payable that is denominated in the foreign currency.

The Company manages its foreign currency risk by hedging transactions that are expected to occur within a maximum three month period for hedges of sales and purchases.

As at 31 March 2018 and 31 March 2017, the Company has hedged US$ Nil and US$ 450,000, for 2-4 months, respectively, of its total foreign currency exposure. This foreign currency risk is hedged by using foreign currency forward contracts.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 40: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Foreign currency sensitivity

The following tables demonstrate the sensitivity to a reasonably possible change in USD exchange rate, with all other variables held constant. The impact on the Company's profit before tax is due to changes in the fair value of monetary assets and liabilities. The Company's exposure to foreign currency changes for all other currencies is not material and have not covered in sensitivity analysis.

Particulars	Change in USD rate	Effect on profit before tax- gain/ (loss) (INR lacs)
31 March 2018	**+5%**	(53.81)
	-5%	53.81
31 March 2017	**+5%**	9.22
	-5%	(9.22)

Commodity price risk

The Company is affected by the price volatility of resin, base raw material for manufacturing PVC Films and being sourced from both domestic and international suppliers. The price volatility is due to demand-supply position in international market and exchange impact arising due to delivery lead time. The upward or downward trend in raw material is generally being passed on to the end customer other than exceptional cases as per business needs and therefore neutralising the exchange risks arising therefrom and as such the impact of such volatility, is difficult to be quantified or measured.

The impact of +/(-) 1% in resin cost is estimated at +/(-) INR 120 lacs as on 31.03.2018, +/(-) INR 115 lacs as on 31.03.2017, without considering any change in sales realisation for any given period.

Equity price risk

The Company has not made investments in equity securities, hence are not susceptible to market price risk arising from uncertainties about future values of the investment securities.

(b) Credit risk

Credit risk is the risk that a counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily trade receivables) and from its financing activities, including deposits with banks, foreign exchange transactions and other financial instruments. A provision is created for a counter party whose payment is due more than 180 days after its due date.

Trade receivables

Customer credit risk is managed by each business unit subject to the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on an extensive credit rating scorecard and individual credit limits are defined in accordance with this assessment. Outstanding customer receivables are regularly monitored and any shipments to major customers are generally covered by letters of credit or other forms of credit insurance.

An impairment analysis is performed at each reporting date on an individual basis for major clients. The calculation is based on actual incurred historical data. The maximum exposure to credit risk at the reporting date is the carrying value of each class of financial assets disclosed in note 10. The Company does not hold collateral as security. The Company evaluates the concentration of risk with respect to trade receivables as low, as its customers are located in several jurisdictions and industries and operate in largely independent markets.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 40: FINANCIAL RISK MANAGEMENT OBJECTIVES AND POLICIES (Continued)

Financial instruments and cash deposits

Credit risk from balances with banks and financial institutions is managed by the Company's treasury department in accordance with the Company's policy.

The Company's maximum exposure to credit risk for the components of the Balance Sheet as at 31 March 2018 and 31 March 2017 is the carrying amounts as illustrated in note 10 and note 11. The Company's maximum exposure relating to financial instruments is noted in the liquidity table below.

(c) Liquidity risk

The table below summarises the maturity profile of the Company's financial liabilities based on contractual undiscounted payments:

INR in lacs

Particulars	On Demand	less than 3 months	3 months to 1 year	1 year to 5 years	Total
Year ended 31 March 2018					
Trade, other payables and other financial liabilities	138.85	2,487.80	315.10	—	2,941.75
	138.85	**2,487.80**	**315.10**	**—**	**2,941.75**
Year ended 31 March 2017					
Trade, other payables and other financial liabilities	158.92	1,598.06	459.58	23.04	2,239.60
	158.92	**1,598.06**	**459.58**	**23.04**	**2,239.60**

The disclosed financial derivative instruments in the above table are the gross undiscounted cash flows. However, those amounts may be settled gross or net.

NOTE 41 : CAPITAL MANAGEMENT

For the purpose of the Company's capital management, capital includes issued equity capital and all other equity reserves attributable to the equity holders of the Company. The primary objective of the Company's capital management is to ensure that it maintains a strong credit rating and healthy capital ratios in order to support its business and maximise shareholder value. The Company does not have short term/long term borrowings and manages its working capital requirements through internal sources.

The position of net current assets and total shareholders equity are as follows -

Particulars	31 March 2018 INR lakhs	31 March 2017 INR lakhs
Current Assets	**13,491.48**	12,972.27
Less: Current liabilities	**3,222.56**	2,494.81
Net current assets	**10,268.92**	10,477.46
Equity share capital	**1,313.40**	1,313.40
Other equity	**11,624.36**	11,436.87
Total capital	**12,937.76**	12,750.27

No changes were made in the objectives, policies or processes for managing capital during the years ended 31 March 2018 and 31 March 2017.

NOTES TO THE FINANCIAL STATEMENTS FOR THE YEAR ENDED 31 MARCH 2018

NOTE 42 : STANDARDS ISSUED BUT NOT YET EFFECTIVE

In March 2017, The Ministry of Corporate Affairs issued the Companies (Indian Accounting Standards) (Amendments) Rules, 2017, notifying amendments to Ind AS-7, 'Statement of Cash Flows' and Ind AS-102, 'Share Based Payments'. These amendments are in accordance with the recent amendment made by International Accounting Standards Board, IAS 6 to IAS 7, 'Statement of cash flows' and IFRS, 'Share Based Payments', respectively. The amendments are applicable to the company from 1 April 2017.

Amendment to Ind AS 7:

The Amendment to Ind AS 7 requires the entities to provide disclosure that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flow changes and non-cash changes, suggesting inclusion of a reconciliation between the opening and closing balances in the balance sheet for liabilities arising from financing activities, to meet the disclosure requirement. The Company is evaluating the requirement of the amendment and the effect on the financial statements is being evaluated.

Amendment to Ind AS 102:

The Amendment to Ind AS 102 provides specific guidance to measurement of cash-settled awards, modification of cash settled awards and awards that include a net settlement feature in respect of withholding taxes. Since the Company does not have cash settled awards or awards with net settlement features, this amendment does not have any effect on the financial statements of the Company.

NOTE 43 : WORKING CAPITAL FACILITIES BY BANK

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

NOTE 44 : PREVIOUS YEAR FIGURES

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

As per our report of even date
For S R B C & Co L L P
Chartered Accountants
ICAI Firm Registration No: 324982E/E300003

per PAUL ALVARES
Partner
Membership No: 105754
Place : Pune
Date : May 18, 2018

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

ROBIN BANERJEE	SIDDHARTH S. SHETYE	K. R. VISWANATHAN
Managing Director	*Director*	*CFO & Company Secretary*
DIN: 00008893	DIN: 06943119	ACS Membership No: 5931
Place : Pune	Place : Pune	Place : Pune
Date : May 18, 2018	Date : May 18, 2018	Date : May 18, 2018

Our Products and their uses

1. **SUNBLIS:**

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

2. **SUNDENE:**

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

3. **SUNBLIS JEWEL:**

   Metallic blister films for differentiating packaging solutions.

4. **SUNPLEX BILAM/TRILAM:**

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

5. **SUNPLEX HI-B:**

   Ultra high bearer packaging films.

6. **SUNPLEX MPAC/LAMPAC:**

   Metallised films, premium packaging solutions for pharma and food packaging markets.

7. **SUNVIC:**

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

8. **SUNFLEX:**

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

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

9. **SUNPAC:**

   Flute Board.

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

Our Exports

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

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

caprihans
INDIA LIMITED

Dear Shareholders,

RE: SHAREHOLDERS HOLDING SHARES IN PHYSICAL MODE

SUBJECT: TRANSFER OF SHARES COMPULSORILY IN DEMAT MODE

Amendment to Regulation 40 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) with respect to mandatory dematerialization for transfer of securities

- SEBI vide gazette notification no. SEBI/LAD-NRO/GN/2018/24 dated June 8, 2018, has mandated that transfer of securities would be carried out in dematerialized form only which will come into effect from December 5, 2018.
- According to the aforesaid notification, request for effecting transfer of securities shall not be processed unless the securities are held in the Dematerialized form with the depository with effect from December 5, 2018.
- This restriction shall not be applicable to the request received for transmission or transposition of physical shares.
- Shareholders are requested to get in touch with SEBI registered Depository Participant to open a Demat account
- Shareholders holding shares in physical form are requested to dematerialise shares at earliest to avoid any inconvenience in future for transferring those shares enabling them to trade in electronic form.
- Please refer following procedure for dematerialization of shares.

PROCEDURE FOR DEMATERIALIZATION OF SHARES

- Dematerialization starts with opening a Demat account. For demat account opening, you need to shortlist a Depository Participant (DP) that offers Demat services. A DP is an agent of the depository (NSDL and CDSL) providing depository services to investors.
- Shareholders should submit the duly filled in Demat Request Form (DRF) along with physical certificate(s) to the concerned DP.
- DP intimates the relevant Depository of such requests through the system.
- DP submits the DRF and the Certificate(s) to the Company's R&TA.
- The Company's R&TA confirms the dematerialisation request from Depository.
- The Company's R&TA, after dematerialising the certificate(s), updates accounts and informs concerned depository regarding completion of dematerialisation.
- Depository updates its accounts and informs the DP.
- DP updates the demat account of the shareholder.
- The entire process should be completed within 21 days.

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INDIA LIMITED

Dear Shareholders,

SUBJECT: UPDATING THE KYC DETAILS

We refer to the SEBI Circulars No SEBI/HO/MIRSD/DOP1/CIR/P/2018/73 dated 20th April 2018 by which it has directed all the listed companies to record the PAN of all the shareholders and Bank Account details of registered shareholder. Accordingly, Link Intime (R&TA) have sent intimation to those shareholders whose KYC details are not updated for updating KYC details. Details of shareholders whose KYC are not updated is available on the Company's website http://caprihansindia.com/investors-relations

We once again request all the shareholders whose KYC details are not updated, to submit the relevant documents from the below as requested by Registrar and Transfer Agent (Link Intime India Pvt. Ltd) in their original intimation letter sent to you.

PAN	Self-attested legible copy of PAN Card (Exempted for Shareholders from Sikkim)
Bank Account Details	Self-attested legible copy of utility bill (not older than 3 months)/Aadhar/passport, Original Cancelled Cheque leaf, Bank Statement/Passbook with details of registered shareholder duly attested by Bank (required only if shareholder name is not printed on cancelled cheque leaf).
Specimen Signatures	Affidavit, Banker's Verification, Original Cancelled Cheque leaf, Bank Statement or Passbook with details of registered shareholder duly attested by Bank (required only if shareholder name is not printed on cancelled cheque leaf).
Email id and Mobile Number	Email id and Mobile Number of Registered Shareholder to be mentioned in the Form for future Communication
Nominee	Nomination Form (Form SH-13)

Formats of documents are available on R&TA website www.linkintime.co.in/Resources/ Downloads/ General.

If you have already submitted the documents for updating KYC, please do not submit the documents again.

You may contact Link Intime at below details for any issues

Link Intime India Pvt. Ltd
C 101 - 247 Park L.B.S.Marg Vikhroli West Mumbai 400083 .
CIN: U67190MH1999PTC118368
Tel: 022-49186270 Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

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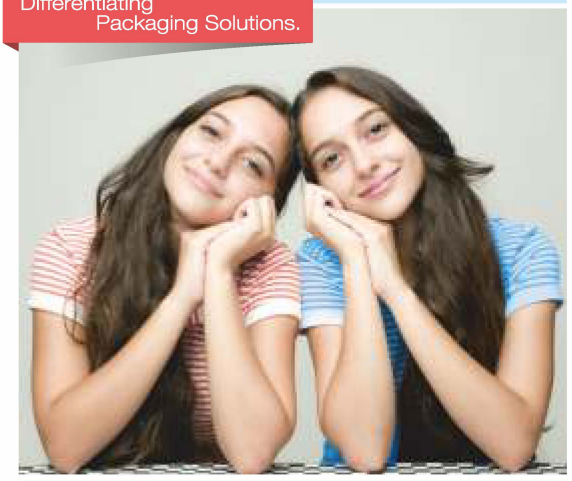
Differentiating
Packaging Solutions.



Sunblis Jewel
Metallic Blister Films

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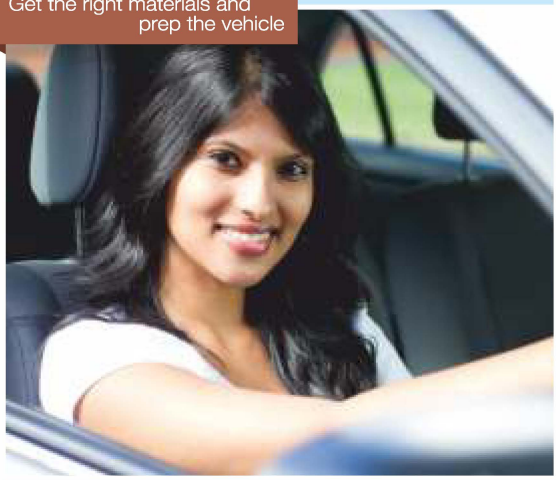
Get the right materials and
prep the vehicle



Sunflex
Flexible PVC films

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Weathering wear & tear...
Protecting always.

Sunflex
Flexible PVC films

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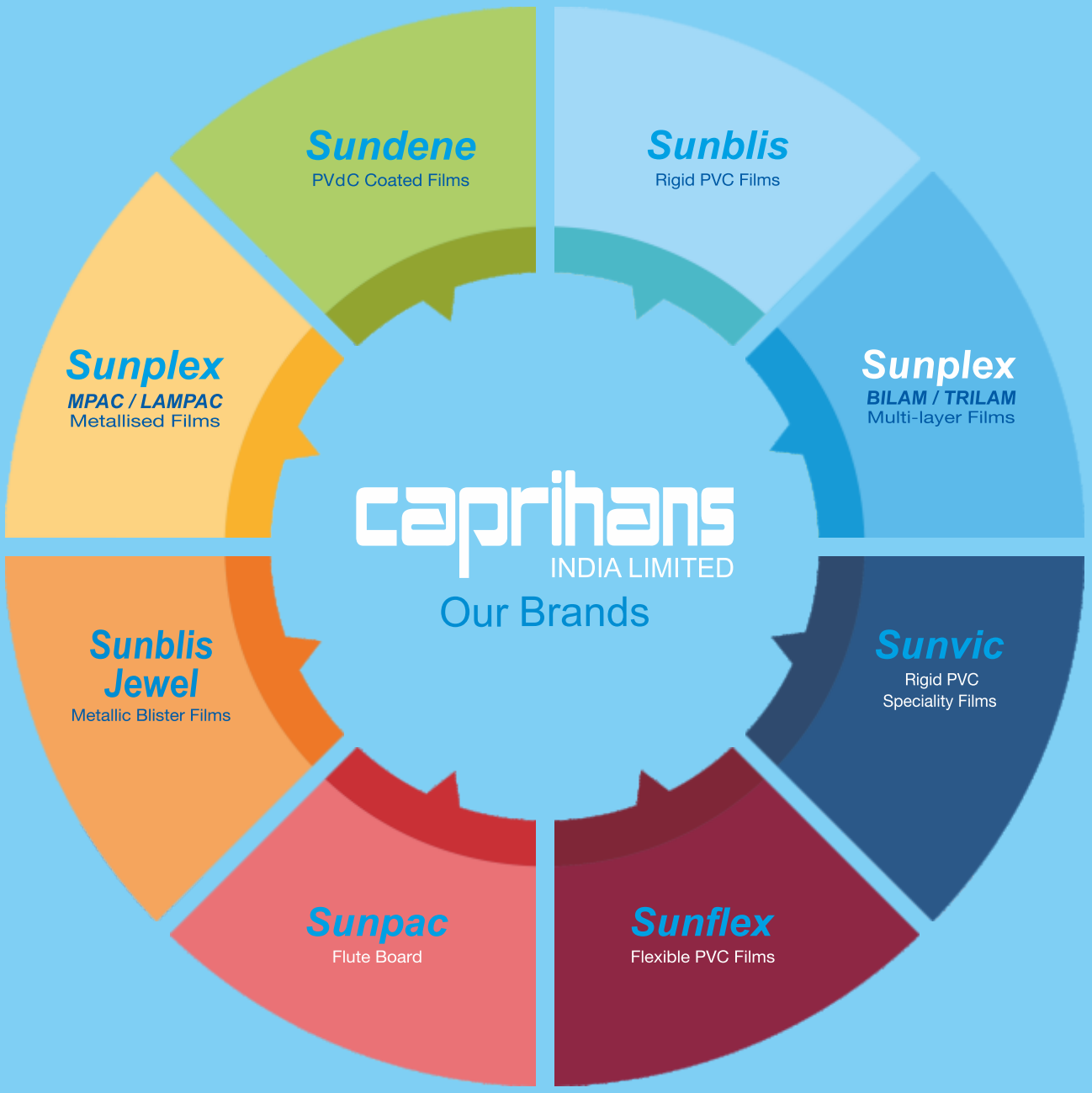
Quality Packaging Solutions.

Sundene
PVDC Coated Films



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vakils