



apcotex industries limited



16th August 2016

The Manager - Listing Department,
The National Stock Exchange of India
Ltd
Exchange Plaza, 5th floor, Plot no. C/1,
"G" Block,
Bandra-Kurla Complex, Mumbai-400051
Symbol: APCOTEXIND

Manager - Department of Corporate Services
Bombay Stock Exchange Ltd.
Jeejeebhoy Towers,
Dalal Street, Fort,
Mumbai - 400 001
Security Code: 523694

Dear Sir,

Sub: Annual Report for the financial year 2015-16.

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the shareholders at the 30th Annual General Meeting of the Company held on 10th August 2016 has approved and adopted the Annual Report for the financial year 2015-16, as per the provisions of Companies Act, 2013.

Please find enclosed copy of the Annual Report for the financial year 2015-16.

Request you to take the above on records and acknowledge the receipt.

Thank you.

Yours Faithfully

For Apcotex Industries Ltd

Anand Kumashi
Company Secretary

PLEASE REPLY TO

REGD. OFFICE & PLANT : Plot No.3/1, MIDC Industrial Area, Talaja - 410 208, Dist. Raigad, Maharashtra, India
Tel. : (022) 2740 3500 • Fax : (022) 2741 2052

CORPORATE OFFICE : N. K. M. International House, 178, Backbay Reclamation, Babubhai M. Chinai Marg, Mumbai - 400 020, Maharashtra, India
Tel (022) 2283 8302 / 2283 8304 • Fax (022) 2283 8291 • Email : info@apcotex.com
Website : www.apcotex.com
CIN NO. L99999MH1986PLC039199



apcotex industries limited

Annual Report | 2015 - 2016

APCOTEX INDUSTRIES LIMITED

BOARD OF DIRECTORS

Atul C. Choksey	Chairman
Girish C. Choksey	Director
Amit C. Choksey	Director
Manubhai G. Patel	Director
Dr. S. Sivaram	Director
Shailesh S. Vaidya	Director
Kamlesh Vikamsey	Director
Priyamvada Bhumkar	Director
Abhiraj A. Choksey	Managing Director
Y B Gadgil (w.e.f. 06/02/2016)	Executive Director

COMPANY SECRETARY

Anand V. Kumashi

AUDITORS

Kalyaniwalla & Mistry
Chartered Accountants.

BANKERS

State Bank of India
Standard Chartered Bank

REGISTERED OFFICE & FACTORY

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

REGISTRARS AND SHARE TRANSFER AGENTS

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

AUDIT COMMITTEE

Manubhai G. Patel	Chairman
Girish C. Choksey	Member
Kamlesh Vikamsey	Member
Priyamvada Bhumkar	Member

NOMINATION & REMUNERATION COMMITTEE

Manubhai G. Patel	Chairman
Dr. S. Sivaram	Member
Atul C. Choksey	Member
Kamlesh Vikamsey	Member

STAKEHOLDERS RELATIONSHIP COMMITTEE

Manubhai G. Patel	Chairman
Girish C. Choksey	Member

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

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

CORPORATE OFFICE

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



NOTICE

NOTICE is hereby given that the Thirtieth Annual General Meeting of **apcotex industries limited** will be held at the Registered Office of the Company at **Plot no. 3/1, MIDC Industrial Area, Taloja - 410 208, Dist. Raigad, Maharashtra** on **Wednesday, the 10th day of August 2016 at 4.00 p.m.** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Standalone and Consolidated Statement of Accounts for the year ended 31st March 2016 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of Mr. Atul Champaklal Choksey (DIN 00002102), who retires by rotation and being eligible, offers himself for reappointment.
4. To consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

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

SPECIAL BUSINESS:

5. To consider appointment of Mr. Abhiraj A. Choksey (DIN 00002120) as a Managing Director of the Company and for this purpose to consider and if thought fit, to pass with or without modification(s), the following Resolution as **Special Resolution**

“RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), and subject to approval of Central Government, if any, required, the Company hereby approves appointment of Mr. Abhiraj A. Choksey, as Managing Director of the Company, for a further period of three (3) years, effective from 1st May 2016, upon the terms and conditions set-out in the draft agreement submitted to this meeting and for identification signed by Chairman thereto, which agreement is hereby specifically approved with authority to the Board of Directors including committees thereof, to alter and/or vary such terms and conditions of the said appointment, within the limits, if any, prescribed in the Act and/or Schedules thereto”.

“RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company shall pay to Mr. Abhiraj A. Choksey, remuneration by way of salary, perquisites and allowances, not exceeding the ceiling laid down in Schedule V of the Companies Act, 2013, read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) as may be decided by the Board of

Directors, after obtaining suitable recommendation of its Remuneration Committee.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to enhance, enlarge, alter or vary the scope and quantum of salary, perquisites, allowances and incentive of Mr. Abhiraj A. Choksey, which revision shall be in conformity with any amendments to the relevant provisions of the Companies Act, 2013 and/or the rules and regulations made there under and/or such guidelines as may be announced by the Central Government from time to time.”

6. To consider appointment of Mr. Y B Gadgil (DIN 07353169) as a Director of the Company and for this purpose to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**:

“RESOLVED THAT Mr. Y B Gadgil (DIN 07353169), who was appointed by the Board of Directors as an Additional Director of the Company with effect from 6th February 2016 under Section 161(1) of the Companies Act (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules 2014, who is eligible for appointment and in respect of whom the Company has received a notice in writing from a Member under Section 160 of the Act signifying his intention to propose the candidature of Mr. Y B Gadgil for the office of Director be and is hereby appointed as a Director of the Company, not liable to retire by rotation.”

7. To consider appointment of Mr. Y B Gadgil (DIN 07353169) as an Executive Director of the Company and for this purpose to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**

“RESOLVED THAT pursuant to the provisions of Section 196, 197 and 203, read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), Mr. Y B Gadgil be and is hereby appointed as an Executive Director of the Company, for a period of three (3) years, effective from 6th February 2016, on the same terms and conditions of the existing employment with the Company, with liberty to the Board of Directors/Committee of Board thereof, to alter and vary such terms and conditions of the said appointment, including remuneration within, the maximum limits prescribed under provisions of the Companies Act, 2013”.

“RESOLVED FURTHER THAT in the event of loss or inadequacy of profits in any financial year during the aforesaid period, the Company shall pay to Mr. Y B Gadgil, remuneration by way of salary, perquisites and allowances, not exceeding the ceiling laid down in Schedule V of the Companies Act, 2013, as may be decided by the Board of Directors, after obtaining suitable recommendation of its Remuneration Committee.”

“RESOLVED FURTHER THAT the Board of Directors be and are hereby authorised to enhance, enlarge, alter or vary the scope and quantum of salary, perquisites, allowances and incentive of Mr. Y B Gadgil, which revision shall be in conformity with any amendments to the relevant provisions of the Companies Act and/or the rules and regulations made there under and/or such guidelines

as may be announced by the Central Government from time to time.”

8. To consider increase in Authorised Share Capital of the Company and for this purpose to consider and if thought fit, to pass with or without modification(s), the following Resolution as an **Ordinary Resolution**

“**RESOLVED THAT** upon the Scheme of Amalgamation of Apcotex Solutions India Private Limited (ASIPL) with the Company becoming effective, the Authorised share capital of the Company shall stand increased without any further act, instrument or deed on the part of the Company including payment of the stamp duty and fees payable to the Ministry of Corporate Affairs/Registrar of Companies, and pursuant to the provisions of Section 61, Section 64 and other applicable provisions, if any, of the Companies Act, 2013, (including any amendment thereto or re-enactment thereof) and the rules framed there under, the Authorized Share Capital of the Company stand increased to:

6,22,60,000	Equity Shares of Rs.5/- (Rupees Five) each	31,13,00,000
500	Preference shares of Rs.100/- (Rupees One Hundred) each	50,000
50,000	Unclassified Shares of Rs.5/- (Rupees Five) each	2,50,000
Total		31,16,00,000

from:

2,99,40,000	Equity Shares of Rs.5/- (Rupees Five) each	14,97,00,000
500	Preference shares of Rs.100/- (Rupees One Hundred) each	50,000
50,000	Unclassified Shares of Rs.5/- (Rupees Five) each	2,50,000
Total		15,00,00,000

RESOLVED FURTHER THAT the Company shall file requisite documents/ information with the Ministry of Corporate Affairs/Registrar of Companies or any other applicable authority for such increase of the authorized share capital and amendment of its Memorandum of Association and Articles of Association.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby authorized to take all such steps and actions and give such directions as may be in its absolute discretion deemed necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the shareholders or otherwise and that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

- 9 To consider Alteration of Memorandum of Association of the Company and for this purpose to consider and if thought fit, to pass with or without modification(s), the following Resolution as **Special Resolution**.

RESOLVED THAT Clause V of the Memorandum of Association of the Company be altered and after the alteration, the same be read as under:

- V. “The Authorised Share Capital of the Company is Rs 31,16,00,000 (Rupees Thirty One Crore and Sixteen Lakhs) divided into 6,22,60,000 (Six Crore

Twenty Two Lacs and Sixty Thousand) Equity Shares of Rs 5/- (Rupees Five) each, 500 (Five Hundred) Preference Shares of Rs 100/- (One Hundred) each and 50,000 (Fifty Thousand) Unclassified Shares of Rs 5/- (Rupees Five) each.”

RESOLVED FURTHER THAT the Company shall file requisite documents/ information with the Ministry of Corporate Affairs/Registrar of Companies or any other applicable authority for such increase of the authorized share capital and amendment of its Memorandum of Association.

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby authorized to take all such steps and actions and give such directions as may be in its absolute discretion deemed necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the shareholders or otherwise and that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

- 10 To consider Alteration of Articles of Association of the Company and for this purpose to consider and if thought fit, to pass with or without modification(s), the following Resolution as **Special Resolution**.

RESOLVED THAT Clause 2(a) of the Articles of Association of the Company be substituted by the following clause:

“The Authorised Share Capital of the Company is Rs 31,16,00,000 (Rupees Thirty One Crore and Sixteen Lacs) divided into 6,22,60,000 (Six Crore Twenty Two Lacs and Sixty Thousand) Equity Shares of Rs 5/- (Rupees Five Only) each and 500 (Five Hundred) Preference Shares of Rs 100/- (One Hundred) each and 50,000 (Fifty Thousand) Unclassified Shares of Rs 5/- (Rupees Five) each.”

RESOLVED FURTHER THAT the Company shall file requisite documents/ information with the Ministry of Corporate Affairs/Registrar of Companies or any other applicable authority for such increase of the authorized share capital and amendment of its Articles of Association

RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board of Directors of the Company be and are hereby authorized to take all such steps and actions and give such directions as may be in its absolute discretion deemed necessary and to settle any question that may arise in this regard, without being required to seek any further consent or approval of the shareholders or otherwise and that the shareholders shall be deemed to have given their approval thereto expressly by the authority of this resolution.”

BY ORDER OF THE BOARD
For apcotex industries limited

ANAND V. KUMASHI
Company Secretary

Date: 16th May 2016

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



apcotex industries limited

NOTES:

1. The relevant explanatory statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
2. A statement giving the relevant detail of the Directors seeking appointment / re-appointment under item no.3 and 6 of the accompanying Notice, as required under Regulation 36(3) of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed herewith.
3. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote, instead of himself and a proxy need not be a member of the company.

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

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

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

5. Corporate members intending to send their authorised representatives to attend the Meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorizing their representative(s) to attend and vote on their behalf at the meeting.
6. Members are requested to bring their attendance slips duly completed and signed mentioning therein details of their DP ID and Client ID / folio no.
7. In case of joint holders attending the Meeting, only such joint holder who is higher in the order of the names will be entitled to vote at the Meeting.
8. Relevant documents referred in the accompanying Notice and in the Explanatory Statements are open for inspection by the Members at the Company's Registered Office on all working days of the Company, during the business hours upto the date of the Meeting.
9. The Register of Shareholders and Share Transfer Books of the Company will remain closed from **Monday, the 1st day of August 2016 to Tuesday, the 9th day of August 2016**, (inclusive of both days).
10. Dividend recommended by Board of Directors, if approved by the shareholders at the Annual General Meeting, will be paid / dispatched on or after **11th August 2016** to those shareholders whose names appear on the Register of Shareholders as on **1st August 2016**. In respect of shares held in electronic form, the dividend will be payable on the

basis of beneficial ownership as at the close of **1st August 2016**, as per the details furnished by National Securities Depository Limited (NSDL)/Central Depository Services (India) Limited (CDSL) for the purpose as on that date.

11. The Securities Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in security market. Shareholders holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Shareholders holding share in physical form can submit their PAN details to the Company.
12. Pursuant to the provisions of Section 205A and 205C of the Companies Act, 1956, (which are still applicable as the relevant sections under the Companies Act, 2013 are yet to be notified) the Company has transferred the unclaimed dividends upto the financial year 2007-08 from time to time on due dates, to the Investors Education and Protection Fund (IEPF) established by the Central Government. Pursuant to the provisions of Investors Education and Protection Fund (Uploading of Information regarding unpaid/unclaimed amounts lying with Companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on 31st July 2015 (date of last Annual General Meeting) on the website of the Company viz. www.apcotex.com, as also on the website of the Ministry of Corporate Affairs viz. www.mca.gov.in.
13. Members holding shares in the single name and physical form are advised to make nomination in respect of their shareholding in the Company and those Members who hold shares singly in dematerialised form are advised to make a nomination through their Depository Participants. The nomination form can be obtained from Company's Registrars and Share Transfer agent viz. **LINK INTIME INDIA PVT LTD.**
14. Shareholders are requested to notify the changes, if any, in their addresses to the Company's Registrars immediately.
15. The company is using National Electronic Clearing Services (NECS) for dividend remittance. Shareholders holding shares in physical form are requested to notify/ send to the Company's Registrar and Share Transfer Agent at: **LINK INTIME INDIA PVT LTD., C-13, Pannalal Silk Mills Compound, L.B.S. Marg, Bhandup-(w), Mumbai-400 078**, immediately, details of any change in their address/mandate/bank details; and particulars of their bank account, in case the same have not been sent earlier.
16. Shareholders holding shares in the electronic form are requested to inform any change in address / bank mandate directly to their respective Depository Participants. The address / bank mandate as furnished to the Company by the respective Depositories viz. NSDL and CDSL will be printed on the dividend warrants.

E-VOTING:

- I. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015 the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
 - II. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 - III. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 - IV. The remote e-voting period commences on **7th August 2016 (9:00 am)** and ends on **9th August 2016 (5:00 pm)**. During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 3rd August 2016, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
 - V. The process and manner for remote e-voting are as under:
 - A. In case a Member receives an email from NSDL [for members whose email IDs are registered with the Company/Depository Participants(s)] :
 - (i) Open email and open PDF file viz; "remote e-voting.pdf" with your Client ID or Folio No. as password. The said PDF file contains your user ID and password/PIN for remote e-voting. Please note that the password is an initial password.
 - (ii) Launch internet browser by typing the following URL: <https://www.evoting.nsdl.com/>
 - (iii) Click on Shareholder - Login
 - (iv) Put user ID and password as initial password/PIN noted in step (i) above. Click Login.
 - (v) Password change menu appears. Change the password/PIN with new password of your choice with minimum 8 digits/characters or combination thereof. Note new password. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
 - B. In case a Member receives physical copy of the Notice of AGM for members whose email IDs are not registered with the Company/Depository Participants(s) or requesting physical copy] :
 - (i) Initial password is provided as below at the bottom of the Attendance Slip for the AGM :

EVEN (Remote e-voting Event Number)	
USER ID	PASSWORD/PIN
 - (ii) Please follow all steps from Sl. No. (ii) to Sl. No. (xii) above, to cast vote.
 - VI. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Members and remote e-voting user manual for Members available at the downloads section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990.
 - VII. If you are already registered with NSDL for remote e-voting then you can use your existing user ID and password/PIN for casting your vote.
 - VIII. You can also update your mobile number and e-mail id in the user profile details of the folio which may be used for sending future communication(s).
 - IX. The voting rights of members shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date of 3rd August 2016 .
 - X. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. 3rd August 2016 , obtain the login ID and password by sending a request at evoting@nsdl.co.in or from Company's Registrar and Share Transfer agent viz. LINK INTIME INDIA PVT LTD .
- (vi) Home page of remote e-voting opens. Click on remote e-voting: Active Voting Cycles.
- (vii) Select "EVEN" of "Apcotex Industries Limited".
- (viii) Now you are ready for remote e-voting as Cast Vote page opens.
- (ix) Cast your vote by selecting appropriate option and click on "Submit" and also "Confirm" when prompted.
- (x) Upon confirmation, the message "Vote cast successfully" will be displayed.
- (xi) Once you have voted on the resolution, you will not be allowed to modify your vote.
- (xii) Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer through e-mail to mkhurgat@gmail.com with a copy marked to evoting@nsdl.co.in



apcotex industries limited

However, if you are already registered with NSDL for remote e-voting then you can use your existing user ID and password for casting your vote. If you forgot your password, you can reset your password by using "Forgot User Details/Password" option available on www.evoting.nsdl.com or contact NSDL at the following toll free no.: 1800-222-990.

- XI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM
- XII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.
- XIII. Mr. Mahesh Hurgat, Practicing Company Secretary (Membership No. 7139 & C.P. No. 2498) has been appointed for as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- XIV. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of "Ballot Paper" for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- XV. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- XVI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company i.e. www.apcotex.com and on the website of NSDL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited and NSE Limited.

ANNEXURE TO NOTICE

EXPLANATORY STATEMENT

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

Item No. 5

The Board of Directors of the Company at their meeting held on 16th May 2016, have, in accordance with the provisions of Articles of Association of the Company and subject to the approval of the shareholders in General Meeting and that of the Central Government, if required, under the provisions of the Companies Act, 2013, decided to re-appoint Mr. Abhiraj A. Choksey, as "Managing Director" of the Company, for a further period of 3 (Three) Years, effective from 1st May 2016.

Mr. Abhiraj A. Choksey is a Bachelor of Science in Economics from Wharton Business School and also Bachelor of Science in Engineering from the Engineering School, both of University of Pennsylvania in U.S.A. He has several years of experience in the field of finance, system engineering, strategy formulation, administration etc, and also as a Management Consultant, having worked in a consulting firm in USA and in a software company in our Country.

Mr. Abhiraj A. Choksey is a relative of Company's Chairman, Mr. Atul Choksey and by virtue of this appointment; he will continue to hold an office or place of profit in the Company in accordance with the provisions of Section 188 and other applicable provisions of the Companies Act, 2013.

The appointment and remuneration of the Managing Directors are approved by the Nomination and Remuneration Committee, comprising of Mr. M G Patel, Dr. S. Sivaram, Mr. Kamlesh Vikamsey, independent directors of the Company and Mr. Atul Choksey - Chairman, in their meeting held on 16th May 2016.

The terms and conditions of the remuneration as set out in the draft agreement to be entered into by the Company with the said Mr. Abhiraj A. Choksey are as under:

Salary: Rs.2,25,000/- (Rupees Two lacs twenty five thousand Only) per month, with an increment to be determined by the Board of Directors, including Committee thereof, effective from the 1st day of April each year.

Allowances: House Rent Allowance and Bonus as per the rules in force in the Company from time to time.

Managerial Allowance: Rs.3,49,050/- (Rupees Three lacs forty nine thousand and fifty Only) per month, with rise to be determined by the Board of Directors, including committee thereof, effective from 1st day of April each year.

Variable Pay Plan as per the rules in force in the Company, from time to time.

Perquisites: Perquisites are classified into three categories "A", "B" and "C" as follows;

Part "A"

Housing

(1) Free furnished residential accommodation or (2) in case of his own flat on ownership basis, then House Rent Allowance of an amount as may be fixed by the Board of Directors, or (3) in case of occupation of the rented premises then reimbursement of actual rent paid in respect of such premises. In case of all the above amenities such as gas, electricity, water, servants,

painting, repairs, upkeep and general maintenances of the premises as are desired by the Director to be provided at the Company's expenses. In case of (2) & (3) such furniture or benefits in respect of furniture as may be required by Director, to be provided at the Company's expense.

The expenditure incurred if any, by the Company on gas, electricity, water and furnishings, furniture etc; to be made available to the Managing Director shall be valued as per the Income Tax Rules, as are in force from time to time.

Medical Expenses Reimbursement / Medical Insurance:

Payment of Medical Insurance premium and reimbursement of expenses actually incurred for self, wife, dependent, children including hospitalization expenses, nursing home charges, treatment expenses, surgical expenses etc.

Leave Travel Concession:

Leave Travel Concession for the Managing Director and his family, once in a year incurred in accordance with the Rules of the Company, in force from time to time.

Personal Accident Insurance:

Personal Accident insurance, the annual premium of which will not exceed Rs. 20,000/- or coverage under the Group Personal Accident Insurance Policy taken / as may be taken by the Company every year during the tenure of this appointment.

Club Fees:

Fees of clubs subject to a maximum of two clubs.

Part "B"

Provident Fund:

Company's contribution towards Provident Fund, subject to a ceiling of 12% of the salary.

Gratuity, Pension and Superannuation:

Benefits in accordance with the rules and regulations in force in the Company from time to time.

Part "C"

Car:

Provision of a car and driver for both official and personal use of the Managing Director. in accordance with company policy

Telephone:

Provision of telephone at residence of the Managing Director. Personal long distance calls on telephone shall be billed by the Company to the Managing Director. in accordance with company policy

Other Benefits:

1. Leave: Leave with full pay and allowance in accordance with the rules and regulations of the Company in force from time to time. Leave encashment in accordance with the rules and regulations of the Company in force from time to time, to be permitted at the end of the term, after obtaining such approvals as may be necessary.
2. Benefits under loan and other schemes in accordance with the practices, rules and regulations in force in the Company from time to time.
3. Such other benefits and amenities as are provided to Senior Officers of the Company from time to time.

The remuneration as aforesaid of the Managing Director shall be subject to such limits of remuneration as are laid down by the Central Government in the Companies Act, 2013, its Schedule V and/or amendments made/as may be made therein from time to time.

Notwithstanding anything to the contrary contained herein, where in any financial year during the tenure of the Managing Director, the Company has no profits or its profits are inadequate, the Company will pay the Managing Director remuneration by way of salary, allowances and perquisites not exceeding the ceiling laid down in Schedule V of the companies Act, 2013 as may be decided by the Board of Directors of the Company, after obtaining suitable recommendation from the Remuneration Committee of the Board of Directors of the Company.

The scope and quantum of remuneration specified hereinabove, may be enhanced, enlarged, widened, altered or varied by the Board of Directors on the recommendation of the Remuneration Committee, in the light of and in conformity with any amendments to the relevant provisions of the Companies Act and/or the rules and regulations made there-under and/or such guidelines as may be announced by the Central Government from time to time.

The Company shall pay to or reimburse the Managing Director and he shall be entitled to be paid and/or to be reimbursed by the Company all costs, charges and expenses that may have been or may be incurred by him for the purposes of or on behalf of the Company.

The draft of the agreement to be entered into by the Company with Mr. Abhiraj A. Choksey is available for inspection by the shareholders of the Company at the Registered Office at Plot no. 3/1, MIDC Industrial Area, Taloja – 410 208, Dist. Raigad, Maharashtra, India, between 11 A.M. and 1 P.M. on all days except Saturdays, Sundays and Public Holidays, till the conclusion of the ensuing General Meeting.

Your Directors commend his appointment for a further period of 3 (three) years.

Item No. 6

The Board of Directors in their meeting held on 6th February 2016 have appointed Mr. Y B Gadgil as an Additional Director of the Company pursuant to provisions of Section 161(1) of the Act and Articles of Association of the Company.

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

Mr. Y B Gadgil is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director.

Mr. Y B Gadgil possess appropriate skills, experience and knowledge, inter alia in the field of Plant maintenances, Production, Projects and Marketing etc.

Brief resume of Mr. Y B Gadgil, nature of his expertise in specific function areas and names of companies in which he



apcotex industries limited

holds directorship and memberships / chairmanships of the Board Committees, shareholding and relationships between directors as stipulated under Regulation 36(3) of SEBI (LODR) Regulations 2015, are provided in the Corporate Governance Report forming part of the Annual Report.

Considering the vast experience and knowledge, it will be in the interest of the Company that Mr. Y B Gadgil is appointed as a Director. Copy of the draft letter for appointment of Mr. Y B Gadgil as an Executive Director setting out the terms and conditions is available for inspection by members at the Registered office of the Company.

Save and except Mr. Y B Gadgil and his relatives, to the extent of their shareholding interest, if any, in the Company, none of the other Directors / Key Managerial Personnel of the Company / their relatives are, in any way, concerned or interested, financially or otherwise, in the resolution set out at Item No. 6 of the Notice.

The Board commends the Ordinary Resolution set out at Item No. 6 of the Notice for approval by the shareholders.

Item No. 7

The Board of Directors of the Company at their meeting held on 6th February 2016, have, in accordance with the provisions of Articles of Association of the Company and subject to the approval of the shareholders in General Meeting and that of the Central Government, if required, under the applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), decided to appoint Mr. Y B Gadgil, as an "Executive Director" of the Company, for a period of 3 (Three) Years, effective from 6th February 2016.

Mr. Y B Gadgil is a Bachelor of Chemical Engineering from Laxminarayan Institute of Technology, Nagpur, passed out in 1980 and worked at Union Carbide, Chembur, Mumbai Plant and with Asian Paints and then joined the company during 1981. During his service he had handled Sales & Marketing function, Production, Projects, Responsible for all latex segments, worked closely with Technical Function for product development and approval of XSB products with new Technology and significant increase in market share of Paper and Carpet products. He had extensively worked on Capacity Expansion, Cost optimization, Quality improvement, Energy optimization, Productivity improvement ideas and their implementation.

Mr. Y B Gadgil is not related to any of the Board Members, KMPs of the Company. The appointment and remuneration of the Executive Director is approved by the Nomination and Remuneration Committee, comprising of Mr. M G Patel, Dr. S. Sivaram, Mr. Kamlesh Vikamsey, Independent directors of the Company and Mr. Atul Choksey - Chairman, in their meeting held on 6th February 2016.

The terms and conditions of the employment and remuneration of Mr. Y B Gadgil, are as under:

Salary: Rs.85,706/- (Rupees Eighty five thousand seven hundred six Only) per month, with an increment to be determined by the Board of Directors, on the recommendation of the Nomination and Remuneration Committee effective from the 1st day of April each year.

Allowances: House Rent Allowance and Bonus as per the rules in force in the Company from time to time.

Managerial Allowance: Rs.1,29,331 (Rupees One lacs twenty nine thousand three hundred thirty one Only) per month, with rise to be determined by the Board of Directors, including committee thereof, effective from 1st day of April each year.

Variable Pay Plan as per the rules in force in the Company, from time to time.

Perquisites: Perquisites are classified into three categories "A", "B" and "C" as follows:

Part "A"

Housing

(1) Free furnished residential accommodation or (2) in case of his own flat on ownership basis, then House Rent Allowance of an amount as may be fixed by the Board of Directors, or (3) in case of occupation of the rented premises then reimbursement of actual rent paid in respect of such premises. In case of all the above amenities such as gas, electricity, water, servants, painting, repairs, upkeep and general maintenances of the premises as are desired by the Director to be provided at the Company's expenses. In case of (2) & (3) such furniture or benefits in respect of furniture as may be required by Director, to be provided at the Company's expense.

The expenditure incurred if any, by the Company on gas, electricity, water and furnishings, furniture etc; to be made available to the Executive Director shall be valued as per the Income Tax Rules, as are in force from time to time.

Medical Expenses Reimbursement / Medical Insurance:

Payment of Medical Insurance premium and reimbursement of expenses as per rules of the Company applicable to all senior management personnel.

Leave Travel Concession:

Leave Travel Concession for the Executive Director and his family, once in a year incurred in accordance with the Rules of the Company, in force from time to time.

Personal Accident Insurance:

Personal Accident insurance, the annual premium of which will not exceed Rs.20,000/- or coverage under the Group Personal Accident Insurance Policy taken / as may be taken by the Company every year during the tenure of this appointment.

Club Fees:

Fees of clubs subject to a maximum of two clubs.

Part "B"

Provident Fund:

Company's contribution towards Provident Fund, subject to a ceiling of 12% of the salary.

Gratuity, Pension and Superannuation:

Benefits in accordance with the rules and regulations in force in the Company from time to time.

Part “C”

Car:

Provision of a car and driver for both official and personal use of the Executive Director. in accordance with company policy

Telephone:

Provision of telephone at residence of the Executive Director. Personal long distance calls on telephone shall be billed by the Company to the Executive Director. in accordance with company policy

Other Benefits:

1. Leave: Leave with full pay and allowance in accordance with the rules and regulations in the Company in force from time to time. Leave encashment in accordance with the rules and regulations in the Company in force from time to time, to be permitted at the end of the term, after obtaining such approvals as may be necessary.
2. Benefits under loan and other schemes in accordance with the practices, rules and regulations in force in the Company from time to time.
3. Such other benefits and amenities as are provided to Senior Officers of the Company from time to time.

The remuneration as aforesaid of the Executive Director shall be subject to such limits of remuneration as are laid down by the Central Government in the Companies Act, 2013, its Schedule V and/or amendments made/as may be made therein from time to time.

Notwithstanding anything to the contrary contained herein, where in any financial year during the tenure of the Executive Director, the Company has no profits or its profits are inadequate, the Company will pay the Executive Director remuneration by way of salary, allowances and perquisites not exceeding the ceiling laid down in Schedule V of the Companies Act, 2013 as may be decided by the Board of Directors of the Company, after obtaining suitable recommendation from the Nomination and Remuneration Committee of the Board of Directors of the Company.

The scope and quantum of remuneration specified hereinabove, may be enhanced, enlarged, widened, altered or varied by the Board of Directors on the recommendation of the Remuneration Committee, in the light of and in conformity with any amendments to the relevant provisions of the Companies Act and/or the rules and regulations made there-under and/or such guidelines as may be announced by the Central Government from time to time.

The Company shall pay to or reimburse the Executive Director and he shall be entitled to be paid and/or to be reimbursed by the Company all costs, charges and expenses that may have been or may be incurred by him for the purposes of or on behalf of the Company.

Your Directors recommend his appointment for a period of 3 (three) years.

Item No. 8, 9 & 10.

Presently the Authorized Share Capital of the Company is Rs15,00,00,000/- (Rupees Fifteen Crores Only) divided into 29,940,000 (Two Crore Ninety-Nine Lakhs and Forty Thousand) Equity Shares of Rs 5/- (Rupees Five Only) each

and 500 (Five Hundred) Preference Shares of Rs 100/- (One Hundred) each and 50,000 (Fifty Thousand) Unclassified Shares of Rs.5/- (Rupees Five) each.

The Board of Directors in their board meeting held on 22nd April 2016 have approved the Scheme of Amalgamation of. Apcotex Solutions India Private Limited, (earlier known as OMNOVA Solutions India Private Limited), wholly owned subsidiary of the Company with the Company (“Scheme”). The Scheme is subject to requisite sanctions and approvals of Stock Exchanges and the Hon’ble High Court of Judicature at Bombay.

Clause 14 of the Scheme provides that the entire authorized share capital of Apcotex Solutions India Private Limited shall stand transferred to and combine with the authorised share capital of the Company and shall be re-classified without any further act or deed including payment of stamp duty and fees payable to Ministry of Corporate Affairs/Registrar of Companies on the authorized share capital so increased. The said combination of authorized share capital shall become operative on the Scheme becoming effective and subject to requisite resolutions being passed at the annual general meeting of the Company.

As a result of change in the authorized share capital of the Company, the capital clause in the Memorandum of Association and Articles of Association of the Company will also be amended. The alteration proposed in the Memorandum of Association and Articles of Association are only consequential to reflect the proposed change in the Authorized Share Capital of the Company.

The Company shall file the requisite documents/information with the Ministry of Corporate Affairs / Registrar of Companies for increase in authorised share capital of the company along with amended copy of its Memorandum of Association and Articles of Association once the Scheme is made effective.

In view of this your directors recommend the aforesaid resolutions for combination of authorised share capital and for alteration in the Memorandum of Association and Articles of Association of the Company

None of the Directors is interested or concerned in this resolution except as Members of the Company.

BY ORDER OF THE BOARD
For apcotex industries limited

ANAND V. KUMASHI
Company Secretary

Date: 16th May 2016

Registered Office:

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



DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting to you the Thirtieth Annual Report of the Company and the Audited Statements of Accounts for the year ended 31st March 2016.

A. COMPANY PERFORMANCE

FINANCIAL HIGHLIGHTS

Particulars	2015-16 (Rs. In Lacs)	2014-15 (Rs. In Lacs)	Growth %
GROSS SALES	29772.38	39114.46	(23.88)
Gross Profit Before Depreciation, Finance cost and Tax but after prior years' adjustments	4479.20	4704.83	(4.88)
Less: a) Depreciation	894.44	897.71	
b) Finance Cost	242.01	324.26	
Profit Before Tax	3342.75	3482.85	(4.02)
Less : a) Provision for Tax	966.13	1018.50	
b) Adjustment for Deferred Tax Liability	(90.48)	(3.71)	
Profit After Tax	2467.10	2468.06	(0.04)
Add: Balance brought forward from the Previous Year	3930.83	3136.36	
Disposable Profit	6397.93	5604.42	14.16
Recommended Appropriations:			
a) Dividend	933.21	725.83	28.57
b) Tax on Dividend	189.98	147.77	28.57
c) Transfer to General Reserve	800.00	800.00	
Balance carried forward to Balance Sheet	4474.73	3930.83	
	6397.93	5604.42	

DIVIDEND

Your Directors have recommended a dividend @ **Rs. 4.50** (Rupees Four and fifty paise) (Previous year Rs.7/- (Rupees Seven)) per Equity Share of Rs.5/- each, on expanded share capital on issue of Bonus shares in the ratio of 1:1, for the financial year 2015-16. Dividend, if approved, will absorb a sum of Rs. 1123.19 lacs (including Dividend Distribution Tax of Rs.189.98 lacs) out of the net profits after tax, as above and will be paid to those shareholders whose names appear on the Register of Members on **Monday, 1st August 2016**.

BONUS SHARES

The Company has allotted 1,03,68,992 fully paid-up equity shares of face value of Rs.5/- each in September 2015 to the shareholders of the Company in the proportion of 1:1 as Bonus shares and consequently the number of shares increased from 1,03,68,992 shares to 2,07,37,984 shares.

TRANSFER TO RESERVE

The appropriations for the year are:

Rupees in lacs

Particulars	Year ended 31 st March 2016
Net Profit after tax for the year	2467.10
Balance of Reserve at the beginning of the year	2403.72
Transfer to General Reserve	800.00
Balance of Reserve at the end of the year	3203.72

B. MANAGEMENT DISCUSSION AND ANALYSIS

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

I. CURRENT SCENARIO.

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

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

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

Your company is recipient of Total Productive Maintenance (TPM) Excellence in Consistent TPM Commitment Award- Category A by the Japan Institute of Plant Maintenance (JIPM). TPM has helped the company significantly in improving efficiencies in plant and in operations and rationalizing costs. Your Company has successfully

completed re-certification of the integrated ISO 9001, ISO 14001 and OHSAS 18001. Your company has also successfully completed recertification by Indian Chemical Council (ICC) to use the "Responsible Care" logo.

II. OPERATIONS DURING THE FINANCIAL YEAR 2015-16.

During the year, the Company achieved Gross Value Sales of Rs.29772.38 lacs, registering a negative growth of 23.88 %, compared to that of the preceding year. The company exported its products worth Rs.3627 lacs. The major reason for reduction in Revenue is due to adjustment of lower prices of oil and oil derivatives. Volumes were also affected due to lower petrochemical prices in Europe leading to lower exports and higher imports into India from Europe.

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

Profit before tax registered a negative growth of 4% to Rs.3342.75 lacs as compared to Rs 3482.85 lacs during the previous year due to lower volume sales. In spite of the challenging year, EBITDA decreased by only 4.9% from Rs 4704.83 lacs in the previous year to Rs 4479.20 lacs during the financial year 2015-16.

Profit after tax stood at Rs.2467.10 lacs as compared to Rs.2468.06 lacs in the previous year.

The Balance Sheet of the Company is also quite healthy with Debt/Equity ratio of 0.2, reasonable Working Capital cycle and Cash/Liquid Investments valued at Rs.27 crore based on NAV as on 31st March 2016.

Your Directors consider Company's performance as satisfactory.

III. ACQUISITION & MERGER

The Company has acquired 100% Shareholding (1,60,99,272) of Omnova Solutions India Private Limited on 5th February 2016 from Omnova Solutions India France Holding SAS and Omnova Solutions SAS France.

The name of wholly owned subsidiary company has been changed to Apcotex Solutions India Private Limited on 5th March 2016. The subsidiary is a Manufacturer of Nitrile Butadienes Rubber (NBR), Nitrile-PVC Polyblend, Nitrile Powder, Specialty Latexes & High Styrene Rubber (HSR).

The Board of Directors of your Company on 22nd April 2016 has approved the Scheme of Amalgamation of Apcotex Solutions India Private Limited with the Company from 31st March 2016. Your Company has already made an application to Stock exchanges for their consent, before filing petition before Honorable High Court (Bombay).

Consolidated financial statements of the Company, which are prepared in accordance with the provisions of Section 129(3) of the Companies Act, 2013, forms part of this Annual Report. Further a statement containing the salient features of the financial statement of subsidiary company in the prescribed format AOC – 1 is appended as **Annexure VIII** to the Board's report. The statement also provides the details of performance and financial position of subsidiary company.

IV. OUTLOOK.

In light of the acquisition and subsequent merger, the Company expects FY 2016-17 to be an exciting year in spite of a few challenges. Besides integration of the Subsidiary, the Company will also explore introducing new products and focusing on exports as short term future growth drivers for the Company. In the medium to long term the Company is exploring adding new capacities for current products, new adjacent businesses as well as opportunities for inorganic growth.

With the Company's continuous endeavour to enhance efficiencies at all levels and functions, your Directors view the prospects for the financial year 2016-17 with cautious optimism.

V. RISKS AND CONCERNS.

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

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

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

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



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

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

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

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

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

VI. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY.

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

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

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

VII. DEVELOPMENT OF HUMAN RESOURCE / INDUSTRIAL RELATIONS.

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

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

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

CAUTIONARY STATEMENT.

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

C. WIND POWER

The Wind Turbine Generator installed at Sadawaghapur, Taluka – Patan, District Satara, Maharashtra, has generated gross revenue of about Rs.95.05 lacs during the financial year (previous year Rs.102.13 lacs), and same is netted-off against the power cost.

D. DISCLOSURES UNDER COMPANIES ACT, 2013

I. ENERGY, TECHNOLOGY & FOREIGN EXCHANGE

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

II. EXTRACT OF ANNUAL RETURN

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

III. CHANGES IN THE SHARE CAPITAL

The paid-up Equity Share Capital as on 31st March 2016 was Rs.1036.90 lacs, comprising of 2,07,37,984 equity shares of Rs.5/- each. During the year under review, the Company has allotted 1,03,68,992 equity shares as Bonus Shares in the ratio of one equity shares of Rs. 5/- each fully paid for each shares held, in the Company.

IV. NUMBER OF BOARD MEETINGS

The Board meets at regular intervals to discuss and decide on the Company / business policy and strategy apart from other Board business. During the financial year under review, the Board of Directors met 6 (six) times. The intervening gap between the meetings was within the period prescribed under the Companies Act, 2013.

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

V. COMPOSITION OF AUDIT COMMITTEE

The Audit Committee comprises of Mr. M G Patel, Mr. Kamlesh Vikamsey, Mr. Girish Choksey, and Mrs. Priyamvada Bhumkar. Mr. M G Patel is the Chairman of the Committee. Mr. M G Patel, Mr. Kamlesh Vikamsey and Mrs. Priyamvada Bhumkar are the Non-Executive Independent Directors. More details on the committee are given in the Corporate Governance Report.

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

VI. BOARD INDEPENDENCE

The definition of Independence of Directors is derived from Regulation 16 (1) (b) of SEBI (LODR) Regulations, 2015 and Section 149(6) of the Companies Act, 2013. Based on the confirmation / disclosures received from the Independent Directors under Section 149(7) of the Companies Act, 2013 and on evaluation of the relationships disclosed, the following Non-Executive Directors are Independent in terms of 16 (1) (b) of SEBI (LODR) Regulations, 2015 and Section 149(6) of the Companies Act, 2013;

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

In compliance with Schedule IV of the Companies Act, 2013 and Rules thereunder, the Independent Directors met on 16th May 2016 and discussed issues as prescribed under the schedule IV of the Companies Act, 2013 and also discussed various other issues.

VII. ANNUAL EVALUATION BY THE BOARD

In compliance with the Companies Act, 2013 and Regulation 19 (4) read with Schedule II, Part – D of SEBI (LODR), Regulations, 2015, the Board has

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

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

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

VIII. NOMINATION AND REMUNERATION POLICY

The Nomination and Remuneration policy of the Company for Directors, Key Managerial Personnel (KMP) and Senior Personnel of the Company is enclosed as **Annexure III** to this Report.

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

IX. COMMENTS ON AUDITORS REPORT

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

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

X. RELATED PARTY TRANSACTIONS

All the related party transactions are entered on arm's length basis and are in compliance with the applicable provisions of the Companies Act, 2013



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and the SEBI (LODR) Regulations, 2015. There are no materially significant related party transactions entered into by the Company with Promoters, Directors or Key Managerial Personnel etc., which may have potential conflict with the interest of the company at large.

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

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

The Related Party Transaction Policy as approved by the Board is uploaded on the company's website at the following web link http://apcotex.com/policies/Related_Party_Transaction_Policy.pdf

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

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

XII. VIGIL MECHANISM

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

XIII. CORPORATE GOVERNANCE

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

Detailed report on the Corporate Governance and Management Discussion Analysis, form part of this report. A certificate from the Practicing Company Secretary regarding compliance of conditions of Corporate Governance as stipulated under Regulation 34 (3) read with Schedule V of SEBI (LODR) Regulations, 2015 is annexed to the said Report.

E. CORPORATE SOCIAL RESPONSIBILITY

The Company has constituted a Corporate Social Responsibility (CSR) Committee in compliance with

Section 135 of the Companies Act, 2013. The CSR committee was constituted by the Board of Directors of the Company at its meeting held on 26th April 2014. On the recommendation of the CSR committee, the Board has approved the CSR policy of the Company which is published on the Company's website.

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

CSR committee planned more health check-up camp, distance education kits for remotely located schools in Adivasi settlements etc., around the plant area, which couldnot becompleted as planned during the financial year 2015-16 resulting into shortfall in CSR spent to the extent of Rs. 16.58 lacs.

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

F. FAMILIARISATION PROGRAMME FOR INDEPENDENT DIRECTORS

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

G. CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

The Board of Directors has adopted the Insider Trading Policy in accordance with the requirement of the SEBI (Prohibition of Insider Trading) Regulations, 2015. The insider trading policy of the Company lays down guidelines and procedures to be followed, and disclosures to be made while dealing with the shares of the Company. The policy has been formulated to regulate, monitor and ensure reporting of deals by employees and maintain the highest ethical standards of dealing in Company securities.

H. INTERNAL FINANCIAL CONTROLS

The Company has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detention of frauds and errors, the accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

I. DIRECTORS RESPONSIBILITY STATEMENT

The Directors confirm:

- I. That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- II. That they have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit and loss of the company for that period;
- III. That they have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- IV. That they have prepared the annual accounts on a going concern basis;
- V. That they, have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- VI. That they have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

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

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

K. FIXED DEPOSITS MATURED BUT NOT CLAIMED

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

L. PARTICULARS OF CORPORATE GUARANTEE

The Company has given corporate guarantee in favour of the Standard Chartered Bank for a maximum principal amount of Rs 50 Crores on behalf of Apcotex Solutions India Private Limited for credit facilities provided by bank to wholly owned subsidiary company.

M. INSURANCE

All insurable assets of the Company including inventories, buildings, plant and machinery etc., as also liability under legislative enactments, are insured on reinstatement basis after due valuation of assets by an external agency. The Company also holds a Loss of Profit Policy for the financial year 2016-17.

N. ECOLOGY AND SAFETY

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

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

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

O. PERSONNEL

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

P. DIRECTORS & KEY MANAGERIAL PERSONNEL

I. Appointment:

Mr. Y B Gadgil (DIN 07353169) was appointed as additional director of the Company by Board of Directors at their meeting held on 6th February 2016. He would therefore hold office upto the conclusion of the ensuing annual general meeting.

Mr. Y B Gadgil qualifies to be an Executive Director and his appointment has been recommended by the Nomination and Remuneration Committee. Accordingly, it is proposed to appoint Mr. Y B Gadgil as an Executive Director for a period of 3 (Three years).

He possesses the appropriate skills, experience and knowledge inter alia in the field of Projects, Plant Maintenances, Production & Marketing.

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



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II. Retirement by Rotation:

In accordance with the provisions of Section 152(6) of the Companies Act, 2013 and Articles of Association of the Company Mr. Atul Choksey (DIN00002102) will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offer himself for reappointment. The Board recommends his reappointment.

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

Q. AUDITORS

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

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

Your Board recommends the ratification of appointment of M/s. Kalyaniwalla & Mistry, Chartered Accountants (Firm Registration no. 104607W), Mumbai, as Statutory Auditors of the Company for the financial year 2016-17 and to hold the office till the conclusion of the next Annual General Meeting during the year 2017.

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

R. CEO & CFO CERTIFICATION

Certificate from Managing Director and Chief Financial Officer of the Company, pursuant to the Regulation 17 (8) read with Schedule II of SEBI (LODR) Regulations, 2015, for the financial year under review was placed before the Board of Directors of the Company at its meeting held on 16th May 2016.

S. ACKNOWLEDGEMENT

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

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

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

FOR AND ON BEHALF OF THE BOARD

ATUL C CHOKSEY
DIN00002102
CHAIRMAN

Mumbai: 16th May 2016

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

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

(A) Conservation of Energy:	Energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimize use of energy with continuous monitoring, improvement in batch cycle time and improved operations.	
(B) Technology absorption:	No new technology has been acquired during the year. Upgradation of present technology is a continuous process,implemented and adapted by the Company through innovation. Efforts are made to reduce batch cycle time and improve operational efficiency. No technology import has been made in the recent past.	
Expenditure incurred on R&D during the Financial Year are as follows:		
(Rs. in lacs)		
Particulars	2015-16	2014-15
Capital	0.79	4.23
Recurring	189.60	148.60
Total	190.39	152.83
Total R & D expenditure as a percentage of Total Revenue	0.71%	0.43%
(C) Foreign Exchange Earnings and Outgo	The Company is currently assessing export potential for its products in various markets. Details of foreign exchange earnings and outgo are given in Note 35 and 36 of the Financial Statements.	



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ANNEXURE II TO DIRECTORS' REPORT

FORM NO. MGT. 9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31st March 2016

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

I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L99999MH1986PLC039199
ii)	Registration Date	12/03/1986
iii)	Name of the Company	apcotex industries limited
iv)	Category / Sub-Category of the Company	Company Limited by Shares/ Indian Non-Government company
v)	Address of the Registered Office and contact details	Plot no 3/1, MIDC Industrial area, Taloja, Raigad, Maharashtra Tel.: 022-27403500; Fax: 022-27412052
vi)	Whether listed Company	Yes
vii)	Name, address and contact details of Registrar and Transfer Agent, if any.	Link Intime India Pvt Ltd. C-13, Pannalal Silk Mills compound, L.B.S. Marg, Bhandup (W), Mumbai-400078 Tel.: 25963838/ 25946970 Fax: 25946969

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sl. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacture of synthetic rubber	20132	15
2	Manufacture of other products or preparations of kind used in the textile, paper, leather and like industries.	20297	85

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

Sl. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Apcotex Solutions India Pvt Ltd Plot No. 3/1, MIDC Industrial Area, Taloja, Maharashtra - 410208	U24296MH2007PTC174698	Subsidiary	100	2(87)

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

i) Category-wise Share Holding

Category of Shareholders			No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
			Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.Promoters											
	(1) Indian										
	a)	Individual/ HUF	15,11,642	-	15,11,642	14.58	30,59,288	-	30,59,288	14.75	0.17
	b)	Central Govt	-	-	-	-	-	-	-	-	-
	c)	State Govt (s)	-	-	-	-	-	-	-	-	-
	d)	Bodies Corp.	44,61,391	-	44,61,391	43.04	89,40,937	-	89,40,937	43.12	0.08
	e)	Banks/FI	-	-	-	-	-	-	-	-	-
	f)	Any Other..	-	-	-	-	-	-	-	-	-
	Sub-total (A) (1):-		59,73,033	-	59,73,033	57.6	1,20,00,225	-	1,20,00,225	57.87	0.27
	(2) Foreign										-
	a)	NRIs – Individuals	-	-	-	-	-	-	-	-	-
	b)	Other – Individuals	-	-	-	-	-	-	-	-	-
	c)	Bodies Corp.	-	-	-	-	-	-	-	-	-
	d)	Banks / FI	-	-	-	-	-	-	-	-	-
	e)	Any Other....	-	-	-	-	-	-	-	-	-
	Sub-total (A) (2):-		-	-	-	-	-	-	-	-	-
Total shareholding of Promoter (A) = (A)(1)+(A)(2)			59,73,033	-	59,73,033	57.6	1,20,00,225	-	1,20,00,225	57.87	0.27
B. Public Shareholding											
	1. Institutions										
	a)	Mutual Funds	730	718	1,448	0.01	1,460	1236	2,696	0.01	-
	b)	Banks/FI	621	444	1,065	0.01	1,984	888	2,872	0.01	-
	c)	Central Govt	-	-	-	-	-	-	-	-	-
	d)	State Govt(s)	-	-	-	-	-	-	-	-	-
	e)	Venture Capital Funds	-	-	-	-	-	-	-	-	-
	f)	Insurance Companies	-	-	-	-	-	-	-	-	-
	g)	FIIs	-	-	-	-	-	-	-	-	-
	h)	Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
	i)	Others (specify) – Foreign banks	-	446	446	0	-	892	892	0	-
	UTI		-	-	-	-	-	200	200	0	-
	Sub-total (B)(1):-		1,351	1,608	2,959	0.03	3,444	3,216	6,660	0.03	



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Category of Shareholders		No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during the year
2. Non-Institutions										
a) Bodies Corp.		4,37,969	4,002	4,41,971	4.26	7,04,911	8,004	7,12,915	3.43	(0.83)
	i) Indian	-	-	-	-	-	-	-	-	-
	ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals										
	i) Individual shareholders holding nominal share capital upto Rs. 1 lakh	27,52,688	5,90,904	33,43,592	32.24	49,78,221	10,18,690	59,96,911	28.91	(3.33)
	ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	3,89,192	42,400	4,31,592	4.16	12,60,901	1,67,800	14,28,701	6.88	2.72
c) Others (specify)		-	-	-	-	-	-	-	-	-
	Non Resident Indians (Repat)	85,986	18,366	1,04,352	1.01	1,53,628	35,258	1,88,886	0.91	(0.1)
	Non Resident Indians (Non Repat)	39,420	3,198	42,618	0.41	1,17,712	6,396	1,24,108	0.59	0.18
	Clearing Member	23,827	-	23,827	0.23	52,769	-	52,769	0.25	0.02
	Directors/Relatives of Director	274	1,300	1,574	0.01	548	2,600	3,148	0	(0.01)
	Trusts	2,008	1,466	3,474	0.03	3,576	2,932	6,508	0.03	-
	Hindu Undivided Family	-	-	-	-	2,16,945	208	2,17,153	1.04	1.04
	Sub-total (B)(2):-	37,31,364	6,61,636	43,93,000	42.37	74,89,211	12,41,880	87,31,099	42.1	(0.27)
Total Public Shareholding (B) = (B)(1) + (B)(2)		37,32,715	6,63,244	43,95,959	42.4	74,92,655	12,45,096	87,37,751	42.13	(0.27)
C. Shares held by Custodian for GDRs & ADRs		-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)		97,05,748	6,63,244	1,03,68,992	100	1,94,92,880	12,45,104	2,07,37,984	100	100

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			* % change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	
1	Abhiraj Atul Choksey	2,59,808	2.51	-	5,19,616	2.51	-	-
2	Abhiraj Trading and Investment Pvt Ltd	58,234	0.56	-	1,16,468	0.56	-	-
3	Amit Champaklal Choksey	55,025	0.53	-	1,10,050	0.53	-	-
4	Ankita Amit Choksey	27,044	0.26	-	54,088	0.26	-	-
5	Ankur Girish Choksey	6,800	0.07	-	13,600	0.07	-	-
6	Apco Enterprises Limited	56,176	0.54	-	1,12,352	0.54	-	-
7	Aquamarine Trading & Investments Pvt Ltd	49,400	0.48	-	98,800	0.48	-	-

SI No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			* % change in share holding during the year
		No. of Shares	% of total Shares of the com- pany	%of Shares Pledged/ encum- bered to total shares	No. of Shares	% of total Shares of the com- pany	%of Shares Pledged/ encum- bered to total shares	
8	Atul Champaklal Choksey	6,70,200	6.46	-	13,76,404	6.64	-	0.18
9	Bhuvantray Investments & Trading Co Pvt Ltd	49,892	0.48	-	99,784	0.48	-	-
10	Biyash Abhiraj Choksey	18,000	0.17	-	36,000	0.17	-	-
11	Choksey Chemicals Pvt Ltd	138	0	-	276	0	-	-
12	Devaki Ashok Parekh	3,200	0.03	-	6,400	0.03	-	-
13	Devanshi Anant Veer Jalan	73,000	0.70	-	1,46,000	0.70	-	-
14	Dhumraketu Investments and Trading Co Pvt Ltd	16,59,557	16.00	-	33,37,269	16.09	-	0.09
15	Forest Hills Trading and Investments Pvt Limited	4,300	0.04	-	8600	0.04	-	-
16	Gauriputra Investments & Trading Co. Pvt Ltd	26,200	0.25	-	52,400	0.25	-	-
17	Girish Champaklal Choksey	8,900	0.09	-	17,800	0.09	-	-
18	Haridwar Trading and Investments Pvt Ltd	4,300	0.04	-	8,600	0.04	-	-
19	Janaki Ashok Parekh	2,400	0.02	-	4,800	0.02	-	-
20	Namrata Amit Choksey	28,538	0.28	-	57,076	0.27	-	-
21	Parul Atul Choksey	2,70,770	2.61	-	5,41,540	2.61	-	-
22	Prashant Girish Choksey	6,600	0.06	-	13,200	0.06	-	-
23	Priti Amit Choksey	23,567	0.23	-	47,134	0.23	-	-
24	Rita Ashok Parekh	53,190	0.51	-	1,06,380	0.51	-	-
25	Saldhar Investments & Trading Co Pvt Ltd	5,66,544	5.46	-	11,33,088	5.46	-	-
26	Sunita Girish Choksey	4,600	0.04	-	9,200	0.04	-	-
27	The Hindustan Mineral Products Limited	9,662	0.09	-	19,324	0.09	-	-
28	Trivikram Investments and Trading Co Ltd	19,76,988	19.07	-	39,53,976	19.07	-	-
		59,73,033	57.60	-	1,20,00,225	57.87	-	0.27

Note: * Other than number of shares increased due to allotment of Bonus Shares.



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iii) Change in Promoters' Shareholdings

SI No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Abhiraj Atul Choksey				
	At the beginning of the year	2,59,808	2.51	2,59,808	2.51
	Bonus Shares	2,59,808	-	5,19,616	2.51
	At the end of the year			5,19,616	2.51
2	Abhiraj Trading and Investment Pvt Ltd				
	At the beginning of the year	58,234	0.56	58,234	0.56
	Bonus Shares	58,234	-	1,16,468	0.56
	At the end of the year			1,16,468	0.56
3	Amit Champaklal Choksey				
	At the beginning of the year	55,025	0.53	55,025	0.53
	Bonus Shares	55,025		1,10,050	0.53
	At the end of the year			1,10,050	0.53
4	Ankita Amit Choksey				
	At the beginning of the year	27,044	0.26	27,044	0.26
	Bonus Shares	27,044		54,088	0.26
	At the end of the year			54,088	0.26
5	Ankur Girish Choksey				
	At the beginning of the year	6,800	0.07	6,800	0.07
	Bonus Shares	6,800		13,600	0.07
	At the end of the year			13,600	0.07
6	Apco Enterprises Limited				
	At the beginning of the year	56,176	0.54	56,176	0.54
	Bonus Shares	56,176		1,12,352	0.54
	At the end of the year			1,12,352	0.54
7	Aquamarine Trading & Investments Pvt Ltd				
	At the beginning of the year	49,400	0.48	49,400	0.48
	Bonus Shares	49,400		98,800	0.48
	At the end of the year			98,800	0.48
8	Atul Champaklal Choksey				
	At the beginning of the year	6,70,200	6.46	6,70,200	6.46
	Bonus Shares	6,70,200		13,40,400	6.46
	Purchase on : 12th February 2016	1,690		13,42,090	6.47
	19th February 2016	5,277		13,47,367	6.50
	26th February 2016	8,896		13,56,263	6.54
	4th March 2016	6,471		13,62,734	6.57
	11th March 2016	4,030		13,66,764	6.59
	18th March 2016	9,615		13,76,379	6.64
	25th March 2016	25		13,76,404	6.64
	At the end of the year			13,76,404	6.64
9	Bhuvantray Investments & Trading Co Pvt Ltd				
	At the beginning of the year	49,892	0.48	49,892	0.48
	Bonus Shares	49,892		99,784	0.48
	At the end of the year			99,784	0.48
10	Biyash Abhiraj A. Choksey				
	At the beginning of the year	18,000	0.17	18,000	0.17
	Bonus Shares	18,000		36,000	0.17
	At the end of the year			36,000	0.17

SI No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
11	Choksey Chemicals Pvt Ltd				
	At the beginning of the year	138	-	138	0
	Bonus Shares	138	-	276	0
	At the end of the year			276	0
12	Devaki Ashok Parekh				
	At the beginning of the year	3,200	0.03	3,200	0.03
	Bonus Shares	3,200	-	6,400	0.03
	At the end of the year			6,400	0.03
13	Devanshi Anant Veer Jalan				
	At the beginning of the year	73,000	0.70	73,000	0.70
	Bonus Shares	73,000	-	1,46,000	0.70
	At the end of the year			1,46,000	0.70
14	Dhumraketu Investments and Trading Co Pvt Ltd				
	At the beginning of the year	16,59,557	16.00	16,59,557	16.00
	Bonus Shares	16,59,557		33,19,114	16.00
	Purchase on : 25th March 2016	5,605		2,33,24,719	16.03
	31st March 2016	12,550		33,37,269	16.09
	At the end of the year			33,37,269	16.09
15	Forest Hills Trading and Investments Pvt Ltd.				
	At the beginning of the year	4,300	0.04	4,300	0.04
	Bonus Shares	4,300	-	8,600	0.04
	At the end of the year			8,600	0.04
16	Gauriputra Investments & Trading Co.Pvt Ltd				
	At the beginning of the year	26,200	0.25	26,200	0.25
	Bonus Shares	26,200	-	52,400	0.25
	At the end of the year			52,400	0.25
17	Girish Champaklal Choksey				
	At the beginning of the year	8,900	0.09	8,900	0.09
	Bonus Shares	8,900	-	17,800	0.09
	At the end of the year			17,800	0.09
18	Haridwar Trading and Investments Pvt Ltd				
	At the beginning of the year	4,300	0.04	4,300	0.04
	Bonus Shares	4,300	-	8,600	0.04
	At the end of the year			8,600	0.04
19	Janaki Ashok Parekh				
	At the beginning of the year	2,400	0.02	2,400	0.02
	Bonus Shares	2,400	-	4,800	0.02
	At the end of the year			4,800	0.02
20	Namrata Amit Choksey				
	At the beginning of the year	28,538	0.28	28,538	0.28
	Bonus Shares	28,538	-	57,076	0.28
	At the end of the year			57,076	0.28
21	Parul Atul Choksey				
	At the beginning of the year	2,70,770	2.61	2,70,770	2.61
	Bonus Shares	2,70,770	-	5,41,540	2.61
	At the end of the year			5,41,540	2.61



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SI No.	Name of Shareholder	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
22	Prashant Girish Choksey				
	At the beginning of the year	6,600	0.06	6,600	0.06
	Bonus Shares	6,600	-	13,200	0.06
	At the end of the year			13,200	0.06
23	Priti Amit Choksey				
	At the beginning of the year	23,567	0.23	23,567	0.23
	Bonus Shares	23,567	-	47,134	0.23
	At the end of the year			47,134	0.23
24	Rita Ashok Parekh				
	At the beginning of the year	53,190	0.51	53,190	0.51
	Bonus Shares	53,190	-	1,06,380	0.51
	At the end of the year			1,06,380	0.51
25	Saldhar Investments & Trading Co Pvt Ltd				
	At the beginning of the year	5,66,544	5.46	5,66,544	5.46
	Bonus Shares	5,66,544	-	11,33,088	5.46
	At the end of the year			11,33,088	5.46
26	Sunita Girish Choksey				
	At the beginning of the year	4,600	0.04	4,600	0.04
	Bonus Shares	4,600	-	9,200	0.04
	At the end of the year			9,200	0.04
27	The Hindustan Mineral Products Limited				
	At the beginning of the year	9,662	0.09	9,662	0.09
	Bonus Shares	9,662	-	19,324	0.09
	At the end of the year			19,324	0.09
28	Trivikram Investments and Trading Co Ltd				
	At the beginning of the year	19,76,988	19.07	19,76,988	19.07
	Bonus Shares	19,76,988	-	39,53,976	19.07
	At the end of the year			39,53,976	19.07

Note: Bonus Shares allotted on 25th September 2015

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

Sr. no.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Mita Dipak Shah				
	At the beginning of the year	1,20,000	1.16	1,20,000	1.16
	Bonus Shares	1,20,000		2,40,000	1.16
	Sale on 31st March 2016	6,000		2,34,000	1.13
	At the end of the year			2,34,000	1.13
2	Vijay Kishanlal Kedia				
	At the beginning of the year	1,15,907	1.12	1,15,907	1.12
	Bonus Shares	1,15,907		2,31,814	1.12
	At the end of the year			2,31,814	1.12

Sr. no.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3	Amar Arvind Vakil				
	At the beginning of the year	86,900	0.84	86,900	0.84
	Bonus Shares	86,900		1,73,800	0.84
	At the end of the year			1,73,800	0.84
4	Abhay Arvind Vakil				
	At the beginning of the year	79,612	0.77	79,612	0.77
	Bonus Shares	79,612		1,59,224	0.77
	At the end of the year			1,59,224	0.77
5	Mint Investments Limited				
	At the beginning of the year	30,536	0.29	30,536	0.29
	Purchase on : 5th June 2015.	18,008		48,544	0.47
	12th June 2015.	2,132		50,676	0.49
	Bonus Shares	50,676		1,01,352	0.49
	Sale on 31st December 2015	12,767		88,585	0.43
	1st January 2016	7,585		81,000	0.39
	8th January 2016	642		80,358	0.39
	At the end of the year			80,358	0.39
6	Naga Dhunseri Group Limited				
	At the beginning of the year	39,558	0.38	39,558	0.38
	Purchase on 24th July 15	579		40,137	0.39
	Bonus Shares	40,137		80,274	0.38
	At the end of the year			80,274	0.39
7	Kishan Gopal Mohta				
	At the beginning of the year	50,750	0.49	50,750	0.49
	Sale on: 10th July 2015	250		50,500	0.49
	25th September 2015	24,882		25,618	0.25
	Bonus Shares	25,618		51,236	0.25
	Sale on 20th November 2015	47,664		3,572	0.02
	Purchase on 4th December 2015	26,522		30,094	0.15
	Sale on 4th March 2016	1,000		29,094	0.14
	Purchase on 31st March 2016	47,664		76,758	0.37
	At the end of the year			76,758	0.37
8	Hafeez Sorab Contractor				
	At the beginning of the year	30,000	0.29	30,000	0.29
	Bonus Shares	30,000		60,000	0.29
	At the end of the year			60,000	0.29
9	Subhra Bikash Banerjee				
	At the beginning of the year	27,873	0.27	27,873	0.27
	Bonus Shares	27,873		55,746	0.27
	At the end of the year			55,746	0.27
10	Tru Trading And Investments Pvt Limited				
	At the beginning of the year	24,428	0.24	24,428	0.24
	Bonus Shares	24,428		48,856	0.24
	At the end of the year			48,856	0.24



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(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Reason for change
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	
1	Atul C. Choksey					
	At the beginning of the year	6,70,200	6.46	6,70,200	6.46	-
	Bonus Shares	6,70,200		13,40,400	6.46	Bonus Issue
	Purchase on : 12th February 2016	1,690		13,42,090	6.47	Purchase
	19th February 2016	5,277		13,47,367	6.5	Purchase
	26th February 2016	8,896		13,56,263	6.54	Purchase
	4th March 2016	6,471		13,62,734	6.57	Purchase
	11th March 2016	4,030		13,66,764	6.59	Purchase
	18th March 2016	9,615		13,76,379	6.64	Purchase
	25th March 2016	25		13,76,404	6.64	Purchase
	At the end of the year			13,76,404	6.64	
2	Abhiraj A. Choksey					
	At the beginning of the year	2,59,808	2.51	2,59,808	2.51	-
	Bonus Shares	2,59,808	-	5,19,616	2.51	Bonus Issue
	At the end of the year			5,19,616	2.51	
3	Girish C. Choksey					
	At the beginning of the year	8,900	0.09	8,900	0.09	-
	Bonus Shares	8,900	-	17,800	0.09	Bonus Issue
	At the end of the year			17,800	0.09	
4	Amit C. Choksey					
	At the beginning of the year	55,025	0.53	55,025	0.53	-
	Bonus Shares	55,025		1,10,050	0.53	Bonus Issue
	At the end of the year			1,10,050	0.53	
5	Manubhai G. Patel					
	At the beginning of the year	274	0	274	0	
	Bonus Shares	274		518	0	Bonus Issue
	At the end of the year			518	0	
6	Priyamvada Bhumkar					
	At the beginning of the year	5000	0.05	5,000	0.05	
	Bonus Shares	5000	0.05	10,000	0.05	Bonus Issue
	At the end of the year		0.05	10,000	0.05	
7	Y B Gadgil					
	At the beginning of the year	1300	0	1,300	0	
	Bonus Shares	1300	-	2,600	0.01	Bonus Issue
	At the end of the year			2,600	0.01	
8	Anand V Kumashi					
	At the beginning of the year	2300	0.01	2,300	0.01	
	Bonus Shares	2300	-	4,600	0.02	Bonus Issue
	At the end of the year			4,600	0.02	

Bonus share allotted on 25th September 2015

Note: Mr. Kamlesh Vikamsey, Dr. S Sivram, Mr. Shailesh Vaidya directors and Mr. Rohit Mahakal were not holding any shares at the beginning and at the end of the year.

V. INDEBTEDNESS

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

(Rs. in lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	3,113.78	-	132.60	3,246.38
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	13.66	-	-	13.66
Total (i+ii+iii)	3,127.44	-	132.60	3,260.04
Change in Indebtedness during the financial year				
• Addition	-	-	4.67	4.67
• Reduction	590.21	-	-	590.21
Net Change				
Indebtedness at the end of the financial year				
i) Principal Amount	2,537.23	-	137.27	2,524.38
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	12.85	-	-	12.85
Total (i+ii+iii)	2,537.23	-	137.27	2,674.50

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. in lacs)

Sl. no.	Particulars of Remuneration	Name of Managing Director	Name of Executive Director	Total Amount
		Mr. Abhiraj A. Choksey	Mr. Y B Gadgil *	
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (Rs. In Lacs)	72.23	5.61	77.84
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961 (Rs. In Lacs)	9.25	-	9.25
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 (Rs. In Lacs)	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit			
	- others, specify...			
5.	Others, please specify	-	-	-
	Total (A) (Rs. In Lacs)	81.48	5.61	87.09
	Ceiling as per the Act	5% of net profits of the Company		

*Mr. Y B Gadgil was appointed as an Executive Director of the Company with effect from 6th February, 2016.



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B. Remuneration to other directors:

(Rs in lacs)

Sl. no.	Particulars of Remuneration	Name of Directors					Total Amount
1.	Independent Directors	M G Patel	Dr. S. Sivaram	Shailesh Vaidya	Kamlesh Vikamsey	Priyamvada Bhumkar	
2.	• Fee for attending board / committee meetings	1.80	1.40	1.20	1.80	1.80	8.00
	• Commission	1.20	1.20	1.20	1.20	1.20	6.00
	• Others, please specify	-	-	-	-	-	-
3.	Total (1)						14.00
4.	Other Non-Executive Directors	Atul Choksey	Girish Choksey	Amit Choksey			
5.	• Fee for attending board/ committee meetings	0.80	0.60	0.60			2.00
	• Commission	23.01	-	-			23.01
	• Others, please specify	-	-	-			-
	Total (2)						25.01
	Total (B) = (1 + 2)						39.01
	Total Managerial Remuneration						
	Overall Ceiling as per the Act	1% of net profits of the Company					

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

(Rs in lacs)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Anand V Kumashi	Rohit R Mahakal	Total
1.	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961(Rs. In Lacs)	23.78	15.01	38.79
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961(Rs. In Lacs)	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961(Rs. In Lacs)	-	-	-
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission	-	-	-
	- as % of profit			
	- others, specify...			
5.	Others, please specify	-	-	-
	Total	23.78	15.01	38.79

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

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





ANNEXURE III TO DIRECTORS' REPORT

NOMINATION AND REMUNERATION POLICY OF THE ORGANISATION

Terms of Reference:

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

Guiding principles:

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

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

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

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

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

1. OBJECTIVE:

The Key Objectives of the Committee would be:

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

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

2. DEFINITIONS:

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

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

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

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

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

The Committee shall:

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

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

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

6. FREQUENCY OF MEETINGS:

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

7. COMMITTEE MEMBERS' INTERESTS:

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

8. SECRETARY:

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

9. VOTING:

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

10. MINUTES OF COMMITTEE MEETING:

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

11. Disclosure of Information:

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



ANNEXURE IV TO DIRECTORS' REPORT

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

Sr. No.	Disclosure Requirement	Disclosure details			
		Directors / KMP	Title	Ratio	% increase in remuneration
1	The percentage increase in remuneration of each Director, Company Secretary and Chief Financial Officer during the financial year 2015-16, ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2015-16.	Atul C. Choksey	Non-Executive Chairman	7.22	-9.23
		Abhiraj A. Choksey	Managing Director	22.74	12.00
		Girish C. Choksey	Non-Executive Director	0.18	20.00
		Amit C. Choksey	Non-Executive Director	0.18	20.00
		Manubhai G. Patel	Non-Executive Director	0.91	-16.67
		Dr. S. Sivaram	Non-Executive Director	0.79	4.00
		Shailesh S. Vaidya	Non-Executive Director	0.73	50.00
		Kamlesh Vikamsey	Executive Director	0.91	7.14
		Priyamvada Bhumkar	Non-Executive Director	0.91	114.29
		Y B Gadgil	Executive Director	1.73	0.00
		Anand V. Kumashi	Company Secretary	N.A	6.00
		Rohit R. Mahakal	Chief Financial Officer	N.A	15.39
2	Percentage increase in the median remuneration of employees in the financial year	4.26%; considering employees who were in employment for the whole of FY 2014-15 and FY 2015-16.			
3	Number of permanent employees on the rolls of Company at the end of the year	229			
4	Explanation on the relationship between average increase in remuneration and Company performance	<p>Recommendation for increase in remuneration is based on the following factors:</p> <ul style="list-style-type: none"> • Compensation trends based on industry benchmarking • Compensation positioning vis-à-vis market trend • Alignment between risks and remuneration • For employees who were in employment for the whole of FY 2014-15 and FY2015-16, average increase in remuneration for FY 2015-16 is 9.75% 			
5	Comparison of the remuneration of the Key Managerial Personnel against the performance of the Company	The total remuneration of the Key Managerial Personnel increased by 16.41% during 2015-16 whereas the Profit before Tax decreased by 4.02% during 2015-16.			
6	Variation on the market capitalization of the Company, price earnings ratio as at the closing date of the current financial year and previous financial year and % increase or decrease in the market quotations of the shares of the company in comparison to the rate at which the Company came out with the last publicoffer	<p>a) The market capitalization as on 31st March 2016 was 446 crore (515.34 crore as on 31st March 2015).</p> <p>b) Price Earning Ratio of the Company was 18.08. as at 31st March 2016 and was 20.88 as at 31st March 2015.</p> <p>c) Company's stock price as at 31st March 2016 has increased by 648.17% to 215.10 over the last public offering i.e. IPO during August 1996 at the price of Rs.115.00 per share (post subdivision and Bonus issue adjusted price Rs.57.50 and Rs.28.75)</p>			
7	Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration	For employees other than managerial personnel who were in employment for the whole of FY 14-15 and FY 15-16 the average increase is 13.97%. Average increase for managerial personnel is 20.53%.			

Sr. No.	Disclosure Requirement	Disclosure details		
		Directors/ KMP	Title	Remuneration F Y 2015-16 % of PBT
8	Comparison of remuneration of each Key Managerial Personnel against the performance of the Company.	Mr. Abhiraj A. Choksey	Managing Director	2.24
		Mr. Y B Gadgil*	Executive Director	0.17
		Mr. Anand Kumashi	Company Secretary	0.80
		Mr. Rohit Mahakal	Chief Financial Officer	0.45
		*Mr. Y B Gadgil appointed as an Executive Director with effect from 06 th February 2016.		
9	Key parameters for any variable component of remuneration availed by the Director	Managing Director is eligible to get Variable remuneration @ 15% of CTC and Executive Director is eligible to get Variable remuneration @ 12% of CTC, based on financial performance of the Company.		
10	Ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive remuneration in excess of the highest paid director during the year.	Not Applicable		
11	Affirmation that the remuneration is as per the remuneration policy of the Company.	The Company is in Compliance with its Remuneration policy.		

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

1

Name	Abhiraj A Choksey
Age	38 years
Qualification	Bachelor of Science in Economics from Wharton Business School and Bachelor of Science in Engineering from the Engineering School, both of University of Pennsylvania in U.S.A
Designation	Managing Director
Date of Commencement of Employment	01/05/2005
Experience	15 years
Gross Remuneration	81.48 Lacs (Excluding perquisite under Income Tax Act)
Previous Employment	Apcosoft Pvt., Ltd
Designation	Managing Director
Shares held	2.51%

2

Name	Y B Gadgil
Age	56 years
Qualification	Bachelor of Chemical Engineering
Designation	Executive Director
Date of Commencement of Employment	06/02/2016
Experience	35 years
Gross Remuneration	5.61 Lakh (Excluding perquisite under Income Tax Act)
Previous Employment	Union Carbide & Asian Paints
Designation	Production, Engineering Services and Projects, Plant Manager in- charge of Production and Projects etc
Shares held	0.01%



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ANNEXURE V TO DIRECTORS' REPORT

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014)
Form for disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arm's length transactions under third proviso thereto

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

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

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

Sr. No.	A	B	C	D	E	F
	Name(s) of the related party and nature of relationship	Nature of contracts / arrangements / transactions	Duration of the Contracts / arrangements / transactions	Salient terms of the contracts or arrangements or transactions including the value, if any:	Date(s) of approval by the Board, if any:	Amount paid as advances, if any
1	Apco Entereprise Ltd. Common Director(s).	Leasing of premises	5 years 01/10/2014 to 30/09/2019	Lease Rent @ Rs.55,000/- p.m + all direct expenses	31/10/2014	702,000
2	Trivikram Investment & Trading Co., Ltd Common Director(s).	Leasing of premises	on going	Lease Rent @ Rs.15,000/- p.m + all direct expenses	25/05/2009	N.A.
3	Choksey Chemicals Pvt Ltd. Common Director(s).	Sale of Goods at prevailing market price	3 years 01/11/2013 to 31/10/2016	Sale of Goods at prevailing market price	31/10/2013	N.A.
4.	Apcotex Solutions India Private Limited (ASIPL) Subsidiary Company	Inter corporate Deposit	Till the time ASIPL arrange Working capital facilities from Bank.	Inter corporate deposit up to 15 Crores.	05/02/2016	NA
5.	Apcotex Solutions India Private Limited (ASIPL) Subsidiary Company	Sale/Purchase of Goods at prevailing market price	on going	Sale/Purchase of Goods at prevailing market price	-	NA
6.	Aquamarine Investment Managers LLP. Director's relatives are partners.	Leasing of premises	5 years 01/07/2015 to 30/06/2020	Lease Rent @ Rs.7,000/- p.m + all direct expenses	08/05/2015	NA

ANNEXURE VI TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

1	A brief outline of the Company's CSR Policy, including overview of the Projects or Programs Proposed to be undertaken and a reference to the web-link to the CSR Policy and the Projects or Programs.	<p>The Company has framed the CSR Policy in compliance with the provisions of the Companies Act, 2013 read with the Companies (Social Responsibilities) Rules 2014 and same is placed on the Company's website and web-link of same is http://apcotex.com/CSRP.pdf</p> <p>The company has undertaken activities in the area of Healthcare, Education & Vocational Training and Social Projects in the Plant area through:</p> <ul style="list-style-type: none"> a. Rotary Club of New Panvel b. Jan Shikshan Sansthan, Raigad c. St. Jude – Mumbai d. Bhagwan Yagnyavalkya Ved Tauva Gyan Yogashram e. Cancer Patients Aid Association <p>The company has carried certain activities on its own.</p>
2	The composition of CSR Committee	<p>Mr. Atul Choksey – Chairman (Chairman of the Company)</p> <p>Mr. Shailesh Vaidya – Member (Independent Director)</p> <p>Mr. Abhiraj A. Choksey – Member (Managing Director)</p>
3	Average net profit of the Company for last three financial years	Rs. 2317.37 lacs.
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	Rs.46.35 lacs
5	Details of CSR spend for the financial year:	Rs. 29.77 lacs
	a. Total amount spent for the financial year	
	b. Amount unspent, if any.	Rs. 16.58 lacs
	c. Manner in which the amount spent during the financial year is detailed below:	



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(₹ in lacs)

Sr. No.	Projects / Activities	Sector	Locations (District & State)	Amount Outlay (Budget) Project or Programwise	Amount Spent on the Project or Program	Cumulative Expenditure upto Report period	Amount Spent : Direct or through implementing Agency.
1	Providing Distance Education at remote Schools	Literacy / Education	Village Karavale, Near Taloja, Dist. Raigad, Maharashtra	2.00	0.47	0.47	Rotary Club
2	Health & Hygiene in villages around Plant area	Healthcare	Chirneer, Chindran,, Karavale Village, Tal. Panvel, Dist. Raigad, Maharashtra	6.00	4.45	4.45	Rotary Club
3	Vocational Training to village women around the Plant area	Education / Vocational Skill	Pale and Vallap Village, Tal. Panvel, Dist. Raigad, Maharashtra	9.00	2.75	2.75	Jan Shikshan Sansthan.
4	Providing shelter, food and medicines to cancer affected childrens and their parents from poor family - Total committed budgeted amount over a period of 5 yers is Rs.108.00 lacs	Healthcare	Mumbai, Maharashtra.	25.00	20.00	20.00	St. Jude India Childcare Centre.
5	Educational & Residential support for childrens studying Vedic culture	Education	Village Mudeti, Tal, Idar, Dist. Sabarkantha, Gujarat	3.00	1.90	1.90	Bhagwan Yagyavalkya Ved Tattvagyan Yoashram Trust
6	Providing shelter, food and medicines to Cancer affected childrens and their parents from poor family - Total committed budgeted amoutn over a period of 5 yers is Rs.108.00 lacs	Healthcare	Mumbai, Maharashtra	1.00	0.20	0.20	Cancer Society of India
				46.00	29.77	29.77	

Our CSR Responsibilities:

We hereby confirm that the CSR Policy, as approved by the Board, has been implemented and the CSR Committee monitors the implementation of the projects and activities in compliance with our CSR objectives.

**ANNEXURE VII TO DIRECTORS' REPORT
SECRETARIAL AUDIT REPORT**

For the financial year ended 31st March 2016

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

To

The Members

APCOTEX INDUSTRIES LIMITED

Plot No. 3/1, PB No.13,
MIDC Industrial Area,
Taloja: 410 208,
Dist. Raigad, Maharashtra.

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

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31st March 2016; complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2016 according to the provisions of:

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

- (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
- (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
- (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; (Not Applicable for the financial year ended 31st March 2016)
- (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; (Not Applicable for the financial year ended 31st March 2016)
- (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; (Not Applicable for the financial year ended 31st March 2016) and
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; (Not Applicable for the financial year ended 31st March 2016)
- (vi) Following Laws applicable specifically to the Company.
 - a) The Petroleum Act, 1934 and Rules made thereunder.
 - b) The Indian Explosive Act, 1884 read with The Static and Mobile Pressure Vessels (Unfired) Rules, 1981.
 - c) The Factories Act, 1948 read with The Maharashtra Factories(Control of Industrial Major Accident Hazards) Rules, 2003.
 - d) The Environment (Protection) Act, 1986 read with The Manufacture, storage and Import of Hazardous Chemicals Rules, 1989.



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(vii) I have relied on the representation made by the Company and its Officers for systems and mechanism formed by the Company for compliances under other generally applicable Acts, Laws and Regulations to the Company.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with Stock Exchanges and SEBI (LODR) Regulations, 2015

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

I further report that

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all Directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

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

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

Date: 16th May 2016
Place: Mumbai

ANNEXURE VIII TO DIRECTORS' REPORT

Form AOC-1

Statement containing salient features of the financial statement of subsidiary

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

(₹ in Lacs)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Apcotex Solutions India Private Ltd
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	31st March 2016
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	Not Applicable
4.	Share capital	1,609.92
5.	Reserves & surplus	8,809.06
6.	Total assets	13,142.58
7.	Total Liabilities	2,723.59
8.	Investments	24.92
9.	Turnover	2,990.73
10.	Profit before taxation	244.97
11.	Provision for taxation	-
12.	Profit after taxation	1385.96
13.	Proposed Dividend	-
14.	% of shareholding	100

Notes:

1. Part B i.e. Statement pursuant to section 129(3) of the Companies Act, 2013 related to Associate Companies and Joint Ventures is "Not Applicable" to the Company as there are no associate / joint venture companies.
2. The amounts given in the table above is from the Financial Statements of accounts for the period ended 31st March 2016.
3. There are no subsidiaries which are yet to commence operations.

CORPORATE GOVERNANCE

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

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

II. Board of Directors:

The composition of the Board of Directors of the Company is presently governed by the provisions of Companies Act, 2013, the Articles of Association of the Company and the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Board is comprised of Ten Directors, both executive and non-executive. Mr. Atul Champaklal Choksey is the non-executive Chairman. The day-to-day operations of the Company are managed by Mr. Abhiraj A. Choksey, the Managing Director and Plant operations by Mr. Y B Gadgil – Executive Director, under the active guidance of the chairman.

Mr. Manubhai G Patel, Dr. S. Sivaram, Mr. Shailesh Vaidya, Mr. Kamlesh Vikamsey, and Mrs. Priyamvada Bhumkar are non-executive, independent directors, who constitute fifty percent (50) of the total strength of the Board.

The Board of Directors of the Company consists of persons of eminence, having good experience in business management, polymers technology, finance, accountancy and law. The Board of Directors meet as often as required but not less than four times a year i.e. once in a calendar quarter. The Directors receive minutes of all the meetings of the Board and of the respective Committee meetings wherever they are members; namely Audit Committee, Nomination & Remuneration Committee, Social Responsibility Committee and Shareholders & Stakeholders Relationship Committee. During the financial year 2015-16, six meetings of the Board of Directors were held on **a) 8th May 2015, b) 31st July 2015, c) 25th September, 2015, d) 6th November 2015 e) 5th February 2016 and f) 6th February 2016.**

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

Further, every Director informs the Company about the Committee position he / she occupies in other companies and notifies the changes as and when they take place. The details of directorships held by the Company's Directors in public limited companies as on 31st March 2016 and attendance at the Board Meetings of the Company are given below:

Name of Director(s)	Designation/ Category of ship	Board Meetings attended	Attendance at last AGM	No. of other Directorships held	No. of Committees of which Member / Chairman*
Atul C. Choksey	Non- Executive Chairman Promoter	6	Yes	9	-/-
Abhiraj A. Choksey	Managing	6	Yes	3	-/-
Girish C. Choksey	Non-Executive	4	No	4	3/-
Amit C. Choksey	Non-Executive	6	Yes	4	-/-
Manubhai G. Patel	Non-Executive, Independent	3	Yes	3	-/2
Dr. S. Sivaram	Non-Executive, Independent	5	Yes	4	2/-
Shailesh S. Vaidya	Non-Executive, Independent	6	Yes	5	-/-
Kamlesh S. Vikamsey	Non-Executive, Independent	5	Yes	5	4/1
Priyamvada Bhumkar	Non-Executive, Independent	5	Yes	1	1/-
Y B Gadgil*	Executive	NA	NA	--	-/-

* Mr. Y B Gadgil was appointed an Executive Director in the Board Meeting held on 6th February 2016.

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



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Details of shareholding of Directors as on 31st March 2016

The number of equity shares of face value of Rs.5/- each of the Company held by the Directors on 31st March 2016 is as under:

Name of Directors	Executive or Non-Executive Director	No. of Shares	% to paid up capital
Atul C. Choksey	Non-Executive Director	13,76,404	6.64
Abhiraj A. Choksey	Executive Director	5,19,616	2.51
Girish C. Choksey	Non-Executive Director	17,800	0.09
Amit C. Choksey	Non-Executive Director	1,10,050	0.53
Manubhai G. Patel	Non-Executive Director Independent	548	--
Dr. S. Sivaram	Non-Executive Director Independent	--	--
Shailesh S. Vaidya	Non-Executive Director Independent	--	--
Kamlesh Vikamsey	Non-Executive Director Independent	--	--
Priyamvada Bhumkar	Non-Executive Director Independent	10,000	0.05
Y B Gadgil	Executive Director	2,600	0.01

Responsibilities:

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

Remuneration Policy;

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

The Remuneration paid to the Non-Executive Directors of the Company during the financial year, 2015-16 are as under:

Name of Director	Sitting Fees	Commission	Total
Mr. Atul Choksey	80,000	23,01,000	23,81,000
Mr. Girish Choksey	60,000	-	60,000
Mr. Amit Choksey	60,000	-	60,000
Mr. M.G.Patel	1,80,000	1,20,000	3,00,000
Dr. S. Sivaram	1,40,000	1,20,000	2,60,000
Mr. Shailesh Vaidya	1,20,000	1,20,000	2,40,000
Mr. Kamlesh Vikamsey	1,80,000	1,20,000	3,00,000
Mrs. Priyamvada Bhumkar	1,80,000	1,20,000	3,00,000

Remuneration paid to Managing Director for the financial year 2015-16 is as under:

Name	Abhiraj A. Choksey
Salary	Rs. 64.19 Lacs
Variable Pay	As per Company's Policy.
Provident Fund	Rs. 2.70 Lacs
Perquisites	Rs. 9.25 Lacs
Service Contract and Period	Agreement Dt. 01/05/2013 Period: 01/05/2013 to 30/04/2016
Notice Period	6 months
Severance Fees	Nil

III. Board Committees:

The Company has constituted various committee(s) in compliance with the provisions of the Companies Act, 2013 and SEBI (LODR) Regulations, 2015.

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

A) Audit Committee

The Audit Committee was constituted in April 2000. During the year under review, four meetings of the Committee were held on **a) 8th May 2015, b) 31st July 2015, c) 6th November 2015 and d) 6th February 2016.**

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

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

Name	Non-Executive / Independent	Numbers of Meetings held – Four
		Attended
M. G. Patel	Non-Executive, Independent	3
Girish C. Choksey	Non-Executive	1
Kamlesh Vikamsey	Non-Executive, Independent	3
Priyamvada Bhumkar	Non-Executive, Independent	4

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

The role of the Audit Committee includes the followings pursuant to Regulation 18 (3) read with Schedule II of SEBI (LODR) Regulations, 2015 and read with Section 177 of the Companies Act, 2013.

- Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
- Recommendation for terms of appointment and remuneration of Auditors of the Company;
- Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
- Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
 - Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
 - Changes, if any, in accounting policies and practices and reasons for the same
 - Major accounting entries involving estimates based on the exercise of judgment by management
 - Significant adjustments made in financial statements arising out of audit findings
 - Compliance with listing and other legal requirements relating to quarterly and yearly financial statements
 - Disclosure of any related party transactions
 - Modified opinion in the draft Audit report
- Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
- Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report to be submitted by monitoring agency with regard to utilisation of proceeds of a public or rights issue, and making appropriate recommendations to Company's Board;
- Review and monitor the auditor's independence and performance, and effectiveness of audit process;
- Approval or any subsequent modification of transactions of the company with related parties;
- Scrutiny of inter-corporate loans and investments;
- Valuation of undertaking or assets of the company, whenever it is necessary;
- Evaluation of internal financial controls and risk management systems;
- Reviewing, with the management, performance of Statutory and Internal Auditors, reviewing Internal Control Systems in the organisation;



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13. Reviewing adequacy of internal audit function, if any, including structure of internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Discussion with internal auditors over significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO;
20. Approval or any subsequent modification/ changes of Related Party Transactions;
21. To investigate into any matter specified under Section 177(4) or any matter referred by the Board.
22. The Committee has power to obtain external professional help/ advice and has right to ask for any information/ explanation.

B) Nomination and Remuneration Committee:

Pursuant to provisions of Section 178 of the Companies Act, 2013 and other applicable provisions, the Remuneration Committee was reconstituted as "Nomination and Remuneration Committee" by the Board of Directors in their meeting held on 26th April 2014. The present Members of Committee are - Mr. M G Patel, Mr. Atul Choksey, Dr. S. Sivaram and Mr. Kamlesh Vikamsey.

The Nomination and Remuneration committee met twice during the financial year viz. **31st July 2015 and 6th February 2016**. The necessary quorum was present for all the meetings. The Chairman of the Nomination & Remuneration Committee meeting was present at the last Annual General Meeting. The composition of the Committee during the financial year and the details of the meetings held and attended by the members are as under:

Name	Non-Executive / Independent	Numbers of Meetings held – TWO
		Attended
Mr. M. G. Patel	Non-Executive, Independent	2
Dr. S. Sivaram	Non-Executive Independent	2
Mr. Atul Choksey	Non-Executive	2
Mr. Kamlesh Vikamsey	Non-Executive Independent	1

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

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

The Nomination and Remuneration Policy devised in accordance with Section 178(3) and (4) of the Companies Act, 2013 has been published elsewhere in this report as Annexure to the Directors Report. Further, the details of remuneration paid to all the Directors and other disclosures as required to be made under Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulation 2015 have been provided in the previous section of this Report.

C) Corporate Social Responsibility Committee:

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

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

- a) Formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;

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

The Committee met on 22nd April 2016. The necessary quorum was present for the meeting. The composition of the Committee during the financial year 2015-16 and details of meeting held and attended by the Directors are as under:

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

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

CSR committee planned health check-up camps, distance education kits for more remotely located schools in Adivasi settlements etc., around the plant area, which could not be completed as planned during the financial year 2015-16 resulting into shortfall in CSR spent to the extent of Rs.16.58 lacs.

D) Shareholders / Investors Grievances Committee:

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

The committee comprises of two directors' viz. a) Mr. M. G. Patel, a non-executive independent Director, Chairman of the reconstituted Committee and b) Mr. Girish Choksey.

Terms of Reference of Stakeholders Relationship Committee as set out in the SEBI (LODR) Regulations, 2015 read with Section 178 of the Companies Act, 2013 will include the following:

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

The details of correspondences / grievances received and redressed during the financial year 2015-16 by the Company through the Registrars, LINK INTIME INDIA PVT LTD, are as under;

Source		Correspondences	
		Received	Redressed / Attended
A	Complaints		
	Directly from Shareholders	66	66
	SEBI	2	2
	Stock Exchanges	1	1
	Total (A)	69	69
B	Type of Requests from Shareholders		
	Request for change of address	116	116
	Request for procedure of transfer/transmission of shares /deletion of name	121	121
	Request for change/correction of Bank details/mandate /Ecs details	77	77
	Request for revalidation/issue of fresh demand drafts	127	127
	Issue of Duplicate share certificates	34	34
	Change of Signature	5	5
	Request for stop transfer removal	29	29
	Request for stop transfer / procedure for duplicate	80	80



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Source		Correspondences	
		Received	Redressed / Attended
	Confirmation of details	52	52
	Exchange of Shares	78	78
	Dematerialisation of Shares	11	11
	Correction of name and address	26	26
	Miscellaneous	1	1
	Total (B)	757	757
	Grand Total (A+B)	826	826

Mr. Anand V. Kumashi, has been appointed as the Compliance Officer, as required by Regulation 6 of SEBI (LODR) Regulations 2015. He has been entrusted the task of meeting fully the requirements of the said Regulation and overseeing the share transfer work done by the Registrars and Share Transfer Agents; attending to grievances of the shareholders and investors; compliance with the statutory and regulatory requirements etc. of SEBI, and stock exchanges.

With reference to Regulation 46 of SEBI (LODR) Regulations, 2015 the Company has designated exclusive e-mail ID as redressal@apcotex.com for investors to register their grievances, if any. This has been initiated by the company to resolve investors' grievances, immediately. The Company has displayed the said e-mail ID on its Website for the knowledge of Investors.

E) Meeting of Independent Directors:

The company's Independent Directors met on **16th May 2016** without the presence of the Managing Director, Non-Executive Non-Independent Directors and the Management representatives. The meeting was attended by all the Independent Directors (except Mr. Shailesh Vaidya) and was conducted informally to enable the Independent Directors to discuss matters pertaining to the Company's affairs and put forth their combined views to the Board of Directors of the Company.

Code of Conduct:

The Company has a Code of Conduct for Directors and members of Senior Management. The Code is available on the Company's Website at <http://apcotex.com/apadmin/Images/-CODE%20OF%20CONDUCT.pdf>. All Board members and senior management personnel have affirmed compliance with the code. A declaration to that effect signed by Mr. Abhiraj A. Choksey, Managing Director is appearing in the Annual Report.

Prohibition of Insider Trading:

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

Vigil Mechanism or Whistle-Blower Policy:

Pursuant to Section 177(9) and (10) of the Companies Act, 2013 and the Regulation 22 of SEBI (LODR) Regulation, 2015, the Company has a Whistle-Blower Policy for establishing a vigil mechanism for Directors and employees to report genuine concerns regarding unethical behaviour, actual or suspected fraud or violation of the Company's Code of Conduct and Ethics policy. The said mechanism also provides for adequate safeguards against victimization of persons who use such mechanism and makes provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases. We affirm that no employee of the Company was denied access to the Audit Committee. The said Whistle-Blower Policy has been hosted on the website of the Company at http://apcotex.com/policies/Whistle_Blower_Policy.pdf

Details of Directors seeking appointment / reappointment at the forthcoming Annual General Meeting (in pursuance of Regulation 36(3) of Securities and Exchange Board of India (SEBI) (Listing Obligations and Disclosure Requirements) Regulations 2015)

Name of the Director	Mr. Atul C Choksey	Mr. Y B Gadgil
Director Identification Number (DIN)	00002102	07353169
Date of Birth	17-10-1951	20-05-1958
Nationality	Indian	Indian
Date of Appointment on Board	23/01/1991	06/02/2016
Qualification	Chemical Engineer	Bachelor of Chemical Engineering

Shares held	13,76,404	2,600
List of Directorship held in other listed Companies	1. CEAT LIMITED 2. Marico Ltd 3. Finolex Cables Ltd	NIL
Membership / Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	NIL	NIL
Relationship with other Board Members.	Related to Mr. Amit Choksey, Mr. Girish Choksey and Mr. Abhiraj A. Choksey	Not related to any Board Member or KMP

General Body Meetings

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

Details of last three Annual General Meetings Held:

Year	Date	Time	Special resolution/s passed
2014-15	31 st July 2015	04.00 p.m	No
2013-14	31 st July 2014	10.30 a.m.	Yes(One)*
2012-13	28 th June 2013	11.30 a.m.	Yes(Two)*

*Special Resolution/s passed:

2013-14:

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

2012-13:

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

Special Resolution passed through postal ballot

Special resolution was passed through postal ballot during the financial year 2015-16 for seeking Shareholders approval for issue of Bonus Shares. None of the business proposed to be transacted in the ensuing Annual General meeting require passing a special resolution through postal ballot.

Disclosures:

Related Party Transactions:

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

Risk Management:

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

MD and CFO Certification:

Certificate from Mr. Abhiraj A. Choksey, Managing Director and Mr. Rohit Mahakal, CFO, in terms of Regulation 17 (8) read with Schedule II, was placed before the Board of Directors of the Company in its meeting held on 16th May 2016.

Compliances:

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



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Means of Communication:

The quarterly, half yearly and annual results of the Company's financial performances were published in two newspapers viz. 'Business Standard' and 'Mumbai Lakshadeep', and displayed on Company's website, www.apcotex.com.

1. The Annual Report is circulated to all members, and is also available on the Company's website.
2. The Annual Report of the Company for the financial year 2015-16 is being emailed to the members whose email addresses are available with the depositories or are obtained directly from the members, as per section 136 of the Companies Act, 2013 and Rule 11 of the Company (Accounts) Rules, 2014. For other members, who have not registered their email addresses, the Annual Report has been sent at their registered address.
3. If any member wishes to get a duly printed copy of the Annual Report, the Company will send the same, free of cost, upon receipt of request from the member.

Management Discussion and Analysis forms part of the Directors Report.

Certification of Corporate Governance Report:

Certificate from Mr. Mahesh Hurgat, Practicing Company Secretary, (Membership no.-7139) on Corporate Governance, as required by Regulation 34 (3) read with Schedule V of SEBI (LODR), Regulations, 2015, is incorporated in this Annual Report.

General Shareholders Information:

- a) 30th Annual General Meeting will be held on **Wednesday, 10th day of August 2016 at 4.00 pm** at Plot no. 3/1, MIDC Industrial Area, Talaja - 410 208, Dist. Raigad, Maharashtra
- b) The Company's financial Year is 1st April to 31st March
- c) Dates of book closure: **Monday, 1st day of August 2016 to Tuesday, the 9th day of August 2016** (both days inclusive) for the Purpose of Annual General meeting and payment of dividend.
- d) Proposed Dividend: **Rs.4.50/- (Rupees four and fifty paise Only)** for Equity Shares of Rs.5/- each.
- e) Dividend payment date: on or after **11th August 2016**.
- f) Electronic Clearing Service (ECS): The Company has extended the ECS facility to shareholders to enable them to receive dividend through electronic mode in their bank account. The Company encourages members to avail of this facility as ECS provides adequate protection against fraudulent interception and encashment of dividend warrants, apart from eliminating loss/damage of dividend warrants in transit and correspondence with the Company on revalidation/issuance of duplicate dividend warrants.
- g) Bank Details for electronic shareholding: Members are requested to notify their depository participant (DP) about the changes in bank details. Members are requested to furnish complete details of their bank accounts, including the MICR codes of their banks, to their DPs.
- h) Furnish copies of Permanent Account Number (PAN): The members are requested to furnish their PAN which will help us to strengthen the compliance with KYC norms and provisions of prevention of Money Laundering Act, 2002.
For transfer of shares in physical form, SEBI has made it mandatory to the transferee to submit a copy of PAN card to the Company.
- i) Listing on Stock Exchanges: The Company's equity shares are listed on Bombay Stock Exchange Limited and National Stock Exchange of India Ltd, Mumbai. The Annual Listing fees have been paid and there is no outstanding payment towards the stock exchanges, as on date
- j) Stock Code: Bombay Stock Exchange Limited - 523694
Symbol : National Stock Exchange of India Ltd. – APCOTEXIND
- k) ISIN allotted to Equity Shares is INE116A01024

Market Price Data:

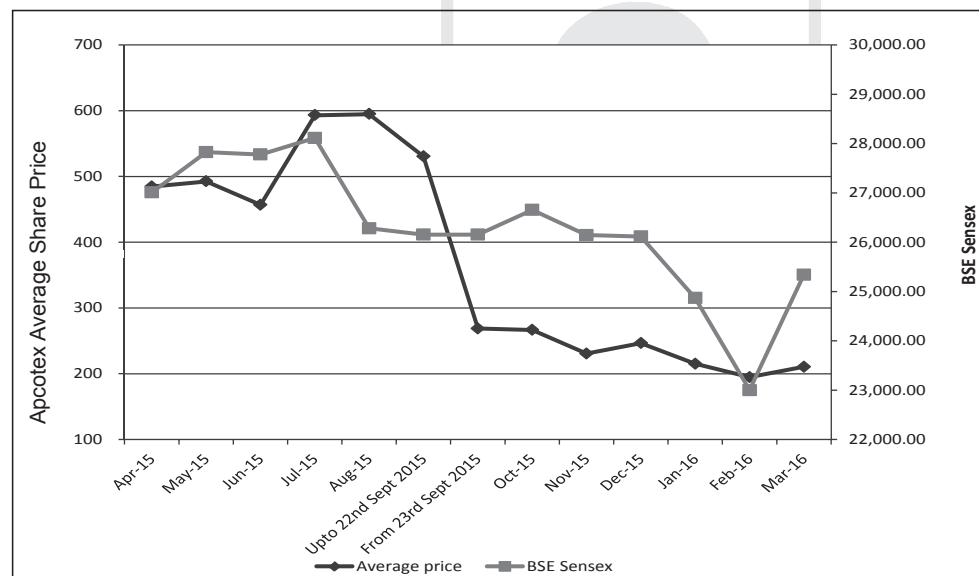
Monthly high and low prices of equity shares of the company quoted at Bombay Stock Exchange and National Stock Exchange during the year **2015-16**

(Amount in Rs.)

Month	Bombay Stock Exchange		National Stock Exchange	
	High	Low	High	Low
April	534.2	435.0	535.0	426.0
May	540.0	445.0	542.0	445.0
June	486.7	427.0	500.0	431.0
July	721.4	465.0	718.0	461.0
August	680.0	509.7	676.0	504.0
Upto 22nd Sept	579.0	482.0	577.9	482.0
From 23 rd Sept	278.0	259.5	283.0	254.0
October	285.0	248.2	285.0	249.0
November	248.1	213.0	251.0	212.5
December	275.8	217.0	276.0	218.0
January	243.9	186.1	244.9	186.4
February	208.0	181.5	207.9	178.0
March	232.9	188.0	233.0	186.0

Company has issued Bonus Shares in the ratio of One Equity Shares of Rs.5/- each fully paid for every equity share of Rs.5/-, pursuant to the resolution passed through postal ballot on September 12, 2015

Stock Performance Index :



Registrars and Share Transfer Agents:

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

LINK INTIME INDIA PVT LTD

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

Tel. No.- (022) 25963838

Fax : (022) 25946969

Email : rnt.helpdesk@linkintime.co.in



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Share Transfer System:

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

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

Distribution of Share: Distribution of shareholding as on 31st March 2016.

Category	No. of Shareholders	% to total No. of Shareholders	No. of shares	% to total Shares
1 - 500	18,849	88.90	24,73,706	11.93
501 - 1000	1,190	5.61	8,97,045	4.33
1001 - 2000	592	2.79	8,99,299	4.34
2001 - 3000	153	0.72	3,82,822	1.85
3001 - 4000	117	0.55	4,31,630	2.08
4001 - 5000	60	0.28	2,74,729	1.32
5001 - 10000	118	0.55	8,57,402	4.13
Above 10001	123	0.58	1,45,21,351	70.02
Total	21,202	100.00	2,07,37,984	100.00

Categories of Shareholding as on 31st March 2016:

Sr. No.	Category	No. of Shares	% of shareholding
1.	Promoters' Holding Indian Promoters	1,20,00,225	57.87
2.	Non promoters' Holding Mutual Funds/Trusts/clearing members Insurance companies/Banks/Financial Institution Indian Public Directors/Relatives Hindu Undivided Family Non Resident Indians Other Corporate Bodies	61,973 3,964 74,25,612 3148 2,17,153 3,12,994 7,12,915	0.30 0.02 35.80 0.02 1.05 1.50 3.44
	Total	2,07,37,984	100.00

Dematerialisation of Shares:

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

Equity Shares of the company are to be compulsorily traded in the dematerialised form. As on 31st March 2016, 1,94,92,880 Equity Shares comprising of 94.00% of paid up capital of the company, have been dematerialised by the investors and bulk of transfers take place in the demat segment.

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

Other Information:

Corporate Identification Number (CIN No.):

L99999MH1986PLC039199

Plant Location:

Plot No.3/1, MIDC Industrial Area

Taloja – 410 208, Dist. Raigad, Maharashtra

Telephone: (022) 2740 3500

Fax: (022) 2741 2052

Investors Correspondence:

Investor correspondence may be addressed to any of the following:

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

Unclaimed Dividend

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

Year	Dividend Account No.	Bank name	Date of declaration	Date due for transfer to Central Government
2008-09	00602230012006	HDFC Bank Ltd	27/07/2009	26/07/2016
2009-10	31260068904	State Bank of India	27/07/2010	26/07/2017
2010-11	31847607342	State Bank of India	30/07/2011	29/07/2018
2011-12	32385456081	State Bank of India	05/07/2012	04/07/2019
2012-13	33052231411	State Bank of India	28/06/2013	27/06/2020
2013-14	33955651985	State Bank of India	31/07/2014	29/07/2021
2014-15	35071962068	State Bank of India	31/07/2015	29/07/2022

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

Declaration – Code of Conduct

The Board has laid down the code of conduct for the all the Board Members and Senior Management of the company, which is posted on the Company's Website. All the Board Members and Senior Management personnel of the company, for the financial year ended 31st March 2016, have affirmed compliance with code of conduct.

For Apcotex Industries Limited

Place : Mumbai
Date : 16th May 2016.

Abhiraj A. Choksey
Managing Director



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AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE;

To the **Members of**
Apcotex Industries Limited

Taloja, Dist. Raigad, Maharashtra.

I have examined the compliance of conditions of **Corporate Governance** by **Apcotex Industries Limited** for the financial year **2015-16**, as stipulated under Regulation 34 of SEBI (LODR) Regulations 2015.

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

In My opinion and to the best of our information and according to the explanations given to me, and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulation 34 of SEBI (LODR) Regulations 2015 .

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



Mahesh Hurgat
Practicing company secretary
ACS No. 7139 C.P. No. 2498

Mumbai: 16th May 2016

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF APCOTEX INDUSTRIES LIMITED.

Report on the Standalone Financial Statements

We have audited the accompanying standalone financial statements of **APCOTEX INDUSTRIES LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31, 2016, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

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

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

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2016, and its profit and its cash flows For the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "**Annexure A**", a statement on the matters specified in the paragraph 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
 - c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.



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- e) On the basis of the written representations received from the directors as on March 31, 2016, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in “**Annexure B**”; and
- g) With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 27 to the standalone financial statements.
 - ii. The Company has made provision, as required

under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contract including derivative contracts.

- iii. There are no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Reg.No. 104607W
Ermin K. Irani

Partner
M. No.: 35646

Place: Mumbai

Dated: May 16, 2016



ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the standalone financial statements For the year ended March 31, 2016.

Statement on Matters specified in paragraphs 3 & 4 of the Companies (Auditor's Report) Order, 2016:

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) As explained to us, the Company has a programme for physical verification of fixed assets at periodic intervals. In our opinion, the period of verification is reasonable having regard to the size of the company and nature of its assets. The discrepancies reported on such verification were not material and have been properly dealt with in the books of account.
- (c) According to the information and explanations given to us and on the basis of examination of the records of the company, the title deeds of immovable properties are held in the name of the Company.
- ii. In our opinion and according to the information and explanations given to us, physical verification of inventory has been conducted at reasonable intervals by the management and no material discrepancies were noticed on physical verification and the same have been properly dealt with in the books of account.
- iii. The Company had granted an unsecured loan to a wholly owned subsidiary company, covered in the register maintained under section 189 of the Act. The Company has not granted any loan to firm, Limited Liability partnerships or other parties covered in the register maintained under section 189 of the Act.
 - a. the terms and conditions of the loan granted are not prejudicial to the Company's interest.
 - b. the said loan was repayable on demand and has been repaid before the end of the financial year. However, interest amount is outstanding at the end of the financial year.
 - c. there is no overdue amount in respect of the loan granted. Hence the question of commenting on reasonable steps taken by the Company for recovery of principle and interest does not arise.
- iv. In our opinion and according to the information and explanations given to us, the Company has not advanced any loans or made any investments or provided any guarantees or security to the parties covered under section 185 of the Act. The Company has given loans, made investments in the securities of other body corporate and given guarantee within the limit specified by section 186 of the Act and details of such transactions have been disclosed in the standalone financial statements.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any Deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Rules framed thereunder are not applicable.
- vi. In our opinion and according to information and explanations given us the maintenance of cost records under sub section (1) of Section 148 of the Act is not applicable to the Company under the Company (Cost Record and Audit) Rules, 2014.
- vii. (a) According to the information and explanations given to us and the records examined by us, the Company is generally regular in depositing undisputed statutory dues including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise, Value Added Tax, Cess and other material statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no arrears of outstanding statutory dues in respect of above as on the last day of the financial year for a period of more than six months from the date they became payable.
- (b) According to the information and explanation given to us and the records examined by us, there are no material dues of Income Tax, Sales Tax, Service Tax, Duty of Customs, Duty of Excise and Value added tax outstanding on account of any dispute except:

(₹ in Lac)

Sr. No.	Name of the Statute	Nature of Dues	Amount	Period to which the amount relates	Forum where dispute is pending
1	Income Tax Act, 1961	Tax	3.75	2002-03	Commissioner of Income Tax (appeals)
2	Income Tax Act, 1961	Tax	8.00	2007-08	Income Tax appellate tribunal (ITAT)
3	Income Tax Act, 1961	Tax	28.00	2010-11	Income Tax appellate tribunal (ITAT)
4	Income Tax Act, 1961	Tax	136.13	2011-12	Commissioner of Income Tax (appeals)
5	Income Tax Act, 1961	Tax	94.24	2012-13	Commissioner of Income Tax (appeals)
6	Customs Act	Customs Duty	142.09	August 2000 to July 2004	Supreme Court



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Sr. No.	Name of the Statute	Nature of Dues	Amount	Period to which the amount relates	Forum where dispute is pending
7	Central Excise Act & Service Tax	Service Tax	0.13	2007-08	Tribunal
8	Central Excise Act & Service Tax	Excise Duty	1.59	2009-10 to 2011-12	Dy. Comm
9	Central Excise Act & Service Tax	Service Tax	16.12	2005-06 to 2009-10	Assistant Commissioner – Service tax
10	MVAT	VAT	1.70	2006-07	Bombay High Court
11	MVAT	VAT	63.22	2007 to 2011	Joint Commissioner of Sale Tax

- viii. According to information and explanation given to us and based on examination of the records, the Company has not defaulted in repayment of loans or borrowings to bank. The Company does not have any dues to financial institution, government or debenture holders.
- xi. The Company has not raised money through initial public offer or further public offer (including debt instruments). In our opinion and according to the information and explanations given to us and based on the documents and records examined by us on an overall basis, the term loans obtained by the Company were applied for the purpose for which the loans were obtained.
- x. During the course of our examination of the books of account and records of the Company, and according to the information and explanation given to us and representations made by the Management, no material fraud by or on the Company by its officers or employees, has been noticed or reported during the year.
- xi. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with requisite approvals mandated by the provisions of section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanation given to us, the Company is not a Nidhi Company. Accordingly, provisions of paragraph 3(xii) of the Order are not applicable.
- xiii. According to the information and explanation given to us and based on our examination of the records of the Company, transactions with related parties are in compliance with sections 177 and 188 of the Act, where applicable, and details of such transactions have been disclosed in the financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
- xv. According to the information and explanation given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with the directors or persons connected with him. Hence the provisions of Section 192 of the Act are not applicable.
- xvi. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934, hence the provisions of paragraph 3 (xvi) of the Order are not applicable.

FOR KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Reg. No. 104607W
Name: Ermin K. Irani

PARTNER
M. No. 35646

Place: Mumbai
Date: May 16, 2016

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para 2 (f) 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the standalone financial statements For the year ended March 31, 2016.

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

We have audited the internal financial controls over financial reporting of **APCOTEX INDUSTRIES LIMITED** ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company For the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India"

FOR KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Reg. No. 104607W

Ermin K. Irani
PARTNER
M. No. 35646

Place: Mumbai
Date: May 16, 2016



apcotex industries limited

BALANCE SHEET AS AT 31ST MARCH 2016

₹ In Lacs

	Notes	As at 31st March 2016	As at 31st March 2015
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	2	1,040.80	522.35
Reserves and Surplus	3	10,278.41	9,452.95
		11,319.21	9,975.30
NON CURRENT LIABILITIES			
Long Term Borrowings	4	-	836.56
Deferred Tax Liability (Net)	5	468.02	558.50
Other Long Term Liabilities	6	138.27	132.60
Long Term Provisions	7	132.82	177.95
		739.11	1,705.61
CURRENT LIABILITIES			
Short Term Borrowings	8	1,687.83	1,439.24
Trade Payables	9		
a. total outstanding dues of micro enterprises and small enterprises		68.62	156.07
b. total outstanding dues of creditors other than micro enterprises and small enterprises		2,232.67	1,870.13
Other Current Liabilities	10	1,757.93	1,985.89
Short Term Provisions	7	1,429.00	933.82
		7,176.05	6,385.16
TOTAL		19,234.37	18,066.07
ASSETS			
NON CURRENT ASSETS			
Fixed Assets			
Tangible Assets	11 A	5,769.70	6,298.74
Intangible Assets	11 B	22.07	26.52
Capital work-in-progress		477.72	187.60
		6,269.49	6,512.86
Non-current Investments	12	4,772.25	3,076.15
Long Term Loans and Advances	13	664.80	629.83
Other Non Current Assets	14	26.79	27.35
CURRENT ASSETS			
Inventories	15	2,000.30	1,522.20
Trade Receivables	16	4,619.18	4,870.38
Cash and Bank balances	17	481.96	442.83
Short Term Loans and Advances	13	270.38	557.82
Other Current Assets	18	129.22	426.66
		7,501.04	7,819.88
TOTAL		19,234.37	18,066.07
Significant Accounting Policies	1		
The accompanying Notes 1 to 45 are an integral part of the Financial Statements			

As per our Report of even date
For KALYANIWALLA & MISTRY
Chartered Accountants
Firm Registration Number: 104607W

ERMIN K. IRANI
Partner
Membership Number: 35646
Mumbai : 16th May, 2016

For and on behalf of Board of Directors
ATUL C. CHOKSEY Chairman (DIN00002102)
ABHIRAJ A. CHOKSEY Managing Director (DIN00002120)
MANUBHAI G. PATEL (Chairman - Audit Committee) (DIN00001662)

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

Mumbai : 16th May, 2016

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

		₹ In Lacs	
	Notes	For the year ended 31st March 2016	For the year ended 31st March 2015
INCOME			
Revenue from Operations	19A	29,772.38	39,114.46
Less: Excise duty		3,072.11	3,777.60
Revenue from Operations (Net of excise duty)		26,700.27	35,336.86
Other Operating Revenue	19B	134.85	171.23
Other Income	20	735.25	557.54
TOTAL REVENUE		27,570.37	36,065.63
EXPENSES			
Cost of Materials Consumed	21A	17,776.80	24,880.94
Changes in Inventories of Finished Goods and Work in Progress	21B	(224.15)	139.45
Employee Benefit Expenses	22	1,521.63	1,410.26
Other Expenses	23	4,016.88	4,930.16
		23,091.16	31,360.80
EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA)		4,479.20	4,704.83
Depreciation and Amortization Expense	24	894.44	897.71
Finance Cost	25	242.01	324.26
PROFIT BEFORE TAX		3,342.75	3,482.85
Less : Tax Expenses			
Current Tax		966.13	1,018.50
Deferred Tax	5	(90.48)	(3.71)
Total Tax Expenses		875.65	1,014.79
PROFIT AFTER TAX		2,467.10	2,468.06
Basic and Diluted Earnings per Equity Share of Rs 5/- each	42	11.90	11.90
Significant Accounting Policies	1		
The accompanying Notes 1 to 45 are an integral part of the Financial Statements			

As per our Report of even date
For KALYANIWALLA & MISTRY
Chartered Accountants
Firm Registration Number: 104607W

ERMIN K. IRANI
Partner
Membership Number: 35646
Mumbai : 16th May, 2016

For and on behalf of Board of Directors
ATUL C. CHOKSEY Chairman (DIN00002102)
ABHIRAJ A. CHOKSEY Managing Director (DIN00002120)
MANUBHAI G. PATEL (Chairman - Audit Committee) (DIN00001662)

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

Mumbai : 16th May, 2016



apcotex industries limited

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

₹ In Lacs

		For the year ended 31st March 2016	For the year ended 31st March 2015
A. CASH FLOW FROM OPERATING ACTIVITIES :			
Profit Before Tax		3,342.75	3,482.85
Adjustments for :			
Depreciation and Amortization Expense		894.44	897.71
Finance Cost		242.01	324.26
Prov for Diminishing Value of Investments		16.00	-
Foreign Exchange Fluctuation Difference		56.17	67.46
Fixed Assets Written off		1.86	29.78
Loss / (Profit) on Sale of Assets		(0.20)	0.96
Bad Debts Written Off		21.56	9.33
Provision for Bad and Doubtful Debts		(21.56)	12.23
Loss / (Surplus) on Sale of Investment		(596.75)	(465.97)
Dividend Income		(39.60)	(24.27)
Interest received		(16.25)	(17.22)
Income from Investment Property		(50.20)	(37.66)
Excess Provision Written back		(38.97)	(43.67)
Operating Profit Before Working Capital Changes		3,811.26	4,235.79
Adjustments for :			
Increase / (Decrease) in Non Current Liabilities		(8.87)	40.98
Increase / (Decrease) in Current Liabilities		100.69	(187.13)
(Increase) / Decrease in Non Current Assets		(34.43)	(167.45)
(Increase) / Decrease in Current Assets		329.30	256.36
Cash Flow Generated from Operations		4,197.95	4,178.55
Direct taxes paid		(702.94)	(978.15)
Net Cash Flow from Operating Activities	(a)	3,495.01	3,200.40
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed assets		(653.88)	(757.19)
Sale of Fixed Assets		1.94	2.55
Purchase of Investments		(7,903.74)	(2,395.56)
Sale of Investments		6,659.07	2,314.85
Dividend Income		39.60	24.27
Interest received		16.25	17.22
Income from Investment Property		50.20	37.66
Net Cash Used in Investing Activities	(b)	(1,790.56)	(756.20)
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds / (Repayment) of Short Term Borrowings (Net)		248.58	(854.93)
Repayment of Long Term Borrowings		(833.43)	(817.08)
Finance Cost paid		(246.07)	(334.20)
Dividends paid		(715.32)	(508.23)
Dividend Distribution Tax paid		(147.76)	(88.11)
Net Cash Used in Financing Activities	(c)	(1,694.00)	(2,602.55)
Net Increase/ (Decrease) in Cash and Cash Equivalents	(a+b+c)	10.45	(158.35)
Cash and cash equivalents as at 1st April 2015		372.45	530.80
Cash and cash equivalents as at 31st March 2016		382.90	372.45
		10.45	(158.35)

1 The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) 3 on Cash Flow Statement and presents cash flows by operating, investing and financing activities

2 Figures in the Bracket are outflows / deductions

3 Figures of the previous year have been regrouped / rearranged wherever necessary to make it comparable to the current year presentation.

As per our Report of even date

For KALYANIWALLA & MISTRY

Chartered Accountants

Firm Registration Number: 104607W

ERMIN K. IRANI

Partner

Membership Number: 35646

Mumbai : 16th May, 2016

For and on behalf of Board of Directors

ATUL C. CHOKSEY

Chairman (DIN00002102)

ABHIRAJ A. CHOKSEY

Managing Director (DIN00002120)

MANUBHAI G. PATEL

(Chairman - Audit Committee) (DIN00001662)

ANAND V. KUMASHI

Company Secretary

ROHIT R MAHAKAL

Chief Financial Officer

Mumbai : 16th May, 2016

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

Corporate Information note on business activity

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

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

(i) Basis of Accounting:

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

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

(ii) Use of Estimates:

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

(iii) Fixed Assets and Depreciation / Amortization

a. Fixed Assets

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

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

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

b. Depreciation & Amortization

On Tangible Assets:

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

On Intangible Assets:

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

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

c. Impairment

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

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



apcotex industries limited

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(iv) Borrowing Cost

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

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

(v) Investments

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

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

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

(vi) Inventory

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

The cost is determined as follows:

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

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

(vii) Excise Duty :

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

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

(viii) Transactions in foreign exchange

(a) Initial recognition:

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

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

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

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

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

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(ix) Forward Exchange Contracts – Hedging

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

(x) Employees' Benefits

(a) Short Term Employee Benefits:

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

(b) Post-employment benefits:

Defined contribution plans :

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

Defined benefit plans

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

Other long-term employee benefits

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

(xi) Research and Development

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

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

(xii) Taxes on Income

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

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

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

(xiii) Cash & Cash Equivalent:

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

(xiv) Leases - Assets taken on operating lease

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



apcotex industries limited

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(xv) Revenue Recognition:

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

(xvi) Provisions and Contingencies:

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

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

(xvii) Earnings per Share

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

(xviii) Measurement of EBITDA

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

Annual Report 2015-16

Standalone

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 2 : SHARE CAPITAL		
Authorised		
2,99,40,000 Equity Shares of Rs. 5/- each.	1,497.00	1,497.00
500 Preference Shares of Rs. 100/- each.	0.50	0.50
50,000 Unclassified Shares of Rs. 5/- each.	2.50	2.50
	<u>1,500.00</u>	<u>1,500.00</u>
Issued, Subscribed and Paid up capital		
2,07,37,984 Equity Shares of Rs. 5/- (1,03,68,992 Equity Shares of Rs 5/-) each fully paid. (Including Rs. 3.90 lacs towards 78,051 shares forfeited at Rs.5/- each)	1,040.80	522.35
Total	<u>1,040.80</u>	<u>522.35</u>

Note:

a) The Company had wide resolution passed thru postal ballot on 12th September 2015, approved the issue of one bonus shares for every one equity share held in the company having face value of Rs 5/- each fully paid to the shares holders existing on record date i.e 24th September 2015. The shares were allotted on board meeting held on 25th September 2015 (Refer Note (e) below).

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

Equity Shares	As at 31st March 2016		As at 31st March 2015	
	No. of Shares	₹ In Lacs	No. of Shares	₹ In Lacs
At the beginning of the year	1,03,68,992	522.35	1,03,68,992	522.35
Add : Increase in the number of Shares on issue of bonus shares for every one equity shares during the year.	1,03,68,992	518.45	-	-
Outstanding at the end of the year	2,07,37,984	1040.80	1,03,68,992	522.35

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

Equity Shares	As at 31st March 2016		As at 31st March 2015	
	No of Shares Face Value of ₹ 5 Each	% Holding	No of Shares Face Value of ₹ 5 Each	% Holding
Trivikram Investment & Trading Company Ltd.	39,53,976	19.07	19,76,988	19.07
Dhumraketu Investment & Trading Company Pvt. Ltd	33,37,269	16.00	16,59,557	16.00
Atul Champaklal Choksey	13,76,404	5.88	6,70,200	6.44
Saldhar Investment & Trading Company Pvt. Ltd	11,33,088	5.46	5,66,544	5.46

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

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

e) Aggregate number of shares & class of shares allotted as fully paid-up by way of Bonus Shares:

Financial Year 2015-16	As at 31st March 2016	As at 31st March 2015
No of Equity Shares	1,03,68,992	-
Face Value per Share	5.00	-
Total Face Value (Rs in Lacs)	518.45	-



apcotex industries limited

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)		
	As at 31st March 2016	As at 31st March 2015
NOTE 3 : RESERVES AND SURPLUS		
(a) Capital Redemption Reserve		
As per last Balance Sheet	34.30	34.30
Less: Utilised for Issue of Fully Paid-up Bonus Shares { Refer Note 2(a) & 2(e) }	34.30	-
	-	34.30
(b) Share Premium		
As per last Balance Sheet	3,084.11	3,084.11
Less: Utilised for Issue of Fully Paid-up Bonus Shares { Refer Note 2(a) & 2(e) }	484.15	-
	2,599.96	3,084.11
(c) General Reserve		
As per last Balance Sheet	2403.72	1,750.43
Add : Transfer from Statement of Profit and Loss	800.00	800.00
Less: Adjustment on account of excess depreciation as on 1st April 2014 *(Refer Note 3a below)	-	(146.71)
	3203.72	2,403.72
(d) Surplus in Statement of Profit and Loss		
As per last Balance Sheet	3,930.83	3,136.36
Add : Net profit after tax transferred from Statement of Profit and Loss	2,467.10	2,468.06
Amount available for appropriation	6,397.93	5,604.42
Less: Appropriations		
Dividend on Equity shares:		
- Proposed Dividend [Rs.4.50 per share of Rs 5/- each, (Previous year Rs. 7/- per share of Rs 5/- each)]	933.21	725.83
Dividend Distribution Tax	189.98	147.76
Transfer to General Reserve	800.00	800.00
	4,474.73	3,930.83
Total	10,278.41	9,452.95
*Note :		
a. Consequent to Schedule II to the Companies Act, 2013 becoming applicable w.e.f. April 01, 2014, depreciation For the year ended March 31,2015 has been provided on the basis of the useful lives as prescribed in Schedule II. Depreciation of Rs 146.71 lacs (net of deferred tax of Rs 75.54) on account of assets whose useful life is already exhausted as on April 01, 2014, has been adjusted to General Reserve.		

(₹ In Lacs)		
	As at 31st March 2016	As at 31st March 2015
NOTE 4 : LONG TERM BORROWINGS		
Term Loan		
Secured		
From Bank	-	836.56
	-	836.56
Notes:		
1a. Borrowing are in the form of Term Loan (ECB) carrying an Interest rate of LIBOR + 2.5% to LIBOR + 3.5% and secured by hypothecation of the Company's entire Plant & Machinery by way of first charge;		
1b. Repayment - During November 2013, Company has taken forward cover through 'Call Option' for repayment of remaining principal instalments of ECB		

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

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

Note 5: DEFERRED TAX LIABILITY (NET)

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

The major components of deferred tax (liabilities)/assets arising on account of timing differences as at 31st March, 2016 are as follows:

	(₹ In Lacs)
	As at 31st March 2016
Deferred tax liabilities	As at 31st March 2015
Depreciation on Fixed Assets (other than Scientific Research Assets)	495.60
Depreciation on Scientific Research Assets	31.78
Others	-
Total deferred tax liabilities	527.38
Deferred tax assets	606.57
Provision for leave encashment	45.88
Provision for doubtful debts	-
Provision for bonus	13.48
Total deferred tax assets	59.36
Net Deferred tax liability/(assets)* (Refer Note 3(a))	468.02

	(₹ In Lacs)
	As at 31st March 2016
Note 6: OTHER LONG TERM LIABILITIES	As at 31st March 2015
Unsecured	
Security Deposits	138.27
	132.60
	138.27

Note:

1. Sundry deposits includes refundable Security Deposits accepted from Dealers carrying interest rate of 9% p.a.

	(₹ In Lacs)
	Long -Term
	As at 31st March 2016
	As at 31st March 2015
NOTE 7. PROVISIONS	Short -Term
Employee liabilities	As at 31st March 2016
Leave Encashment	As at 31st March 2015
Proposed Dividend	65.79
Provision for Dividend Distribution Tax	80.31
Income Tax	44.65
	933.21
	189.98
	261.16
	39.75
	933.82



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 8 : SHORT TERM BORROWINGS		
(a) Loan repayable on demand from banks		
Secured		
Cash Credit/Working Capital Demand Loan	1,687.83	853.46
Packing Credit Foreign Currency Loan	-	585.79
	1,687.83	1,439.24
Note :-		
1. Loan from a bank secured by hypothecation of stock, book debts on parri passu basis and exclusive charge on land and building and second parri passu charge on plant & machinery. The CC/WDC/WCDL carry interest rate in range of 10.25% p.a. to 13.65% p.a. and packing credit facility carry interest rate in the range of 2.00% p.a. to 2.50% p.a.		
2. Default in terms of repayment of principal and interest – NIL.		

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 9. TRADE PAYABLES		
Unsecured		
Trade Payables		
a. Total outstanding dues of micro enterprises and small enterprises	68.62	156.07
b. Total outstanding dues of creditors other than micro enterprises and small enterprises	2,232.67	1,870.13
(Refer note 43 for Details of due to Small, Medium Enterprises)		
	2,301.29	2,026.20
Note:- Amount due to Related Parties:		
Apco Enterprises Limited	3.54	3.42
Apcotex Solutions India Private Limited	79.10	-
Trivikram Investment & Trading Co. Ltd	(0.14)	3.42

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 10. OTHER CURRENT LIABILITIES		
Current Maturities of Long-term debt	836.56	833.43
Interest accrued but not due on borrowings	12.85	13.66
Statutory Payables -		
Central Sales Tax and VAT	2.01	5.13
Service Tax	3.09	3.05
Excise duty on Closing Stock	93.45	84.72
TDS under Income tax	23.20	32.17
Providend Fund, Profession Tax and ESIC	10.23	9.44
Payable to Employees		
Salaries & Wages	99.05	92.13
Bonus	39.25	20.57
Incentives	25.00	55.22

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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
Gratuity	22.12	27.85
Unpaid/ Unclaimed dividend	55.32	44.81
Unclaimed Fixed Deposits and Interest thereon (Refer Note No. 10.2)	0.70	0.70
Other Liabilities		
Payable for Expenses	375.85	522.87
Payable for Capital Goods	69.72	75.13
Commission to Non Exe. Directors	29.01	31.53
Advances received from Customers	13.42	25.87
Outstanding Expenses	47.09	107.61
	1,757.93	1,985.89

Note 10.1: There are no amounts due and outstanding to be credited to Investor Education & Protection Fund

Note 10.2: Company has no Fixed Deposits at the end of the financial year. The Central Bureau of Investigation (CBI) has instructed the Company, not to repay the proceeds of four fixed deposits amounting to ₹ 48,000/- and accrued interest of Rs. 22,491/- thereon. These deposits matured during the first week of December 2002 and continue to remain with the Company.

NOTE 11A & 11B : FIXED ASSETS

(₹ In Lacs)

	Gross Block				Depreciation				Net Block Value		
	As at 01-04-2015	Additions	Deletions/ Adjustments	As at 31-03-2016	Upto 01-04-2015	Trf to Gen Res*	For the Year	Deletions/ Adjustments	Upto 31-03-2016	As at 31-03-2016	As at 31-03-2015
A. Tangible Assets :											
Leasehold Land	7.64		-	7.64	2.73	-	0.07	-	2.80	4.84	4.91
Buildings	2,513.71	13.73	-	2,527.44	821.12	-	70.73	-	891.85	1,635.59	1,692.60
Plant and Equipment	6,455.77	283.34	(111.60)	6,627.50	3,615.04	-	514.32	(110.82)	4,018.54	2,608.96	2,840.73
Scientific Research Equipments	309.67	0.79	(19.75)	290.71	188.22	-	29.48	(18.82)	198.87	91.84	121.48
Furnitures & office equipments	260.97	18.76	(2.71)	277.01	153.50	-	29.25	(1.37)	181.38	95.62	107.47
Vehicles	190.89	-	(0.13)	190.76	97.74	-	30.78	(0.13)	128.39	62.38	93.15
Electric & Pipe Fittings	1,739.16	39.80	(6.72)	1,772.24	757.63	-	181.12	(6.69)	932.05	840.19	981.53
Wind Turbine Generator	612.79	-	-	612.79	155.93	-	26.58		182.51	430.29	456.87
Total tangible assets	12,090.61	356.41	(140.91)	12,306.10	5,791.90	-	882.33	(137.83)	6,536.40	5,769.70	6,298.74
B. Intangible Assets :											
Computer Softwares	79.68	7.36	(0.02)	87.03	53.23	-	11.75	(0.02)	64.95	22.07	26.52
Total intangible assets	79.68	7.36	(0.02)	87.03	53.23	-	11.75	(0.02)	64.95	22.07	26.52
Total (A+B)	12,170.30	363.77	(140.93)	12,393.12	5,845.13	-	894.08	(137.85)	6,601.35	5,791.77	6,325.26
Previous year	12,028.04	698.86	(556.59)	12,170.30	5,248.87	222.25	897.40	(523.50)	5,845.02		
Capital Work-in-progress										477.72	187.60
										6,269.49	6,512.86

(Refer Note No. 3(a))



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
SCHEDULE 12: NON CURRENT INVESTMENTS		
(A) INVESTMENT PROPERTY (at cost less accumulated depreciation)		
Buildings given on Operating Lease:		
Opening Gross Block	32.69	30.86
Add: Additions during the year	-	1.83
Closing Gross Block	32.69	32.69
Less:		
Opening Accumulated Depreciation	20.24	19.93
Add: Depreciation for the year	0.36	0.31
Closing Accumulated Depreciation	20.60	20.24
Net Block (a)	12.09	12.45
(B) LONG TERM INVESTMENTS		
1) UNQUOTED		
i) NON-TRADE INVESTMENTS		
1 120000 (P.Y. 120000) Equity Shares of Cybele Paradise Pvt Ltd. of the face value of Rs.10/- fully paid	16.00	16.00
Less: Prov for Diminishing Value of Investment	(16.00)	-
	-	16.00
2 Investment in Subsidiary:		
Apcotex Solutions India Private Limited 16099272 (P.Y. Nil) Equity share of Omnova Solution India Pvt. Ltd.of face value of Rs. 10 full paid	3,016.51	-
	3,016.51	16.00
ii) INVESTMENTS IN MUTUAL FUNDS		
1 Nil Units (P. Y.203.746) Reliance Liquid Fund - Treasury Plan-Weekly Div	-	3.08
2 94134.364 Units (P. Y. 94134.364Units) Birla Sun Life Frontline Equity Fund - Growth	59.88	59.88
3 400000 Units (P. Y. 400000 Units) Birla Sun Life Fixed Term Plan - Corp Bond Series A (1170 days)	40.00	40.00
4 Nil Units (P. Y. 515685.914 Units) ICICI Prudential Focused Bluechip Eq Fund - Retail (G)	-	90.97
5 Nil Units (P. Y. 1294054.87 Units) ICICI Prudential Income Opportunities Fund - Reg Plan (G)	-	194.00
6 Nil Units (P. Y. 137541.367 units) ICICI Prudential Value Discovery Fund - Reg Plan (G)	-	117.40
7 767459.708 Units (P. Y. 2748674.592 units) of DWS Gilt Fund - Regular Growth	97.72	350.00
8 370000 Units (P. Y. 370000 units) of UTI Fixed Term Income Fund Series XVI-VII (366 Days) (GR)	37.00	37.00
9 Nil Units (P. Y. 51399.854 units) of UTI Equity Fund - (Gr)	-	37.30
10 575721.811 Units (P. Y. 575721.811 units) of JPMorgan US Value Equity Offshore Fund (G)	60.00	60.00
11 Nil Units (P. Y. 16928.446 units) of Franklin India Prima Fund (G)	-	60.00
12 Nil Units (P. Y. 161051.012units) of Franklin India Smaller Companies Fund - (Gr)	-	47.00
13 460696.566 Units (P. Y. 333172.3 units) of SBI Bluechip Fund - Regular Plan (GR)	94.29	60.00

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

14	Nil Units (P. Y. 141333.434 units) of IDFC Sterling Equity Fund (GR)	-	30.00
15	21597.766 Units (P. Y. 21597.766 units) of HDFC Equity Fund (GR)	73.70	73.70
16	Nil Units (P. Y. 430356.66 units) of HDFC Mid-Cap Opportunities Fund - (GR)	-	117.40
17	Nil Units (P. Y. 95305.688 units) of Sundaram S.M.I.L.E. Fund - Reg Plan (Gr)	-	47.00
18	483040.687 Units (P. Y. Nil units) of Mirae Assets India Opportunities Fund - Regular - Growth Plan	154.30	-
19	684032.548 Units (P. Y. Nil units) of Kotak Select Focus Fund-Growth (Regular Plan)	154.30	-
20	Nil Units (P. Y. 1.22 units) of Pramerica Liquid Fund - Direct Plan - Wkly Divd	-	0.01
		771.19	1,424.74
2)	QUOTED		
i)	NON-TRADE INVESTMENTS		
1	40800 (P. Y. 40800) Equity Shares of Asian Paints Ltd of the face value of Re. 1/- fully paid	4.99	4.99
2	5000 (P. Y. 5000) Equity Shares of Axis Bank of the face value of Rs. 2/- fully paid	-	-
3	300 (P. Y. 300) Equity Shares of Kesoram Industries Ltd of the face value of Rs. 10/- fully paid	-	-
4	100 (P. Y. 100) Equity Shares of Computech International Ltd of the face value of Rs. 5/- fully paid	-	-
5	1000 (P. Y. 1000) Equity Shares of Consortex Karl Doelitz (India) Ltd of the face value of Rs. 10/- fully paid	-	-
6	1000 (P. Y. 1000) Equity Shares of Skylid Telecom Equipments Ltd of the face value of Rs. 10/- fully paid	-	-
7	3225 (P. Y. 4975) Equity Shares of Lupin Ltd of the face value of Rs. 2/- fully paid	24.25	37.40
8	15800 (P. Y. 18050) Equity Shares of Axis Bank Ltd. of the face value of Rs. 2/- fully paid (Includes Stock Split 1:5)	38.07	35.76
9	12850 (P. Y. 23625) Equity Shares of United Phosphorous Ltd. of the face value of Rs. 2/- fully paid	20.60	37.87
10	Nil (P. Y. 12020) Equity Shares of ING Vysya Bank Ltd. of the face value of Rs. 10/- fully paid	-	75.84
11	5450 (P. Y. 15450) Equity Shares of Kajaria Ceramics Ltd. of the face value of Rs. 2/- fully paid	14.21	40.27
12	17750 (P. Y. 4975) Equity Shares of Cadila Healthcare Ltd. of the face value of Rs. 5/- fully paid	30.06	42.12
13	13568 (P. Y. 19208) Equity Shares of Tech Mahindra of the face value of Rs. 5/- fully paid	56.49	70.99
14	18900 (P. Y. 42900) Equity Shares of Havells India Ltd. of the face value of Rs. 1/- fully paid	31.36	71.19
15	Nil (P. Y. 3575) Equity Shares of Larsen & Toubro Ltd. of the face value of Rs. 2/- fully paid	-	44.61
16	11874 (P. Y. 5675) Equity Shares of Kotak Mahindra Bank of the face value of Rs. 5/- fully paid (Bonus 1:1)	50.28	45.49
17	100 (P. Y. 180) Equity Shares of MRF Ltd. of the face value of Rs. 10/- fully paid	20.79	37.43
18	9800 (P. Y. 9000) Equity Shares of Dalmia Bharat Ltd. of the face value of Rs. 2/- fully paid	52.80	40.19
19	6175 (P. Y. 7350) Equity Shares of Indusind Bank of the face value of Rs. 10/- fully paid	35.18	41.67
20	9625 (P. Y. 12625) Equity Shares of Raymond Ltd. of the face value of Rs. 10/- fully paid	41.97	55.05
21	Nil (P. Y. 3500) Equity Shares of Credit Analysis And Research of the face value of Rs. 10/- fully paid	-	45.59
22	9950 (P. Y. 16050) Equity Shares of PC Jeweller of the face value of Rs. 10/- fully paid	21.14	34.09
23	11050 (P. Y. 28725) Equity Shares of ICICI Bank Ltd of the face value of Rs. 2/- fully paid	38.67	90.10



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

24	4375 (P. Y. 4300) Equity Shares of MCX India of the face value of Rs. 10/- fully paid	38.34	37.69
25	60650 (P. Y. 47550) Equity Shares of Ashok Leyland of the face value of Re. 1/- fully paid	49.58	32.05
26	41579 (P. Y. 84654) Equity Shares of KEC International Ltd. of the face value of Rs. 2/- fully paid	30.21	61.51
27	80850 (P. Y. Nil) Equity Shares of Kirloskar Ferroc Ind. Ltd. of the face value of Rs. 5/- fully paid	42.77	-
28	6315 (P. Y. Nil) Equity Shares of Mahindra Life SPA.. of the face value of Rs. 10/- fully paid	25.92	-
29	3540 (P. Y. 6894) Equity Shares of Zensar Tech of the face value of Rs. 10/- fully paid	10.05	19.57
30	42850 (P. Y Nil) Equity Shares of Deepak Nitrite of the face value of Rs. 2/- fully paid	28.42	-
31	21735 (P. Y. 21735) Equity Shares of Kalpataru Power Transmission Ltd of the face value of Rs. 2/- fully paid	24.49	24.49
32	5995 (P. Y. Nil) Equity Shares of Ramco Cements of the face value of Rs. 1/- fully paid	20.49	
33	11200 (P. Y. Nil) Equity Shares of Network 18 of the face value of Rs. 5/- fully paid.	6.11	
34	11220 (P. Y. 22040) Equity Shares of Godrej Properties of the face value of Rs. 5/- fully paid	27.08	53.19
35	Nil (P. Y. 40545) Equity Shares of IDFC Ltd of the face value of Rs. 10/- fully paid	-	62.86
36	29752 (P. Y. 9750) Equity Shares of Coromandel International Ltd of the face value of Re. 1/- fully paid	65.24	23.68
37	1950 (P. Y. 1950) Equity Shares of Bajaj Finserv Ltd of the face value of Rs. 5/- fully paid	20.59	20.59
38	4875 (P. Y. Nil) Equity Shares of Biocon Ltd. of the face value of Rs. 5/- fully paid	21.55	-
39	48925 (P. Y. 171650) Equity Shares of TV18 Broadcast Ltd. of the face value of Rs. 2/- fully paid	14.82	52.01
40	Nil (P. Y. 1225) Equity Shares of Bajaj Finance Ltd of the face value of Rs. 10/- fully paid	-	25.08
41	Nil (P. Y. 23750) Equity Shares of Cox and Kings Ltd of the face value of Rs. 5/- fully paid	-	49.45
42	Nil (P. Y. 1125) Equity Shares of Dr Reddy Laboratories Ltd of the face value of Rs. 5/- fully paid	-	30.09
43	Nil (P. Y. 5400) Equity Shares of Glenmark Pharmaceuticals Ltd of the face value of Re. 1/- fully paid	-	32.00
44	Nil (P. Y. 15725) Equity Shares of ITC Ltd of the face value of Re. 1/- fully paid	-	50.02
45	Nil (P. Y. 118450) Equity Shares of PTC India Financial Services Ltd of the face value of Rs. 10/- fully paid	-	53.62
46	Nil (P. Y. 1425) Equity Shares of Shriram Transport Finance Co. Ltd., of the face value of Rs. 10 fully paid	-	12.58
47	27325 (P. Y. Nil) Equity Shares of Greeves Cotton Ltd of the face value of Rs. 2/- fully paid	37.45	-
48	Nil (P. Y. 11650) Equity Shares of Sun Pharmaceuticals Industries Ltd of the face value of Re. 1/- fully paid	-	75.14
49	Nil (P. Y. 18400) Equity Shares of Tata Motors Ltd DVR Shares of the face value of Rs. 2/- fully paid	-	56.68
50	12500 (P. Y. nil) Equity Shares of JMC Projects Shares of the face value of Rs. 10/- fully paid	24.35	
51	552 (P. Y. Nil) Equity Shares of Vardhman Textiles of the face value of Rs. 10/- fully paid	4.14	
		972.46	1,622.96
	Total of Long Term Investments (B)	4,760.16	3,063.70
	Total (A+B)	4,772.25	3,076.15

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)		
AGGREGATE MARKET VALUE OF INVESTMENTS	As at 31st March 2016	As at 31st March 2015
QUOTED INVESTMENTS	1,354.34	2,791.59

(₹ In Lacs)				
	Long Term		Short Term	
	As at 31st March 2016	As at 31st March 2015	As at 31st March 2016	As at 31st March 2015
NOTE 13 : LOANS AND ADVANCES				
A. Unsecured and Considered good:				
Capital Advances	53.37	34.85	-	-
Sundry deposits	282.51	282.33	-	-
	335.88	317.18	-	-
B. Other loans and advances				
Advances to Vendors	-	-	66.61	154.61
Balance with Excise and service tax	-	-	201.50	401.44
Excise Duty under protest	5.36	2.04	-	-
Payments under protest-Sales Tax	10.02	-	-	-
Income Tax paid against disputed liability	208.33	208.33	-	-
Advance payments of Income Tax	105.22	102.28	-	-
Advances to employees	-	-	2.27	1.77
	328.92	312.65	270.38	557.82
	664.80	629.83	270.38	557.82

(₹ In Lacs)		
	As at 31st March 2016	As at 31st March 2015
NOTE 14: OTHER NON CURRENT ASSETS		
TRADE RECEIVABLES		
(Unsecured and considered doubtful)		
Overdue for more than six months	-	21.56
Less:- Provision for Doubtful Debt	-	(21.56)
'Net	-	-
Fixed Deposits with Banks	-	5.09
Sales Tax Refund Receivable	26.79	22.26
	26.79	27.35

(₹ In Lacs)		
	As at 31st March 2016	As at 31st March 2015
NOTE 15: INVENTORIES (At Lower of cost and market value)		
(a) Raw materials	915.41	721.77
(b) Packing materials	65.36	30.46
(c) Finished goods	727.89	509.17
(d) Work-in-progress	42.33	36.89
(e) Stores, spares and consumables	249.33	223.90
	2,000.30	1,522.20



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 16: TRADE RECEIVABLES (Unsecured and considered good)		
Overdue for more than six months	20.30	0.18
Others	4,598.88	4,870.20
	4,619.18	4,870.38
Note:- Amount due from private company in which any director is a director of that company		
(i) Apcotex Solutions India Private Limited	0.39	-
(ii) Choksey Chemical Pvt. Ltd	19.93	35.95

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 17: CASH AND BANK BALANCES		
A. Cash & cash equivalents		
(a) Cash on hand	3.06	5.40
(b) Balances with Banks :		
(i) Balances with Bank Accounts	277.31	233.80
(ii) EEFC A/c	97.53	128.24
(c) Investment in Liquid Mutual Funds (Refer Note No. 17.1)	5.00	5.00
	382.90	372.45
B. Other bank balances-earmarked		
(i) Margin money deposit	55.32	44.81
(i) Unpaid dividend	43.74	25.58
(ii) Deposit with bank - Margin		
	481.96	442.83

NOTE 17.1

(₹ In Lacs)

Details of Investment in Liquid Mutual Funds	As at 31st March 2016	As at 31st March 2015
Unquoted		
Investments in Mutual Funds:		
50000 units (P. Y. 50000 units) of SBI Magnum Multicap Fund	5.00	5.00
	5.00	5.00

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 18: OTHER CURRENT ASSETS (Unsecured and Considered Good)		
Interest Receivable (Refer Note 18.1)	12.23	5.86
Discount Receivable	5.45	95.96
Octroi Receivable	0.62	0.62
Excise Duty Refund (Exports)	17.97	246.34
Export Incentive Receivable	9.98	58.88
Other Receivables	82.97	19.00
	129.22	426.66

Note 18.1:

Interest Receivable inclusive of Interest Receivable of Rs.7.11 Lacs (Previous year NIL) from Apcotex Solutions India Private Limited.

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

	(₹ In Lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
NOTE 19: REVENUE FROM OPERATIONS		
(A) Sale of products:		
(a) Domestic	26,145.63	32,215.00
(b) Exports	3,626.75	6,899.46
Turnover	29,772.38	39,114.46
Less: Excise duty	3,072.11	3,777.60
Sale of products	26,700.27	35,336.86
(B) Other operating revenues:		
(a) Scrap sales	7.34	7.61
(b) Export Incentives	92.68	152.20
(c) Insurance Claim	18.38	3.31
(d) Other Income	16.45	8.13
	134.85	171.23
	26,835.12	35,508.10

Note:-

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

	(₹ In Lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
NOTE 20: OTHER INCOME		
(a) Interest Income	16.25	17.22
(b) Dividend Received	39.60	24.27
(c) Surplus on sale of Non- Current Investments	596.75	444.17
(d) Income from rent	50.20	37.66
(e) Other Income	0.08	3.43
(f) Foreign Exchange Fluctuation Difference	32.37	30.78
	735.25	557.53

	(₹ In Lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
NOTE 21 (A) COST OF MATERIALS CONSUMED		
Raw Materials Consumed		
Opening Stock	721.77	759.00
Add : Purchases	17,086.39	23,751.36
	17,808.16	24,510.35
Less: Sale of Raw Materials	-	-
	17,808.16	24,510.35
Less: Closing Stock Raw Materials	(915.41)	(721.77)
	16,892.75	23,788.58
Packing Materials Consumed		
Opening Stock	30.46	27.43
Add : Purchases	918.94	1,095.38
	949.40	1,122.81
Less : Closing Stock Packing Materials	(65.36)	(30.46)
	884.05	1,092.35
Loss of Material	-	-
	17,776.80	24,880.94



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

	(₹ In Lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
NOTE 21 (B) CHANGES IN INVENTORIES OF FINISHED GOODS, AND WORK IN PROGRESS.		
Stock at the beginning of the year		
Finished Goods	509.17	587.28
Work-in-Progress	36.89	98.24
Total (A)	546.06	685.52
Stock at the end of the year		
Finished Goods	727.89	509.17
Work-in-Progress	42.33	36.89
Total(B)	770.21	546.06
CHANGES IN INVENTORIES OF FINISHED GOODS AND WORK IN PROGRESS (B-A)	(224.15)	139.45

	(₹ In Lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
NOTE 22 : EMPLOYEE BENEFIT EXPENSES		
Salaries ,wages and allowances	1,138.39	1,070.82
Wages and allowances to Contract Labour	145.14	126.70
Contribution to Provident and other Funds	89.31	88.73
Staff welfare expenses	148.80	124.00
	1,521.63	1,410.26

	(₹ In Lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
Note 23 : OTHER EXPENSES		
Stores and spares consumed	128.40	153.89
Power and fuel (Net of Income from Windmill operations of Rs 61.15 Lacs) (Previous Year Rs 68.86 Lac)	611.19	642.94
Repairs and Maintenance		
Buildings Repairs and Maintenance	285.93	567.86
Machinery Repairs and Maintenance	59.32	63.89
Other assets Repairs and Maintenance	156.58	177.10
Rent	14.26	38.35
Rates and taxes	76.39	138.08
Insurance	38.05	33.95
Sales Discount & Rebates	331.20	354.30
Freight and transport charges	975.06	1,100.75
Advertisement	34.07	16.11
Printing, Stationary, & Communication charges	52.19	51.58
Travelling Expenses		
Directors Travelling Expenses	78.48	81.35
Others Travelling Expenses	158.70	127.78
Commission on sales	139.94	171.23
Loss/(Gain) on sale of Fixed Assets	(1.34)	0.96
Fixed Assets Written off	1.86	29.78
Bad Debts Written off	21.56	9.33
Provision for Bad & Doubtful Debts	(21.56)	12.23
Donation	3.30	26.91
Bank Charges	58.35	76.27

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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

	(₹ In Lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
Miscellaneous expenses	605.60	554.11
Prov for Diminishing Value of Investments	16.00	-
Commission to Non Executive Directors	29.01	31.53
Directors' meeting fees	10.00	9.00
Auditors Remuneration (Ref. Note No. 28)	7.53	7.95
Professional Fees	185.78	491.43
Excess Provision written back	(38.97)	(43.67)
Prior year Expenses (Net) (Refer Note No 29)	-	5.15
	4,016.88	4,930.16

NOTE:

- Miscellaneous expenses include Excise duty of Rs 8.61 lacs (*Previous year Rs 30.18 lacs*) being the difference of excise duty between the opening & closing stock of finished goods.
- The Company was required to spend an amount of ₹ 46.35 Lacs (P.Y. ₹ 34.00 Lacs) being 2% of the average net profits of the three immediately preceding financial years on CSR as per the provisions of section 135 of the Companies Act, 2013. The Company has during the year spent ₹ 29.76 Lacs (P.Y. ₹ 30.63 Lacs) only.

The Concerned Expenditure has been debited to the following Heads as below :

(₹ in Lacs)			
Head where the concerned Expenditure is debited	(i) Construction / Acquisition of any asset	(ii) On purposes other than (i)	Total
Donation	-	29.76	29.76
		(26.16)	(26.16)
Miscellaneous Expenses	-	-	-
		(4.47)	(4.47)
Total Expenditure	-	29.76	29.76
		(30.63)	(30.63)
Yet to be Spent	-	16.59	16.59
		(3.37)	(3.37)
Total Eligible Amount	-	46.35	46.35
		(30.63)	(34.00)

(Previous year's figures have been shown in brackets and italics)

	(₹ In Lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
Note 24 : DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on Tangible Assets (Refer Note 11 A)	882.33	891.49
Depreciation on Intangible Assets (Refer Note 11 B)	11.75	5.91
Depreciation on Investment Property (Refer Note 12 A)	0.36	0.31
	894.44	897.71

	(₹ In Lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
Note 25 : FINANCE COST		
Interest on Borrowings	231.99	315.14
Other Finance costs	10.02	9.12
	242.01	324.26

- Estimated amount of contracts to be executed on capital account and not provided for **Rs.60.25 lac** (Net of advances of **Rs. 15.88 lac**) [(P.Y. Rs. 242.06 lac (Net of Advances of Rs. 34.85 lac)].



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

27. Contingent Liabilities:

Claims against the Company not acknowledged as debts [Gross] ₹ 815.89 lac (P.Y. ₹ 536.15 Lac).

Particulars	(₹ In Lacs)	
	As at 31 st March 2016	As at 31 st March 2015
Income tax liability on account of disputed liability	270.12	528.22
Excise duty, Service Tax and Customs	159.93	159.93
Open Letters of Credit	24.98	-
Bank Guarantee with Sales Tax Department	360.86	55.86

27.1 Income Tax liability of Rs. Nil (Previous Year Rs. 208.33 lac) is in respect of capital gains.

27.2 Customs authorities have raised vide notice dated 22-07-2005 a demand and penalty of Rs. 142.09 lac each for a dispute regarding high sea sales. The Company has paid the demand of Rs. 142.09 lac in the year 2011-12 and has claimed the same as deduction in the year financial year 2011-12. Balance penalty amount of Rs. 142.09 lac has been disclosed as contingent.

28. Auditors Remuneration

Particulars	(₹ In Lacs)	
	For the year ended 31 st March 2016	For the year ended 31 st March 2015
Statutory Audit	6.50	5.50
Tax Audit	-	1.50
Certification fees and other services	0.65	0.70
Reimbursement of Expenses	0.38	0.25
Total	7.53	7.95

*(Net of Service Tax)

29. RESEARCH AND DEVELOPMENT EXPENDITURE

Particulars	(₹ In Lacs)	
	For the year ended 31 st March 2016	For the year ended 31 st March 2015
Capital Expenditure	0.79	4.23
Revenue Expenditure	189.60	148.60
Total	190.39	152.83

30. Prior Period Items

Particulars	(₹ In Lacs)	
	For the year ended 31 st March 2016	For the year ended 31 st March 2015
Prior period expenses		
Salary, Wages & Allowances	-	1.54
Freight and Transport Charges	-	5.21
Miscellaneous Expense	-	2.92
Sub Total (A)	-	9.67
Prior period income		
Other income	-	0.02
Miscellaneous Income	-	0.66
Purchase Raw Material	-	2.95
Purchase Packing Material	-	0.89
Sub Total (B)	-	4.52
Grand Total (A-B)	-	5.15

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

31. Value of Imports on CIF basis:

(₹ in Lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
Raw materials	3405.92	4690.67
Stores and spares	1.64	6.93

32. Details of imported and indigenous raw materials, components and spare parts consumed during the financial year:

(₹ in Lacs)

Particulars	For the year ended 31st March 2016	% to Total	For the year ended 31st March 2015	% to Total
Raw Materials:				
Imported	3,557.02	20.00	5,097.29	20.49
Indigenous	14,219.78	80.00	19,783.65	79.51
	17,776.80	100.00	24,880.94	100.00
Stores and Spares:				
Imported	7.55	5.89	9.45	6.14
Indigenous	120.85	94.11	144.44	93.86
	128.40	100.00	153.89	100.00

33. Value of Raw Material Consumed

(₹ in Lacs)

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Monomers	14,327.18	20,674.62
Others	3,449.62	4,206.32
Total	17,776.80	24,880.94

34. Capitalisation of Exchange Rate differences on Foreign Currency Loan.

(₹ In Lacs)

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Premium on swap on Foreign Currency Loan	121.67	180.16
Total	121.67	180.16

35. Earning in foreign currency

Export of Goods on F.O.B. basis	For the year ended 31st March 2016	For the year ended 31st March 2015
	3,400.91	6,566.37

36. Expenditure in Foreign Currency

(₹ in Lacs)

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
a. Professional Fees (including reimbursement)	13.37	18.33
b. Interest	68.38	92.45
c. Foreign Travel	109.30	103.30
d. Sales Commission	0.00	43.04
e. Others	1.31	0.90



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

37. Details on Derivatives Instruments and Un-hedged foreign currency exposures:

(i) Derivative instruments outstanding:

(A) Forward Exchange Contracts:

Particulars	As at 31 st March 2016		As at 31 st March 2015	
	Purchase	Sales	Purchase	Sales
Total number of contracts outstanding	2	-	3	-
USD	15,25,750	-	29,98,970	-
INR Equivalent (Rs. in Lac)	964.91	-	1,877.23	-

(B) Interest Rate Swap Contracts (ECB Loan)

Particulars	As at 31 st March 2016	As at 31 st March 2015
Total Number of Contracts	1	1
Principal Notional Amount US \$	13,37,000	26,69,000
Maturity Period	Upto 1 Years	Upto 2 Years

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

Particulars	As at 31 st March 2016		As at 31 st March 2015	
	USD	₹ in Lacs	USD	₹ in Lacs
Trade and Other Payables	4,72,154	320.58	2,17,252	110.00
Receivables : Trade Receivables	9,21,081	610.56	9,54,915	597.69

38. Segment Information

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

Secondary Segment Information:

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

Secondary segment information with respect to geographical location

(₹ in Lacs)

Particulars	Revenue for the year ended 31 st March, 2016	Trade Receivable as at 31 st March, 2016	Revenue for the year ended 31 st March, 2015	Trade Receivable as at 31 st March, 2015
India	26,145.63	4,008.62	32,215.00	4,272.69
Outside India	3,626.75	610.56	6,899.46	597.69
Total	29,772.38	4,619.18	39,114.46	4,870.38

39. Related Party Transaction Disclosures:

(I) As per requirement of Accounting Standard for Related Party transactions (AS 18) issued by ICAI:

A. Names of Related Parties and nature of relationship

(Related Parties and the transactions with Related Parties are identified by the management and relied upon by Auditors)

(i) Person(s) having controlling interest

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

(ii) Enterprises directly controlled by the company(subsidiary company)

a) Apcotex Solutions India Pvt Ltd (formerly known as Omnova Solutions India Pvt Ltd.)

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(iii) Enterprises over which the Company's Directors Exercise significant influence

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

(iv) Key Management Personnel and their relatives :

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

B. Related Party Disclosure

(₹ in Lacs)

Sr. No.	Nature of Transaction	Person(s) having controlling interest	Enterprises directly controlled by the company (subsidiary)	Companies controlled by Directors/ Relatives of Directors	Key Management Personnel*
Income					
a.	Sale of Goods				
	1. Choksey Chemicals Pvt. Ltd			73.16	
	2. Apcotex Solution Pvt Ltd. (Omnova Solutions India Pvt. Ltd.)		0.39 (-)	(118.65)	
b.	Rent Income				
	1 Aquamarine Investment Manager LLP			0.37 (-)	



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

Sr. No.	Nature of Transaction	Person(s) having controlling interest	Enterprises directly controlled by the company (subsidiary)	Companies controlled by Directors/ Relatives of Directors	Key Management Personnel*
c.	Interest on ICD				
1.	Apcotex Solutions India Pvt Ltd. (formerly known as Omnova Solutions India Pvt. Ltd.)		7.90 (-)		
Expenses					
a.	Rent and Other expenses (Reimbursement)				
	Apco Enterprises Limited			12.07 (8.70)	
	Trivikram Investment & Trading Co. Ltd			1.80 (3.42)	
b.	Remuneration				
	Shri. Abhiraj A. Choksey				104.01 (85.16)
c.	Reimbursement of Medical Expenses				
	Shri. Atul C. Choksey	1.62 (1.78)			
d.	Commission to Non-Executive Directors				
	Shri. Atul C. Choksey	27.52 (25.53)			
e.	Purchase Of Goods				
	Apcotex Solutions India Pvt Ltd. (formerly known as Omnova Solutions India Pvt. Ltd.)		79.10 (-)		
Others					
a.	Inter Corporate Deposits Apcotex Solutions India Pvt Ltd (formerly known as Omnova Solutions India Pvt. Ltd.)		600.00 (-)		
b.	Corporate Guarantee given for loan taken by Apcotex Solutions India Pvt Ltd (formerly known as Omnova Solutions India Pvt. Ltd.)		5000.00 (-)		

(Previous year's figures have shown in brackets and italics)

C. Closing Balances

(₹ In Lacs)					
Sr. No.	Name of the related Party	Persons having controlling interest	Enterprises directly controlled by the company (subsidiary)	Companies controlled by Directors / Relatives of Directors	Directors / Key Management Personnel*
Outstanding Payable Balance					
a.	Apco Enterprises Limited			3.54 (3.42)	
b.	Trivikram Investment & Trading Co. Ltd			1.22 (3.42)	

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)

Sr. No.	Name of the related Party	Perons having controlling Interest	Enterprises directly controlled by the company (subsidiary)	Companies controlled by Directors / Relatives of Directors	Directors / Key Management Personnel*
c.	Apcotex Solutions India Pvt Ltd (formerly known as Omnova Solution India Pvt Ltd)		79.10 (-)		
d.	Shri. Abhiraj A. Choksey – Salary Payable				6.85 (4.50)
e..	Shri. Atul C. Choksey – Commission Payable	23.01 (25.53)			
Outstanding Receivable Balance					
a.	Choksey Chemicals Pvt Ltd			19.93 (35.95)	
b.	Apcotex Solution India Pvt Ltd (formerly known as Omnova Solution India Pvt Ltd)		7.50 (-)		

(Previous year's figures have shown in brackets and italics)

II) Disclosures as per Regulation 34(3) of SEBI (Listing Obligations & Disclosures Requirement Regulation, 2015).

Sr. no.	In the accounts of	Disclosures of amounts at the year end and the maximum amount of loans/advance/Investments outstanding during the year.						
1.	Loans and advances in the nature of Loans to subsidiary :	Apcotex Solutions India Private Limited <table> <tr> <td>1</td><td>At the year end</td><td>Nil</td></tr> <tr> <td>2</td><td>Maximum amount of ICD/Loans given during the year</td><td>775.00</td></tr> </table>	1	At the year end	Nil	2	Maximum amount of ICD/Loans given during the year	775.00
1	At the year end	Nil						
2	Maximum amount of ICD/Loans given during the year	775.00						

40. Disclosure as per Accounting Standard 15 (Revised)

- i. **Contribution to Defined Contribution Plans**
Payment for Employers Contribution to Provident Fund, recognized as expenses is Rs. 21.99 lacs.
- ii. **Contribution to Defined Benefit Plans**
The following table sets out the status of the Gratuity Plan as required under AS 15 (Revised).

(₹ In Lacs)

	31 st March 2016	31 st March 2015
Change in Present Value of Defined Benefit Obligation		
Present Value of Benefit Obligation at the beginning of the year	192.31	171.03
Interest Cost	15.38	15.94
Current Service Cost	16.20	11.60
Past Service Cost	(18.09)	-
(Benefits Paid)	(8.23)	(19.98)
Actuarial (Gain)/Loss on obligations	24.44	13.72
Present Value of Benefit Obligation at the end of the year	222.01	192.31
Fair Value of Plan Assets		
Fair Value Of Plan Assets at the beginning of the year	164.45	152.65
Expected Return on Plan Assets	13.16	14.23
Contributions	27.72	15.54
(Benefits Paid)	(8.23)	(19.98)
Actuarial Gain/(Loss) on Plan Asset	2.79	2.01
Fair Value of Plan Asset at the end of the year	199.89	164.45



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

	(₹ In Lacs)	
	31 st March 2016	31 st March 2015
Recognition of Actuarial Gain / Losses		
Actuarial (Gain)/Loss for the year – Obligation	24.44	13.72
Actuarial (Gain)/Loss for the year – Plan Asset	(2.79)	(2.01)
Total (Gain)/Loss for the year	21.65	11.71
Actuarial (Gain)/Loss recognized in the year	21.65	11.71
Expenses Recognized in the Statement of Profit & Loss A/c		
Current Service Cost	16.20	11.60
Past Service Cost	(18.08)	-
Interest Cost	15.38	15.94
(Expected Return on Plan assets)	(13.16)	(14.23)
Actuarial (Gain)/Loss	21.65	11.70
Expenses Recognized in the Statement of Profit & Loss	21.99	25.01
Amount to be recognized in the Balance Sheet		
Present Value of Obligation as at the end of the year	(222.01)	(192.30)
Fair value of plan asset as at the end of the year	199.89	164.45
Net Asset/(Liability) recognized in the Balance sheet	(22.12)	(27.85)
Actuarial Assumptions		
Discount Rate	8.06%	8.00%
Salary Escalation	7.50%	8.50%
Rate of Return on Plan Assets	8.06%	8.00%
Investment details		
Insurer Managed Fund	100.00%	100.00%
Total	100.00%	100.00%

The estimates of future salary increases, considered in actuarial valuations, take account of inflation, seniority, promotions, and other relevant factors, such as supply demand in the employment market.

The overall expected rate of return on assets is determined based on market prices prevailing on that date, applicable to the period over which the obligation is to be settled. There has been significant change in expected rate of return on assets due to change in market scenario.

	(₹ in Lacs)				
Particulars	Year ended 31 st March 2012	Year ended 31 st March 2013	Year ended 31 st March 2014	Year ended 31 st March 2015	Year ended 31 st March 2016
Defined Benefit Obligations	(126.01)	(149.59)	(171.03)	(192.30)	(222.01)
Plan Assets	98.78	106.92	152.65	164.45	199.89
Surplus/(Defecit)	(27.23)	(42.67)	(18.38)	(27.85)	(22.12)

41. Operating Leases:

The Company lease agreements are in respect of operating lease for vehicles. These Lease Agreements provide for cancellation by either party thereto as per the terms and condition of the agreement. The lease rental recognized in the profit and loss during year & the lease agreements obligations for the period is as per given table.

	(₹ in Lacs)	
Particulars	For the year ended 31 st March 2016	For the year ended 31 st March 2015
Lease payment recognized in P&L	9.67	6.93
Future Lease Commitments		
- Within one year	8.89	9.34
- Later than one year and not later than Five years	17.26	26.15

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

42. Earnings per Share:

	For the year ended 31st March 2016	For the year ended 31 st March 2015
(i) Profit computation for both basic and diluted earnings per equity share of Rs.5 each. Net profit as per Statement of profit and loss available for equity Shareholders (Rs in Lac)	2,467.10	2,468.06
(i) Number of Equity Shares*	2,07,37,984	2,07,37,984
(ii) Earning per equity share Basic & Diluted (in Rupees)	11.90	11.90

*The equity shares of the Company having face value of Rs. 5 each allotted as fully paid up by way of bonus share. In accordance with AS 20 – Earnings Per Share, the earnings per share For the year ended 31st March 2015 have been presented based on the revised number of shares.

43. Micro & Small enterprises as defined under the Macro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company and the auditors have relied on the same. Sundry creditors include total outstanding dues of micro enterprises and small enterprises amounting to Rs. 68.62 (Previous Year: Rs. 156.07). The disclosure pursuant to MSMED Act based on the books of account are as under :

(₹ in Lacs)

	For the year ended 31st March 2016	For the year ended 31 st March 2015
Dues remaining unpaid		
Principal	68.62	156.07
Interest	-	0.69
Interest paid in terms of Section 16 of MSMED Act	-	-
Amount of payments made to supplier beyond the appointed day	-	-
Amount of interest due and payable for the period of delay on payment made beyond the appointed day during the year without adding interest specified under MSMED Act	-	-
Amount of Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years for the purpose of disallowance under section 23 of the Act	-	-

44 Acquisition & Amalgamation of wholly owned Company

- a. On 05th February 2016, company acquired the entire share-holding (No. of Shares – 1,60,99,272) of Omnova Solutions India Private Limited from “Omnova Solutions India France Holding SAS” & “Omnova Solutions SAS France”. The name of wholly owned subsidiary company i.e. Omnova Solutions India Private Limited was changed to Apcotex Solutions India Private Limited w.e.f 05th March 2016.
 - b. On 22nd April 2016, Board of Directors approved the scheme of Amalgamation of wholly owned subsidiary company viz. Apcotex Solutions India Private Limited with the Company applicable from 31st March 2016. The necessary documents have been filed with stock exchanges for their consent before filing the petition with Honorable High Court judicature at Bombay.
45. Previous year's figures have been have been regrouped / restated wherever necessary to conform to current year's presentation.

As per our Report of even date
For KALYANIWALLA & MISTRY
Chartered Accountants
Firm Registration Number: 104607W

ERMIN K. IRANI
Partner
Membership Number: 35646
Mumbai : 16th May, 2016

For and on behalf of Board of Directors
ATUL C. CHOKSEY Chairman (DIN00002102)
ABHIRAJ A. CHOKSEY Managing Director (DIN00002120)
MANUBHAI G. PATEL (Chairman - Audit Committee) (DIN00001662)

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

Mumbai : 16th May, 2016



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INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF APCOTEX INDUSTRIES LIMITED

Report on the Consolidated Financial Statements

We have audited the accompanying consolidated financial statements of **APCOTEX INDUSTRIES LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiaries (the Holding Company and its subsidiaries together referred to as "the Group") comprising of the Consolidated Balance Sheet as at March 31, 2016, the Consolidated Statement of Profit and Loss, the Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

Management's Responsibility for the Consolidated Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audit. While conducting the audit, we have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made thereunder.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and the

disclosures in the consolidated financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Holding Company's preparation of the consolidated financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Holding Company's Board of Directors, as well as evaluating the overall presentation of the consolidated financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at March 31, 2016, and the consolidated profit and their consolidated cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

As required by Section 143(3) of the Act, we report, to the extent applicable, that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
- b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears

from our examination of those books and the reports of the other auditors.

- c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, and the

Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.

- d) In our opinion, the aforesaid consolidated financial statements comply with the Accounting

Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.

- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2016 and taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary companies incorporated in India, none of the directors of the Group companies incorporated in India is disqualified as on March 31, 2016 from being appointed as a director in terms of Section 164 (2) of the Act.

- f) With respect to the adequacy of the internal financial controls over financial reporting of the Group and the operating effectiveness of such controls, refer to our separate report in “**Annexure A**”;and

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

- i. The consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group – Refer Note 27 to the consolidated financial statements.
- ii. The Company has made provision, as required under the applicable law or accounting standard, for material foreseeable losses, if any, on long term contracts including derivative contracts.
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Group Companies incorporated in India.

**For KALYANIWALLA & MISTRY
CHARTERED ACCOUNTANTS
Firm Reg.No. 104607W**

**Ermin K. Irani
Partner
M. No.: 35646**

Place: Mumbai
Dated: May 16, 2016



apcotex industries limited

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in Para (f) of 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the consolidated financial statements for the year ended March 31, 2016.

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

In conjunction with our audit of the consolidated financial statement of the Company as of and for the year ended March 31, 2016, we have audited the internal financial controls over financial reporting of **APCOTEX INDUSTRIES LIMITED** (hereinafter refer to as the "Holding Company") and its subsidiary companies which are incorporated in India, as of that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about

whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility

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

Opinion

In our opinion, the Holding Company and its subsidiary company, which are incorporated in India, have in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2016, based on the internal control over financial reporting

criteria established by the Holding Company and its subsidiary companies, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

Ermin K. Irani
PARTNER
MembershipNo. 35646

Place: Mumbai
Date: May 16, 2016





apcotex industries limited

CONSOLIDATED BALANCE SHEET AS AT 31ST MARCH 2016

₹ In Lacs

	Notes	As at 31st March 2016	As at 31st March 2015
EQUITY AND LIABILITIES			
Shareholder's Funds			
Share Capital	2	1,040.80	522.35
Reserves and Surplus	3	17,680.88	9,452.95
		18,721.68	9,975.30
NON CURRENT LIABILITIES			
Long Term Borrowings	4	-	836.56
Deferred Tax Liability (Net)	5	-	558.50
Other Long Term Liabilities	6	138.27	132.60
Long Term Provisions	7	198.82	177.95
		337.09	1,705.61
CURRENT LIABILITIES			
Short Term Borrowings	8	1,705.08	1,439.24
Trade Payables	9		
a. total outstanding dues of micro enterprises and small enterprises		166.58	156.07
b. total outstanding dues of creditors other than micro enterprises and small enterprises		3,246.91	1,870.13
Other Current Liabilities	10	3,184.72	1,985.89
Short Term Provisions	7	1,443.76	933.82
		9,747.05	6,385.16
TOTAL		28,805.82	18,066.07
ASSETS			
NON CURRENT ASSETS			
Fixed Assets			
Tangible Assets	11 A	8,954.21	6,298.74
Intangible Assets	11 B	31.06	26.52
Capital work-in-progress		488.55	187.60
		9,473.82	6,512.86
Non-current Investments	12	1,780.67	3,076.15
Deferred Tax Asset (Net)	5	672.96	-
Long Term Loans and Advances	13	1,061.99	629.82
Other Non Current Assets	14	605.20	27.35
CURRENT ASSETS			
Inventories	15	4,333.85	1,522.20
Trade Receivables	16	8,384.08	4,870.38
Cash and Bank balances	17	981.08	442.83
Short Term Loans and Advances	13	740.58	557.82
Other Current Assets	18	771.59	426.66
		15,211.18	7,819.88
TOTAL		28,805.82	18,066.07
Significant Accounting Policies	1		

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

As per our Report of even date
For KALYANIWALLA & MISTRY
Chartered Accountants
Firm Registration Number: 104607W

ERMIN K. IRANI
Partner
Membership Number: 35646
Mumbai : 16th May, 2016

For and on behalf of Board of Directors
ATUL C. CHOKSEY Chairman (DIN00002102)
ABHIRAJ A. CHOKSEY Managing Director (DIN00002120)
MANUBHAI G. PATEL (Chairman - Audit Committee) (DIN00001662)

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

Mumbai : 16th May, 2016

CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2016

₹ In Lacs

	Notes	For the year ended 31st March 2016	For the year ended 31st March 2015
INCOME			
Revenue from Operations	19A	32,868.02	39,114.46
Less: Excise duty		3,375.50	3,777.60
Revenue from Operations (Net of excise duty)		29,492.52	35,336.86
Other Operating Revenue	19B	153.35	171.23
Other Income	20	827.83	557.54
TOTAL REVENUE		30,473.70	36,065.63
EXPENSES			
Cost of Materials Consumed	21A	19,418.64	24,880.94
Changes in Inventories of Finished Goods and Work in Progress	21B	(37.61)	139.45
Employee Benefit Expenses	22	1,707.61	1,410.26
Other Expenses	23	4,614.66	4,930.16
		25,703.30	31,360.80
EARNINGS BEFORE INTEREST, TAX, DEPRECIATION AND AMORTISATION (EBITDA)		4,770.40	4,704.83
Depreciation and Amortization Expense	24	939.62	897.71
Finance Cost	25	243.05	324.26
PROFIT BEFORE TAX		3,587.73	3,482.85
Less : Tax Expenses			
Current Tax		966.13	1,018.50
Deferred Tax	5	(1231.46)	(3.71)
Total Tax Expenses		(265.33)	1,014.79
PROFIT AFTER TAX		3,853.06	2,468.06
Basic and Diluted Earnings per Equity Share of Rs 5/- each	41	18.58	11.90
Significant Accounting Policies	1		
The accompanying Notes 1 to 44 are an integral part of the Financial Statements			

As per our Report of even date
For KALYANIWALLA & MISTRY
Chartered Accountants
Firm Registration Number: 104607W

ERMIN K. IRANI
Partner
Membership Number: 35646
Mumbai : 16th May, 2016

For and on behalf of Board of Directors
ATUL C. CHOKSEY Chairman (DIN00002102)
ABHIRAJ A. CHOKSEY Managing Director (DIN00002120)
MANUBHAI G. PATEL (Chairman - Audit Committee) (DIN00001662)

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

Mumbai : 16th May, 2016



apcotex industries limited

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

(₹ in lacs)

		For the Year ended 31st March 2016	For the Year ended 31st March 2015
A. CASH FLOW FROM OPERATING ACTIVITIES :			
Profit Before Tax		3,587.73	3,482.85
Adjustments for :			
Depreciation and Amortization Expense		939.62	897.71
Finance Cost		250.95	324.26
Prov for Diminishing Value of Investments (PL)		16.00	-
Foreign Exchange Fluctuation Difference		48.54	67.45
Fixed Assets Written off		1.86	29.78
Loss / (Profit) on Sale of Assets		111.19	0.96
Bad Debts Written Off		21.56	9.33
Provision for Bad and Doubtful Debts		(21.56)	12.23
Impairment on tangible assets/ Written back		(539.72)	-
Assets Written off		425.00	-
Loss / (Surplus) on Sale of Investment		(596.75)	(465.98)
Dividend Income		(39.60)	(24.27)
Interest received		(115.10)	(17.22)
Income from Investment Property		(50.20)	(37.66)
Excess Provision Written back		(38.97)	(43.67)
Operating Profit Before Working Capital Changes		4,000.55	4,235.79
Adjustments for :			
Increase / (Decrease) in Non Current Liabilities		57.14	40.99
Increase / (Decrease) in Current Liabilities		2,752.79	(187.13)
(Increase) / Decrease in Non Current Assets		(1,010.61)	(167.45)
(Increase) / Decrease in Current Assets		(6,923.59)	256.36
Cash Flow Generated from Operations		(1,123.71)	4,178.55
Direct taxes paid		(702.35)	(978.15)
Net Cash Flow from Operating Activities	(a)	(1,826.07)	3,200.40
B. CASH FLOW FROM INVESTING ACTIVITIES			
Purchase of Fixed assets		(4,004.09)	(757.19)
Sale of Fixed Assets		55.27	2.55
Purchase of Investments		(4,912.16)	(2,395.56)
Capital Reserve on Consolidation (excluding cash taken over)		5,546.33	-
Sale of Investments		6,659.06	2,314.85
Dividend Income		39.60	24.27
Interest received		115.10	17.22
Income from Investment Property		50.20	37.66
Net Cash Used in Investing Activities	(b)	3,549.31	(756.20)

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016

(₹ in lacs)

		For the Year ended 31st March 2016	For the Year ended 31st March 2015
C. CASH FLOW FROM FINANCING ACTIVITIES			
Proceeds / (Repayment) of Short Term Borrowings (Net)		265.83	(854.93)
Repayment of Long Term Borrowings		(833.43)	(817.08)
Finance Cost paid		(253.18)	(334.20)
Dividends paid		(715.32)	(508.23)
Dividend Distribution Tax paid		(147.76)	(88.11)
Net Cash Used in Financing Activities	(c)	(1,683.85)	(2,602.55)
Net Increase/ (Decrease) in Cash and Cash Equivalents	(a+b+c)	39.39	(158.35)
Cash and cash equivalents as at 1st April 2015		372.45	530.80
Add: Cash & Cash Equivalent taken over pursuant to business acquisition		470.19	-
		842.63	530.80
Cash and cash equivalents as at 31st March 2016		882.02	372.45
		39.39	(158.35)
1	The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) 3 on Cash Flow Statement and presents cash flows by operating , investing and financing activities		
2	Figures in the Bracket are outflows / deductions		
3	Figures of the previous year have been regrouped / rearranged wherever necessary to make it comparable to the current year presentation.		

As per our Report of even date
For KALYANIWALLA & MISTRY
Chartered Accountants
Firm Registration Number: 104607W

ERMIN K. IRANI
Partner
Membership Number: 35646
Mumbai : 16th May, 2016

For and on behalf of Board of Directors
ATUL C. CHOKSEY Chairman (DIN00002102)
ABHIRAJ A. CHOKSEY Managing Director (DIN00002120)
MANUBHAI G. PATEL (Chairman - Audit Committee) (DIN00001662)

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

Mumbai : 16th May, 2016



apcotex industries limited

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

Notes forming part of the consolidated Financial Statements for the year ended 31st March 2016.

Corporate Information note on business activity

Apcotex Industries Limited ("the Company") is one of the leading producers of Synthetic Latexes (VP Latex, Acrylic Latex, Nitrile Latex) and Synthetic Rubber (HSR, SBR, NBR) in India. The Company has one of the broadest ranges of products based on STYRENE – BUTADIENE CHEMISTRY available in the market today. Company's product range is used, among other applications, for TYRE CORD DIPPING, PAPER/PAPER BOARD COATING, CONCRETE MODIFICATION/WATER PROOFING, PAINT EMULSIONS, TEXTILE FINISHING, Auto Components, Rice Rolls etc. The various grades of Synthetic Rubber find application in products such as Footwear, Automotive components, V-belts, Conveyor belts and hoses. The Company is a public limited company domiciled in India. Its shares are listed on two stock exchanges in India - the Bombay Stock Exchange (BSE) and the National Stock Exchange (NSE).

1. Basis of Consolidation:

The Consolidated Financial Statements relate to Apcotex Industries Limited ("the Company") and its subsidiary company Apcotex Solutions India Private Limited, incorporated in India, in which the Company holds 100% equity. The Consolidated Financial Statements of the Company have been prepared on accrual basis under the historical cost convention and ongoing concern basis in accordance with the Generally Accepted Accounting Principles in India ('Indian GAAP') to comply with the Accounting Standards specified under section 133 of The Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act as applicable.

2. Principles of Consolidation:

The Consolidated Financial Statements have been prepared on the following basis:

- The Consolidated Financial Statements have been prepared in accordance with Accounting Standard 21 — Consolidated Financial Statements
- The Financial Statements of the Company and its subsidiary company have been consolidated on a line by line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra group balances, intra group transactions and unrealised profits or losses have been fully eliminated.
- The difference between the costs of investment in the subsidiary and the Company's share of equity at the time of acquisition of shares in the subsidiary is recognised in the Financial Statements as Goodwill or Capital Reserve on consolidation.
- Minority Interest, if any, in the net assets of consolidated subsidiary is identified and presented in the Consolidated Balance Sheet separately from liabilities and equity of the Company's shareholders.

Minority interest, if any, in the net assets of consolidated subsidiary consists of:

- The amount of equity attributable to minority at the date on which investment in a subsidiary is made; and
 - The minority share of movements in equity since the date the parent subsidiary relationship came into existence.
- The Financial Statements of the subsidiary are drawn from the date of acquisition up to 31st March, 2016.
 - The consolidated financial statements have been prepared using uniform accounting policies for like transactions and other events in similar circumstances.
 - The Subsidiary considered in presentation of these consolidated financial statements are:

Name of the Subsidiary Company	Country of Incorporation	Proportion of Ownership Interest
Apcotex Solutions India Private Limited	India	100%

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

(i) Use of Estimates:

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

(ii) Operating Cycle:

All Assets & liabilities have been classified as current & non-current as per the Company's normal operating cycle and other criteria set out in the Revised Schedule III of the Act. Based on the nature of activities undertaken by the Company and their realisation in cash and cash equivalents, the company has ascertained its operating cycle as 12 months for the purpose of current & non- current classification of assets & liabilities.

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(iii) Fixed Assets and Depreciation / Amortization**a. Fixed Assets**

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

Fixed Assets held for sale are stated at lower of their net book value and net realizable value and are disclosed separately in the consolidated financial statements.

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

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

b. Depreciation & Amortization**On Tangible Assets:**

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

On Intangible Assets:

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

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

c. Impairment

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

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

(iv) Borrowing Cost

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

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

(v) Investments

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

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

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

(vi) Inventory

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

The cost is determined as follows:

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



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

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

(vii) Excise Duty :

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

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

(viii) Transactions in foreign exchange

(a) Initial recognition:

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

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

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

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

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

(ix) Forward Exchange Contracts – Hedging

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

(x) Employees' Benefits

(a) Short Term Employee Benefits:

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

(b) Post-employment benefits:

Defined contribution plans :

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

Defined benefit plans

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

Other long-term employee benefits

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

(xi) Research and Development

- (a) Capital expenditure is shown separately under respective heads of fixed assets. These assets are depreciated over their useful life.
- (b) Revenue expenses are included under the respective heads of expenses.

(xii) Taxes on Income

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

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

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

(xiii) Cash & Cash Equivalent:

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

(xiv) Leases - Assets taken on operating lease

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

(xv) Revenue Recognition:

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

(xvi) Provisions and Contingencies:

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

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

(xvii) Earnings per Share

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

(xviii) Measurement of EBITDA

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



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 2 : SHARE CAPITAL		
Authorised		
2,99,40,000 Equity Shares of Rs. 5/- each (2,99,40,000 Equity Shares of Rs 5/- each)	1,497.00	1,497.00
500 Preference Shares of Rs. 100/- each (500 Preference Shares of Rs 100/- each)	0.50	0.50
50,000 Unclassified Shares of Rs. 5/- each (50,000 Unclassified Shares of Rs. 5/- each)	2.50	2.50
	1,500.00	1,500.00
Issued, Subscribed and Paid up capital		
2,07,37,984 Equity Shares of Rs. 5/- (1,03,68,992 Equity Shares of Rs 5/-) each fully paid. (Including Rs. 3.90 lacs towards 78,051 shares forfeited at Rs.5/- each)	1,040.80	522.35
Total	1,040.80	522.35

Note:

- a) The Company had wide resolution passed through postal ballot on 12th September 2015, approved the issue of one bonus shares for every one equity share held in the company having face value of Rs 5/- each fully paid to the shareholders existing on record date i.e 24th September 2015. The shares were allotted on board meeting held on 25th September 2015 (Refer Note (e) below).

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

Equity Shares	As at 31st March 2016		As at 31st March 2015	
	No. of Shares	₹ in Lacs	No. of Shares	₹ in Lacs
At the beginning of the year	1,03,68,992	522.35	1,03,68,992	522.35
Add : Increase in the number of Shares on issue of bonus shares for every one equity shares during the year.	1,03,68,992	518.45	-	-
Outstanding at the end of the year	2,07,37,984	1,040.80	1,03,68,992	522.35

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

Equity Shares	As at 31st March 2016		As at 31st March 2015	
	No of Shares Face Value of ₹ 5 Each	% Holding	No of Shares Face Value of ₹ 5 Each	% Holding
Trivikram Investment & Trading Company Ltd.	39,53,976	19.07	19,76,988	19.07
Dhumraketu Investment & Trading Company Pvt. Ltd	33,37,269	16.00	16,59,557	16.00
Atul Champaklal Choksey	13,76,404	5.88	6,70,200	6.44
Saldhar Investment & Trading Company Pvt. Ltd	11,33,088	5.46	5,66,544	5.46

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

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

e) Aggregate number of shares & class of shares allotted as fully paid-up by way of Bonus Shares:

(₹ In Lacs)

Financial Year 2015-16	As at 31st March 2016	As at 31st March 2015
No of Equity Shares	1,03,68,992	-
Face Value per Share	5.00	-
Total Face Value (Rs in Lacs)	518.45	-

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 3 : RESERVES AND SURPLUS		
(a) Capital Redemption Reserve		
As per last Balance Sheet	-	-
Less: Utilisation for Issue of Fully Paid-up Bonus Shares { Refer Note 2(a) & 2(e) }	34.30	-
	34.30	-
(b) Capital Reserve on Consolidation	-	34.30
	6,016.52	-
(c) Share Premium		
As per last Balance Sheet	3,084.11	3,084.11
Less: Utilisation for Issue of Fully Paid-up Bonus Shares { Refer Note 2(a) & 2(e) }	484.15	-
	2,599.95	3,084.11
(d) General Reserve		
As per last Balance Sheet	2403.72	1,750.43
Add : Transfer from Statement of Profit and Loss	800.00	800.00
Less: Adjustment on account of excess depreciation as on 1st April 2014 *(Refer Note 3a below)	-	(146.71)
	3203.72	2,403.72
(e) Surplus in Statement of Profit and Loss		
As per last Balance Sheet	3,930.83	3,136.36
Add : Net profit after tax transferred from Statement of Profit and Loss	3,853.06	2,468.06
Amount available for appropriation	7,783.89	5,604.42
Less: Appropriations		
Dividend on Equity shares:		
- Proposed Dividend [Rs.4.50 per share of Rs 5/- each, (Previous year Rs. 7/- per share of Rs 5/- each)]	933.21	725.83
Dividend Distribution Tax	189.98	147.76
Transfer to General Reserve	800.00	800.00
	5,860.70	3,930.83
Total	17,680.88	9,452.95

***Note :**

- a. Consequent to Schedule II to the Companies Act, 2013 becoming applicable w.e.f. April 01, 2014, depreciation for the year ended March 31, 2015 has been provided on the basis of the useful lives as prescribed in Schedule II. Depreciation of Rs 146.71 lacs (net of deferred tax of Rs 75.54) on account of assets whose useful life is already exhausted as on 1st April 2014, has been adjusted to General Reserve.

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 4 : LONG TERM BORROWINGS		
Term Loan		
Secured		
From Bank	-	836.56
	-	836.56

Notes:

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



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

2. Repayment schedule of Term Loan:	
Financial Year	Amount
2016-17	836.56
3. Default in terms of repayment of principal and interest – NIL;	
4. Foreign currency loan due for Repayment during the next twelve months considered in Other Current Liabilities is Rs. 836.56 lacs (Previous Year Rs 833.43 lacs)	

Note 5: DEFERRED TAX LIABILITY (NET)

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

The major components of deferred tax (liabilities)/assets arising on account of timing differences as at 31st March, 2016 are as follows:

	(₹ In Lacs)	
	As at 31st March 2016	As at 31st March 2015
Deferred tax liabilities		
Depreciation on Fixed Assets (other than Scientific Research Assets)	637.41	565.28
Depreciation on Scientific Research Assets	-	41.29
Total deferred tax liabilities	637.41	606.57
Deferred tax assets		
Carried forward losses and unabsorbed depreciation	-	-
Provision for doubtful debts	1,079.04	-
Provision for leave encashment	150.63	34.26
Provision for doubtful debts	-	7.33
Provision for Inventories	72.05	-
Provision for bonus	-	6.48
Impact of expenditure charged to profit and loss account in the current year but allowed for tax purposes on payment basis	8.65	-
Total deferred tax assets	1,310.37	48.07
Net Deferred tax liability/(assets)* Refer Note 43(c)	(672.96)	558.50

	(₹ In Lacs)	
	As at 31st March 2016	As at 31st March 2015
Note 6: OTHER LONG TERM LIABILITIES		
Unsecured		
Security Deposits	138.27	132.60
	138.27	132.60

Note:

1. Sundry deposits includes refundable Security Deposits accepted from Dealers carrying interest rate of 9% p.a.

	Long -Term		Short -Term	
	As at 31st March 2016	As at 31st March 2015	As at 31st March 2016	As at 31st March 2015
NOTE 7. PROVISIONS				
Employee liabilities				
Leave Encashment	131.79	80.31	59.41	20.48
Proposed Dividend	-	-	933.21	725.83
Provision for Dividend Distribution Tax	-	-	189.98	147.76
Income Tax	67.03	97.64	261.16	39.75
	198.82	177.95	1,443.76	933.82

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 8 : SHORT TERM BORROWINGS		
(a) Loan repayable on demand from banks		
Secured		
Packing credit Foreign Currency Loan	-	585.78
Cash Credit/Working Capital Demand Loan	1,705.08	853.46
	1,705.08	1,439.24
Note :-		
1. Loan from a bank secured by hypothecation of stock, book debts on parri passu basis and exclusive charge on land and building and second parri passu charge on plant & machinery. The CC/WDC/WCDL carry interest rate in range of 10.25% p.a. to 13.65% p.a. and packing credit facility carry interest rate in the range of 2.00% p.a. to 2.50% p.a.		
2. Default in terms of repayment of principal and interest – NIL.		

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 9. TRADE PAYABLES		
Unsecured		
Trade Payables		
a. Total outstanding dues of micro enterprises and small enterprises	166.58	156.07
b. Total outstanding dues of creditors other than micro enterprises and small enterprises (Refer note 42 (for Details of due to Small, Medium Enterprises)	3,246.91	1,870.13
	3,413.49	2,026.20
Note:- Amount due to Related Parties:		
Apco Enterprises Limited	3.54	4.23
Trivikram Investment & Trading Co. Ltd	(0.14)	3.42

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 10. OTHER CURRENT LIABILITIES		
(a) Other Payables		
Current Maturities of Long-term debt	836.56	833.43
Interest accrued but not due on borrowings	13.63	13.66
Central Sales Tax and VAT	2.01	5.13
Service Tax (Refer Note 10.3)	180.19	3.05
Excise duty on Closing Stock	331.80	84.72
TDS under Income tax	45.87	32.17
Provident Fund, Profession Tax and ESIC	18.74	9.44
Salaries & Wages	175.46	92.13
Bonus	111.66	20.57
Incentives	59.71	55.22
Leave Encashment	17.09	-
Gratuity	22.12	27.85
Amount payable to Gratuity Trust as a contribution for Gratuity	110.35	-
Unpaid/ Unclaimed dividend	55.32	44.81
Unclaimed Fixed Deposits and Interest thereon (Refer Note 10.2)	0.70	0.70
Security Deposits	121.79	-
Payable for Expenses	525.24	522.87
Payable for Capital Goods	69.72	75.13
Commission to Non Exe. Directors	29.01	31.53
Advances received from Customers	25.98	25.87
Outstanding Expenses	431.75	107.61
	3,184.72	1,985.89



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

Note 10.1: There are no amounts due and outstanding to be credited to Investor Education & Protection Fund

Note 10.2: Company has no Fixed Deposits at the end of the financial year. The Central Bureau of Investigation (CBI) has instructed the Company, not to repay the proceeds of four fixed deposits amounting to ₹ 48,000/- and accrued interest of ₹ 22,491/- thereon. These deposits matured during the first week of December 2002 and continue to remain with the Company.

NOTE 11A & 11B : FIXED ASSETS

(₹ In Lacs)

	Gross Block					Depreciation						Net Block Value	
	As at 01/04/2015	Additions	Additions on acquisition	Deletions/ Adjustments	As at 31/03/2016	Upto 01/04/2015	Trf to Gen Res*	On Acquisition	For the Year	Deletions/ Adjustments	Upto 31/03/2016	As at 31/03/2016	As at 31/03/2015
A. Tangible Assets :													
Freehold Land	-	5.33	-	-	5.33	-	-	-	-	-	-	5.33	-
Leasehold Land	7.64	-	1,049.22	(248.40)	808.46	2.73	-	322.11	1.55	(248.40)	77.99	730.47	4.91
Buildings	2,513.71	13.73	994.56	(2.51)	3,519.49	821.11	-	288.56	78.65	(2.50)	1,185.82	2,333.67	1,692.60
Plant and Equipment	6,455.77	283.34	5,357.77	(1,125.18)	10,971.69	3,615.04	-	3,568.82	546.13	(1,073.72)	6,656.27	4,315.42	2,840.73
Scientific Research Equipments	309.67	0.79	-	(19.75)	290.71	188.19	-	-	29.48	(18.80)	198.87	91.84	121.48
Furnitures & office equipments	260.97	18.96	113.67	(2.71)	390.89	153.50	-	78.90	30.62	(1.37)	261.64	129.24	107.47
Vehicles	190.89	-	38.88	(0.13)	229.65	97.74	-	22.21	32.06	(0.13)	151.88	77.76	93.15
Electric & Pipe Fittings	1,739.16	39.80	-	(6.72)	1,772.24	757.63	-	-	181.12	(6.69)	932.05	840.19	981.53
Wind Turbine Generator	612.79	-	392.70	(392.70)	612.79	155.93	-	342.70	26.58	(342.70)	182.51	430.29	456.87
Total tangible assets	12,090.61	361.94	7,946.80	(1,798.10)	18,601.25	5,791.86	-	4,623.30	926.19	(1,694.31)	9,647.04	8,954.21	6,298.74
B. Intangible Assets :													
Goodwill	-	-	140.85	-	140.85	-	-	140.85	-	-	140.85	-	-
Computer Softwares	79.68	9.81	116.22	(0.02)	205.69	53.16	-	108.35	13.07	0.05	174.63	31.06	26.52
Total intangible assets	79.68	9.81	257.07	- 0.02	346.54	53.16	-	249.21	13.07	0.05	315.49	31.06	26.52
Total (A+B)	12,170.30	371.75	8,203.87	(1,798.12)	18,947.79	5,845.02	-	4,872.51	939.26	(1,694.26)	9,962.52	8,985.27	6,325.26
Previous year	12,028.04	698.86	-	(556.59)	12,170.30	5,248.87	222.25	-	897.40	(523.50)	5,845.02		
Capital Work-in-progress												488.55	187.60

(Refer Note No. 3(a))

Notes:

a. The Group is in the process of registering Title deeds of following immovable property in the name of the Company:

Type of Assets	Number of cases	Gross Block as at March 31, 2016	Net Block as at March 31, 2016	Remarks
Lease Hold Land	1	3,94,93,120	3,59,20,707	Company has received the allotment letter from GIDC. Company is in the process of registration.
Lease Hold Land	1	2,11,93,800	1,34,65,835	Received on demerger of Godrej Soaps Business. Company is in the process of transferring the title deeds.
Buildings	2	67,07,025	50,82,578	Company has received the allotment letter from GIDC. Company is in the process of registration.

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

- b Leasehold land measuring 24.84 hectares taken from Gujarat Energy Development Agency ('GEDA') for wind farm at Navadara, Gujarat. The land lease taken is going to expire by March 31, 2016, which is further renewable on payment of annual lease rentals. During the previous year, the Company has decided to amortise the fair value of the land carried in the books over the current lease period, i.e. till March 31, 2016. Accordingly, the Company has recognised higher amortisation charge of Rs.16,906,725. During the current year same has been sold off.
- c. The Depreciation for the year includes Impairment provision on Plant & Machinery Rs. Nil (Previous year Rs. 53,971,625/-). In the Previous year, the Company has recognised the following impairment loss on written down of following assets to their recoverable amount.

Particulars	Amt in ₹
Building related to windmills	47,018
Leashold land related to windmills	57,01,573
Plant and Machinery related to windmills	57,23,360
Plant and Machinery related to Gas turbine and instruments	4,24,99,674
Total	5,39,71,625

The impairment loss in case of above asset is recognised on account of management's decision to disinvest these assets and these assets being not in use due to technical issues. The group written-down these assets to net realisable value based on management estimate. In current period these assets are transferred from Fixed Asset to "Assets held for disposal" and accordingly, the impairment provision on the same as the same assets has been reversed (included in deletion / adjustments).

- d. Impairment provision included in accumulated depreciation Rs. Nil /- on takeover Rs.53,971,625/- (as on 31/03/2015 - Rs.Nil).

		(₹ In Lacs)	
		As at 31st March 2016	As at 31st March 2015
NOTE 12: NON CURRENT INVESTMENTS			
(A) INVESTMENT PROPERTY (at cost less accumulated depreciation)			
Buildings given on Operating Lease:			
Opening Gross Block		32.69	30.86
Add: Transfer from Fixed Assets during the year		-	1.83
Closing Gross Block		32.69	32.69
Less:			
Opening Accumulated Depreciation		20.24	19.93
Add: Depreciation for the year		0.36	0.31
Closing Accumulated Depreciation		-	20.24
Net Block (a)		12.09	12.45
(B) LONG TERM INVESTMENTS			
1) UNQUOTED			
i) NON-TRADE INVESTMENTS			
1 120000 (P.Y. 120000) Equity Shares of Cybele Paradise Pvt Ltd. of the face value of Rs.10/- fully paid		16.00	16.00
Less: Prov for Diminishing Value of Investment		(16.00)	
		-	16.00
2 247,500 Shares of Narmada Clean Tech Limited of Rs 10/- each fully paid up (formely known as Bharuc Eco-Aqua Infrastructure Limited)		24.75	
3 1,751 Shares of Bharuch Enviro Infrastructure Limited of Rs.10/- each fully paid up		0.18	
		24.93	16.00



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)

		As at 31st March 2016	As at 31st March 2015
ii)	INVESTMENTS IN MUTUAL FUNDS		
1	Nil Units (P. Y.203.746) Reliance Liquid Fund - Treasury Plan-Weekly Div	-	3.08
2	94134.364 Units (P. Y. 94134.364Units) Birla Sun Life Frontline Equity Fund - Growth	59.88	59.88
3	400000 Units (P. Y. 400000 Units) Birla Sun Life Fixed Term Plan - Corp Bond Series A (1170 days)	40.00	40.00
4	Nil Units (P. Y. 515685.914 Units) ICICI Prudential Focused Bluechip Eq Fund - Retail (G)	-	90.97
5	Nil Units (P. Y. 1294054.87 Units) ICICI Prudential Income Opportunities Fund - Reg Plan (G)	-	194.00
6	Nil Units (P. Y. 137541.367 units) ICICI Prudential Value Discovery Fund - Reg Plan (G)	-	117.40
7	767459.708 Units (P. Y. 2748674.592 units) of DWS Gilt Fund - Regular Growth	97.72	350.00
8	370000 Units (P. Y. 370000 units) of UTI Fixed Term Income Fund Series XVI-VII (366 Days) (GR)	37.00	37.00
9	Nil Units (P. Y. 51399.854 units) of UTI Equity Fund - (Gr)	-	37.30
10	575721.811 Units (P. Y. 575721.811 units) of JPMorgan US Value Equity Offshore Fund (G)	60.00	60.00
11	Nil Units (P. Y. 16928.446 units) of Franklin India Prima Fund (G)	-	60.00
12	Nil Units (P. Y. 161051.012units) of Franklin India Smaller Companies Fund - (Gr)	-	47.00
13	460696.566 Units (P. Y. 333172.3 units) of SBI Bluechip Fund - Regular Plan (GR)	94.29	60.00
14	Nil Units (P. Y. 141333.434 units) of IDFC Sterling Equity Fund (GR)	-	30.00
15	21597.766 Units (P. Y.21597.766 units) of HDFC Equity Fund (GR)	73.70	73.70
16	Nil Units (P. Y. 430356.66 units) of HDFC Mid-Cap Opportunities Fund - (GR)	-	117.40
17	Nil Units (P. Y. 95305.688 units) of Sundaram S.M.I.L.E. Fund - Reg Plan (Gr)	-	47.00
18	483040.687 Units (P. Y. Nil units) of Mirae Assets India Opportunities Fund - Regular - Growth Plan	154.30	-
19	684032.548 Units (P. Y. Nil units) of Kotak Select Focus Fund-Growth (Regular Plan)	154.30	-
20	Nil Units (P. Y. 1.22 units) of Pramerica Liquid Fund - Direct Plan - Wkly Divd	-	0.01
		771.19	1,424.74
2)	QUOTED		
i)	NON-TRADE INVESTMENTS		
1	40800 (P. Y. 40800) Equity Shares of Asian Paints Ltd of the face value of Re. 1/- fully paid	4.99	4.99
2	5000 (P. Y. 5000 Equity Shares of Axis Bank of the face value of Rs. 2/- fully paid	-	-
3	300 (P. Y. 300) Equity Shares of Kesoram Industries Ltd of the face value of Rs. 10/- fully paid	-	-
4	100 (P. Y. 100) Equity Shares of Computech International Ltd of the face value of Rs. 5/- fully paid	-	-
5	1000 (P. Y. 1000) Equity Shares of Consortex Karl Doelitz (India) Ltd of the face value of Rs. 10/- fully paid	-	-
6	1000 (P. Y. 1000) Equity Shares of Skylid Telecom Equipments Ltd of the face value of Rs. 10/- fully paid	-	-

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

			(₹ In Lacs)	
			As at 31st March 2016	As at 31st March 2015
7	3225 (P. Y. 4975) Equity Shares of Lupin Ltd of the face value of Rs. 2/- fully paid		24.25	37.40
8	15800 (P. Y. 18050) Equity Shares of Axis Bank Ltd. of the face value of Rs. 2/- fully paid (Includes Stock Split 1:5)		38.07	35.76
9	12850 (P. Y. 23625) Equity Shares of United Phosphorous Ltd. of the face value of Rs. 2/- fully paid		20.60	37.87
10	Nil (P. Y. 12020) Equity Shares of ING Vysya Bank Ltd. of the face value of Rs. 10/- fully paid		-	75.84
11	5450 (P. Y. 15450) Equity Shares of Kajaria Ceramics Ltd. of the face value of Rs. 2/- fully paid		14.21	40.27
12	17750 (P. Y. 4975) Equity Shares of Cadila Healthcare Ltd. of the face value of Rs. 5/- fully paid		30.06	42.12
13	13568 (P. Y. 19208) Equity Shares of Tech Mahindra of the face value of Rs. 5/- fully paid		56.49	70.99
14	18900 (P. Y. 42900) Equity Shares of Havells India Ltd. of the face value of Rs. 1/- fully paid		31.36	71.19
15	Nil (P. Y. 3575) Equity Shares of Larsen & Toubro Ltd. of the face value of Rs. 2/- fully paid		-	44.61
16	11874 (P. Y. 5675) Equity Shares of Kotak Mahindra Bank of the face value of Rs. 5/- fully paid (Bonus 1:1)		50.28	45.49
17	100 (P. Y. 180) Equity Shares of MRF Ltd. of the face value of Rs. 10/- fully paid		20.79	37.43
18	9800 (P. Y. 9000) Equity Shares of Dalmia Bharat Ltd. of the face value of Rs. 2/- fully paid		52.80	40.19
19	6175 (P. Y. 7350) Equity Shares of Indusind Bank of the face value of Rs. 10/- fully paid		35.18	41.67
20	9625 (P. Y. 12625) Equity Shares of Raymond Ltd. of the face value of Rs. 10/- fully paid		41.97	55.05
21	Nil (P. Y. 3500) Equity Shares of Credit Analysis And Research of the face value of Rs. 10/- fully paid		-	45.59
22	9950 (P. Y. 16050) Equity Shares of PC Jeweller of the face value of Rs. 10/- fully paid		21.14	34.09
23	11050 (P. Y. 28725) Equity Shares of ICICI Bank Ltd of the face value of Rs. 2/- fully paid		38.67	90.10
24	4375 (P. Y. 4300) Equity Shares of MCX India of the face value of Rs. 10/- fully paid		38.34	37.69
25	60650 (P. Y. 47550) Equity Shares of Ashok Leyland of the face value of Re. 1/- fully paid		49.58	32.05
26	41579 (P. Y. 84654) Equity Shares of KEC International Ltd. of the face value of Rs. 2/- fully paid		30.21	61.51
27	80850 (P. Y. Nil) Equity Shares of Kirloskar Ferroc Ind. Ltd. of the face value of Rs. 5/- fully paid		42.77	-
28	6315 (P. Y. Nil) Equity Shares of Mahindra Life SPA.. of the face value of Rs. 10/- fully paid		25.92	-
29	3540 (P. Y. 6894) Equity Shares of Zensar Tech of the face value of Rs. 10/- fully paid		10.05	19.57
30	42850 (P. Y Nil) Equity Shares of Deepak Nitrite of the face value of Rs. 2/- fully paid		28.42	-
31	21735 (P. Y. 21735) Equity Shares of Kalpataru Power Transmission Ltd of the face value of Rs. 2/- fully paid		24.49	24.49



apcotex industries limited

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
32 5995 (P. Y. Nil) Equity Shares of Ramco Cements of the face value of Rs. 1/- fully paid	20.49	-
33 11200 (P. Y. Nil) Equity Shares of Network 18 of the face value of Rs. 5/- fully paid.	6.11	-
34 11220 (P. Y. 22040) Equity Shares of Godrej Properties of the face value of Rs. 5/- fully paid	27.08	53.19
35 Nil (P. Y. 40545) Equity Shares of IDFC Ltd of the face value of Rs. 10/- fully paid	-	62.86
36 29752 (P. Y. 9750) Equity Shares of Coromandel International Ltd of the face value of Re. 1/- fully paid	65.24	23.68
37 1950 (P. Y. 1950) Equity Shares of Bajaj Finserv Ltd of the face value of Rs. 5/- fully paid	20.59	20.59
38 4875 (P. Y. Nil) Equity Shares of Biocon Ltd. of the face value of Rs. 5/- fully paid	21.55	-
39 48925 (P. Y. 171650) Equity Shares of TV18 Broadcast Ltd. of the face value of Rs. 2/- fully paid	14.82	52.01
40 Nil (P. Y. 1225) Equity Shares of Bajaj Finance Ltd of the face value of Rs. 10/- fully paid	-	25.08
41 Nil (P. Y. 23750) Equity Shares of Cox and Kings Ltd of the face value of Rs. 5/- fully paid	-	49.45
42 Nil (P. Y. 1125) Equity Shares of Dr Reddy Laboratories Ltd of the face value of Rs. 5/- fully paid	-	30.09
43 Nil (P. Y. 5400) Equity Shares of Glenmark Pharmaceuticals Ltd of the face value of Re. 1/- fully paid	-	32.00
44 Nil (P. Y. 15725) Equity Shares of ITC Ltd of the face value of Re. 1/- fully paid	-	50.02
45 Nil (P. Y. 118450) Equity Shares of PTC India Financial Services Ltd of the face value of Rs. 10/- fully paid	-	53.62
46 Nil (P. Y. 1425) Equity Shares of Shriram Transport Finance Co. Ltd., of the face value of Rs. 10 fully paid	-	12.58
47 27325 (P. Y. Nil) Equity Shares of Greeves Cotton Ltd of the face value of Rs. 2/- fully paid	37.45	-
48 Nil (P. Y. 11650) Equity Shares of Sun Pharmaceuticals Industries Ltd of the face value of Re. 1/- fully paid	-	75.14
49 Nil (P. Y. 18400) Equity Shares of Tata Motors Ltd DVR Shares of the face value of Rs. 2/- fully paid	-	56.68
50 12500 (P. Y. nil) Equity Shares of JMC Projects Shares of the face value of Rs. 1/- fully paid	24.35	-
51 552 (P. Y. Nil) Equity Shares of Vardhman Textiles of the face value of Rs. 10/- fully paid	4.14	-
	972.46	1,622.96
Total of Long Term Investments (B)	1,768.58	3,063.70
Total (A+B)	1,780.67	3,076.15

(₹ In Lacs)

AGGREGATE MARKET VALUE OF INVESTMENTS	As at 31st March 2016	As at 31st March 2015
QUOTED INVESTMENTS	1,354.34	2,791.59

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)

	Long Term		Short Term	
	As at 31st March 2016	As at 31st March 2015	As at 31st March 2016	As at 31st March 2015
NOTE 13 : LOANS AND ADVANCES				
A. Unsecured and Considered good:				
Capital Advances	97.35	34.85	-	-
Sundry deposits	558.67	282.33	-	-
	656.02	317.18	-	-
B. Other loans and advances				
Advances to Vendors	-	-	223.86	154.61
Balance with Excise and service tax	74.94	-	201.50	401.44
Excise Duty under protest	15.38	2.04	-	-
Income Tax paid against disputed liability	208.33	208.33	-	-
Advance payments of Income Tax	107.32	102.28	-	-
Other advances receivable in cash or kind	-	-	279.31	-
Advances to employees	-	-	35.90	1.77
	405.96	312.65	740.58	557.82
	1,061.99	629.82	740.58	557.82

(₹ in Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 14: OTHER NON CURRENT ASSETS		
TRADE RECEIVABLES		
(Unsecured and considered doubtful)		
Overdue for more than six months	435.25	21.56
Less:- Provision for Doubtful Debt	(435.25)	(21.56)
'Net	-	-
Fixed Deposits with Banks	-	5.09
Sales Tax Refund Receivable	605.20	22.26
	605.20	27.35

(₹ in Lacs)

	As at 31st March 2016	As at 31st March 2016
NOTE 15: INVENTORIES (At Lower of cost and market value)		
(a) Raw materials	1,350.82	721.77
(b) Packing materials	84.64	30.46
(c) Finished goods	2,237.76	509.17
(d) Work-in-progress	393.02	36.89
(e) Stores, spares and consumables	267.61	223.90
	4,333.85	1,522.20

(₹ in Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 16: TRADE RECEIVABLES		
(Unsecured and considered good)		
Overdue for more than six months	42.35	0.18
Others	8,341.72	4,870.20
	8,384.08	4,870.38
Note:-		
Amount due from private company in which any director is a director of that company		
(i) Choksey Chemical Pvt. Ltd	19.93	35.95



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ in Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 17: CASH AND BANK BALANCES		
A. Cash & cash equivalents		
(a) Cash on hand	3.99	5.40
(b) Balances with Banks :		
(i) Balances with Bank Accounts	775.50	233.80
(ii) EEFC A/c	97.53	128.24
(c) Investment in Liquid Mutual Funds (Refer Note No. 17.1)	5.00	5.00
	882.02	372.45
B. Other bank balances-earmarked		
(i) Unpaid dividend	55.32	44.81
(ii) Deposit with bank - Margin	43.74	25.58
	981.08	442.83

NOTE 17.1

(₹ in Lacs)

Details of Investment in Liquid Mutual Funds	As at 31st March 2016	As at 31st March 2015
Unquoted		
Investments in Mutual Funds:		
50000 units (P. Y. 50000 units) of SBI Magnum Multicap Fund	5.00	5.00
	5.00	5.00

(₹ In Lacs)

	As at 31st March 2016	As at 31st March 2015
NOTE 18: OTHER CURRENT ASSETS		
(Unsecured and Considered Good)		
Interest Receivable	5.13	5.86
Discount Receivable	5.45	95.96
Octroi Receivable	0.62	0.62
Excise Duty Refund (Exports)	17.97	246.34
Sales Tax Refund Receivable	474.58	-
Interest on Sales Tax Refund Receivable	124.21	-
Export Incentive Receivable	9.98	58.88
Assets held for disposal	50.68	-
Other Receivables	82.97	19.00
	771.59	426.66

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
NOTE 19: REVENUE FROM OPERATIONS		
(A) Sale of products:		
(a) Domestic	29,056.08	32,215.00
(b) Exports	3,811.94	6,899.46
Turnover	32,868.02	39,114.46
Less: Excise duty	3,375.50	3,777.60
Sale of products	29,492.52	35,336.86
(B) Other operating revenues:		
(a) Scrap sales	23.71	7.61
(b) Export Incentives	94.02	152.20
(c) Insurance Claim	19.17	3.31
(d) Other Income	16.45	8.13
	153.35	171.23
	29,645.87	35,508.10

Note:-

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

(₹ In Lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
NOTE 20: OTHER INCOME		
(a) Interest Income	8.36	17.22
(b) Interest Income	98.85	-
(c) Dividend Received From Non Current Investments	39.60	24.27
(e) (Loss)/Surplus on sale of Non- Current Investments	596.75	444.17
(f) Income from rent	50.20	37.66
(h) Other Income	1.72	3.43
(j) Foreign Exchange Fluctuation Difference	32.37	30.78
	827.84	557.53

(₹ In Lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
NOTE 21 (A) COST OF MATERIALS CONSUMED		
Raw Materials Consumed		
Opening Stock	1,206.59	759.00
Add : Purchases	18,719.75	23,751.36
	19,926.34	24,510.35
Less: Closing Stock Raw Materials	(1350.82)	(721.77)
	18,575.52	23,788.58
Packing Materials Consumed		
Opening Stock	55.87	27.43
Add : Purchases	871.89	1,095.38
	927.75	1,122.81
Less : Closing Stock Packing Materials	(84.64)	(30.46)
	843.11	1,092.35
	19,418.63	24,880.94



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

(₹ In Lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
NOTE 21 (B) CHANGES IN INVENTORIES OF FINISHED GOODS, AND WORK IN PROGRESS.		
Stock at the beginning of the year		
Finished Goods	2,212.82	587.28
Work-in-Progress	380.35	98.24
Total (A)	2,593.17	685.52
Stock at the end of the year		
Finished Goods	2,237.76	509.17
Work-in-Progress	393.02	36.89
Total(B)	2,630.78	546.06
CHANGES IN INVENTORIES OF FINISHED GOODS, AND WORK IN PROGRESS (B-A)	(37.61)	139.45

(₹ In Lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
NOTE 22 : EMPLOYEE BENEFIT EXPENSES		
Salaries, wages and allowances	1,313.63	1,070.82
Wages and allowances to Contract Labour	145.14	126.70
Contribution to Provident and other Funds	94.46	88.73
Staff welfare expenses	154.39	124.01
	1,707.61	1,410.26

(₹ In Lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
Note 23 : OTHER EXPENSES		
Stores and spares consumed	150.79	153.89
Power and fuel (Net of Income from Windmill operations of Rs 61.15 Lacs) (Previous Year Rs 68.86 Lac)	883.35	642.94
Repairs and Maintenance		
Buildings Repairs and Maintenance	294.41	567.86
Machinery Repairs and Maintenance	79.74	63.89
Other assets Repairs and Maintenance	180.81	177.10
Rent	21.24	38.35
Rates and taxes	110.68	138.08
Insurance	52.93	33.95
Sales Discount & Rebates	365.24	354.30
Contract Labour	56.27	-
Freight and transport charges	1,002.85	1,100.75
Advertisement	34.07	16.11
Printing, Stationary, & Communication charges	52.19	51.58
Travelling Expenses		
Directors Travelling Expenses	78.48	81.35
Others Travelling Expenses	177.82	127.78

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

	(₹ In Lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
Commission on sales	139.94	171.23
Loss on sale of Fixed Assets	110.04	0.96
Fixed Assets Written off	426.85	29.78
Impairment of fixed assets/ (written back, Refer Note 11 c)	(539.72)	-
Bad Debts Written off	21.56	9.33
Provision for Bad & Doubtful Debts	(21.56)	12.23
Donation	3.30	26.91
Bank Charges	61.69	76.27
Miscellaneous expenses	651.66	554.11
Prov for Diminishing Value of Investments	16.00	-
Commission to Non Executive Directors	29.01	31.53
Directors' meeting fees	10.00	9.00
Auditors Remuneration (Ref. Note No. 28)	11.53	7.95
Professional Fees	192.44	491.43
Excess Provision written back	(38.97)	(43.67)
Prior year Expenses (Net) (Refer Note No 29)	-	5.15
	4,614.66	4,930.16

Note:

- Miscellaneous expenses include Excise duty of Rs 8.61 lacs (Previous year Rs 30.18 lacs) being the difference of excise duty between the opening & closing stock of finished goods.
- The Company was required to spend an amount of ₹ 46.35 Lacs (P.Y. ₹ 34.00 Lacs) being 2% of the average net profits of the three immediately preceding financial years on CSR as per the provisions of section 135 of the Companies Act, 2013. The Company has during the year spent ₹ 29.76 Lacs (P.Y. ₹ 30.63 Lacs) only.

The Concerned Expenditure has been debited to the following Heads as below :

(₹ in Lacs)			
Head where the concerned Expenditure is debited	(i) Construction / Acquisition of any asset	(ii) On purposes other than (i)	Total
Donation	-	29.76	29.76
		(26.16)	(26.16)
Miscellaneous Expenses	-	-	-
		(4.47)	(4.47)
Total Expenditure	-	29.76	29.76
		(30.63)	(30.63)
Yet to be Spent	-	16.59	16.59
		(3.37)	(3.37)
Total Eligible Amount	-	46.35	46.35
		(30.63)	(34.00)

(Previous year's figures have been shown in brackets and italics)



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

	(₹ In Lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
Note 24 : DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on Tangible Assets (Refer Note 11 A)	926.19	891.14
Depreciation on Intangible Assets (Refer Note 11 B)	13.07	6.26
Depreciation on Investment Property (Refer Note 12 A)	0.36	0.31
	939.62	897.71

	(₹ In Lacs)	
	For the year ended 31st March 2016	For the year ended 31st March 2015
Note 25 : FINANCE COST		
Interest on Borrowings	232.03	315.14
Other Finance costs	11.03	9.12
	243.05	324.26

26. Estimated amount of contracts to be executed on capital account and not provided for **Rs.75.45 lac** (Net of advances of **Rs. 15.88 lac**) [(P.Y. Rs. 242.06 lac (Net of Advances of Rs. 34.85 lac)].

27. Contingent Liabilities:

Claims against the Company not acknowledged as debts [Gross] **Rs. 1350.58 lac** (P.Y. Rs. 744.01 Lac).

Particulars	As at 31st March 2016	As at 31st March 2015
Income tax liability on account of disputed liability	796.06	528.22
Excise duty, Service Tax and Customs	168.68	159.93
Open Letters of Credit	24.98	-
Bank Guarantee with Sales Tax Department	360.86	55.86

27.1 Income Tax liability of Rs. Nil (Previous Year Rs. 208.33 lac) is in respect of capital gains.

27.2 Customs authorities have raised vide notice dated 22-07-2005 a demand and penalty of Rs. 142.09 lac each for a dispute regarding high sea sales. The Company has paid the demand of Rs. 142.09 lac in the year 2011-12 and has claimed the same as deduction in the financial year 2011-12. Balance penalty amount of Rs. 142.09 lac has been disclosed as contingent.

28. Auditors Remuneration

	(₹ In Lacs)	
Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Statutory Audit	9.50	5.50
Consolidated Financial Statements	1.00	-
Tax Audit	-	1.50
Certification fees and other services	0.65	0.70
Reimbursement of Expenses	0.38	0.25
Total	11.53	7.95

*(Net of Service Tax)

29. RESEARCH AND DEVELOPMENT EXPENDITURE

	(₹ In Lacs)	
Particulars	For the Year Ended 31st March 2016	For the Year Ended 31st March 2015
Capital Expenditure	0.79	4.23
Revenue Expenditure	189.60	148.60
TOTAL EXPENDITURE	190.39	152.83

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

30. Prior Period Items

(₹ in Lacs)

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Prior period expenses		
Salary, Wages & Allowances	-	1.54
Freight and Transport Charges	-	5.21
Miscellaneous Expense	-	2.92
Sub Total (A)	-	9.67
Prior period income		
Other income	-	0.02
Miscellaneous Income	-	0.66
Purchase Raw Material	-	2.95
Purchase Packing Material	-	0.89
Sub Total (B)	-	4.52
Grand Total (A-B)	-	5.15

31. Value of Imports on CIF basis:

(₹ In Lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
Raw materials	3966.10	4690.67
Stores and spares	1.64	6.93

32. Details of imported and indigenous raw materials, components and spare parts consumed during the financial year:

(₹ In Lacs)

Particulars	For the year ended 31st March 2016	% To Total	For the year ended 31st March 2015	% To Total
Raw Materials:				
Imported	4,117.20	21.20	5,097.29	20.48
Indigenous	15,301.44	78.80	19,783.65	79.52
	19,418.64	100.00	24,880.94	100.00
Stores and Spares:				
Imported	7.55	5.01	9.45	6.14
Indigenous	143.24	94.99	144.44	93.86
	150.79	100.00	153.89	100.00

33. Value of Raw Material Consumed

(₹ In Lacs)

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Monomers	15,659.18	20,674.62
Others	3,759.46	4,206.32
Total	18,418.64	24,880.94



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

34. Capitalisation of Premium on Swap Contracts on Foreign Currency Loan and related interest cost.

(₹ In Lacs)

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Premium on swap on foreign currency loan	121.67	180.16
Total	121.67	180.16

35. Earning in foreign currency

	For the year ended 31st March 2016	For the year ended 31st March 2015
Export of Goods on F.O.B. basis	3582.98	6566.37

36. Expenditure in Foreign Currency

(₹ In Lacs)

	Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
a.	Professional Fees (including reimbursement)	13.37	18.33
b.	Interest	68.38	92.45
c.	Foreign Travel	110.13	103.30
d.	Sales Commission	-	43.04
e.	Others	1.31	0.90

37. Details on Derivatives Instruments and Un-hedged foreign currency exposures:

(i) Derivative instruments outstanding:

(A) Forward Exchange Contracts:

Particulars	As at 31st March 2016		As at 31st March 2015	
	Purchase	Sales	Purchase	Sales
Total number of contracts outstanding (ECB Loan)	2	-	3	-
USD	1525750	-	2998970	-
INR Equivalent (Rs. in Lac)	964.91	-	1877.23	-

(B) Interest Rate Swap Contracts (ECB Loan)

Particulars	As at 31st March 2016	As at 31st March 2015
Total Number of Contracts	1	1
Principal Notional Amount US \$	1337000	2669000
Maturity Period	Upto 1 Years	Upto 2 Years

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

Particulars	As at 31st March 2016		As at 31st March 2015	
	USD	₹ in Lac	USD	₹ in Lac
Trade and Other Payables	723464.40	487.28	217252	110.00
Receivables : Trade Receivables	1017337.00	674.42	954915	597.69

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

38. Segment Information

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

Secondary Segment Information:

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

Secondary segment information with respect to geographical location

(₹ In Lacs)

Particulars	Revenue for the year ended 31 st March, 2016	Trade Receivable as at 31 st March, 2016	Revenue for the year ended 31 st March, 2015	Trade Receivable as at 31 st March, 2015
India	28853.80	7709.66	32,215.00	4272.69
Outside India	3808.82	674.42	6,899.46	597.69
Total	32868.02	8384.08	39114.46	4870.38

39. Related Party Transaction Disclosure

(I) As per requirement of Accounting Standard for Related Party transactions (AS 18) issued by ICAI:

A. Names of Related Parties and nature of relationship

(Disclosure made to the extent of information available)

(i) **Person(s) having controlling interest**

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

(ii) **Enterprises directly controlled by the company(subsidiary company)**

- a) **Apcotex Solutions India Pvt Ltd (formerly known as Omnova solutions India pvt ltd.)**

(iii) **Enterprises over which the Company's Directors Exercise significant influence**

- a) Abhiraj Trading & Investments Pvt. Limited
b) Aeonian Investments Company Limited
c) Amisha Buildcon Private Limited
d) Apco Enterprises Limited
e) Aquamarine Trading & Investments Pvt. Limited
f) Aquamarine Investment Managers LLP
g) Balasesh Leafin Limited
h) Bhuvantray Investments & Trading Co. Pvt. Limited
i) Choksey Structural Engineering Private Limited
j) Choksey Chemical Pvt. Limited
k) Cons Holdings Limited
l) Cybele Paradise Pvt Ltd
m) Dhumraketu Investments & Trading Company Pvt.Ltd.
n) Forest Hills Trading & Investments Pvt. Limited
o) Gauriputra Investments & Trading Co. Pvt. Limited
p) Haridwar Trading & Investments Pvt. Limited



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

- q) HMP Mineral Pvt. Limited
- r) Joshimath Trading & Investments Pvt. Limited
- s) Laxmanjhula Trading & Investments Pvt. Limited
- t) Mazda Colours Limited
- u) Propycon Trading & Investments Private Limited
- v) Saldhar Investments & Trading Company Pvt. Limited
- w) Sammelan Investments & Trading Limited
- x) Shyamal Finvest (India) Limited
- y) Hindustan Mineral Products Co. Limited
- z) Titan Trading & Agencies Limited
- aa) Trivikram Investments & Trading Company Limited

(iv) **Key Management Personnel and their relatives :**

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

B. Related Party Disclosure

(₹ In Lacs)

Sr. No.	Nature of Transaction	Person(s) having controlling interest	Companies controlled by Directors/ Relatives of Directors	Key Management Personnel*
Income				
a.	Sale of Goods			
1.	Choksey Chemicals Pvt. Ltd		73.16 (118.65)	
b.	Rent Income			
1	Aquamarine Investment Manager LLP		0.37 (-)	
Expenses				
a.	Rent and Other expenses (Reimbursement)			
	Apco Enterprises Limited		12.07 (8.70)	
	Trivikram Investment & Trading Co. Ltd		1.80 (3.42)	
b.	Remuneration			
	Shri. Abhiraj A. Choksey			104.01 (85.16)
c.	Reimbursement of Medical Expenses			
	Shri. Atul C. Choksey	1.62 (1.78)		
d.	Commission to Non-Executive Directors			
	Shri. Atul C. Choksey	27.52 (25.53)		

(Previous year's figures have shown in brackets and italics)

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

C. Closing Balances

(₹ In Lacs)

Sr. No.	Name of the related Party	Perons having controlling Interest	Companies controlled by Directors / Relatives of Directors	Directors / Key Management Personnel*
Outstanding Payable Balance				
a.	Apco Enterprises Limited		3.54 (3.42)	
b.	Trivikram Investment & Trading Co. Ltd		-0.14 (3.42)	
c.	Shri. Abhiraj A. Choksey – Salary Payable			6.85 (4.50)
d.	Shri. Atul C. Choksey – Commission Payable	27.52 (25.53)		
Outstanding Receivable Balance				
a.	Choksey Chemicals Pvt Ltd		19.93 (35.95)	

(Previous year's figures have shown in brackets and italics)

II) Disclosures as per Regulation 34(3) of SEBI (Listing Obligations & Disclosures Requirement Regulation, 2015).

Sr. no.	In the accounts of	Disclosures of amounts at the year end and the maximum amount of loans/advances/ Investments outstanding during the year.		
1.	Loans and advances in the nature of Loans to subsidiary :	Apcotex Solutions India Private Limited		
		1	At the year end	Nil
		2	Maximum amount of ICD/Loans given during the year	775.00

40. Operating Leases:

The Company lease agreements are in respect of operating lease for vehicles. These Lease Agreements provide for cancelation by either party thereto as per the terms and condition of the agreement. The lease rental recognized in the profit and loss during year & the lease agreements obligations for the period is as per given table.

(₹ In Lacs)

Particulars	For the year ended 31st March 2016	For the year ended 31st March 2015
Lease payment recognized in P&L	9.67	6.93
Future Lease Commitments		
- Within one year	8.89	9.34
- Later than one year and not later than Five years	17.26	26.15

41. Earnings per Share:

		For the year ended 31st March 2016	For the year ended 31st March 2015
(i)	Profit computation for both basic and diluted earnings per equity share of Rs.5 each. Net profit as per Statement of profit and loss available for equity Shareholders (Rs in Lac)	3,853.06	2,468.06
(ii)	Number of Equity Shares*	20737984	20737984
(iii)	Earning per equity share		
	Basic & Diluted (in Rupees)	18.58	11.9

* The equity shares of the Company having face value of Rs. 5 each allotted as fully paid up by way of bonus share. In accordance with AS 20 – Earnings Per Share, the earnings per share For the Year Ended 31st March 2015 have been presented based on the revised number of shares.



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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2016

42. Micro & Small enterprises as defined under the Macro, Small and Medium Enterprises Development Act, 2006 (MSMED Act) have been identified by the Company on the basis of the information available with the Company and the auditors have relied on the same. Sundry creditors include total outstanding dues of micro enterprises and small enterprises amounting to Rs. 68.62 (Previous Year: Rs. 156.07). The disclosure pursuant to MSMED Act based on the books of account are as under:

(₹ In Lacs)

	For the year ended 31st March 2016	For the year ended 31st March 2015
Dues remaining unpaid		
Principal	166.28	156.07
Interest	0.39	0.69
Interest paid in terms of Section 16 of MSMED Act	-	-
Amount of payments made to supplier beyond the appointed day	-	-
Amount of interest due and payable for the period of delay on payment made beyond the appointed day during the year without adding interest specified under MSMED Act	-	-
Amount of Interest accrued and remaining unpaid	-	-
Amount of further interest remaining due and payable in succeeding years for the purpose of disallowance under section 23 of the Act	-	-

43. Acquisition and amalgamation of wholly owned subsidiary Company

- On 05th February 2016, company acquired the entire share-holding (No. of Shares – 1,60,99,272) of Omnova Solutions India Private Limited from “Omnova Solutions India France Holding SAS” & “Omnova Solutions SAS France”. The name of wholly owned subsidiary company i.e. Omnova Solutions India Private Limited was changed to Apcotex Solutions India Private Limited w.e.f 05th March 2016.
 - On 22nd April 2016, Board of Directors approved the scheme of Amalgamation of wholly owned subsidiary company viz. Apcotex Solutions India Private Limited with the Company applicable from 31st March 2016. The necessary documents have been filed with stock exchange for their consent before filing the petition with Honorable High Court judicature at Bombay.
 - Upon approval from Stock Exchanges the Company will be filing Scheme of Amalgamation with Honourable High Court judicature at Bombay for Merger of wholly owned subsidiary Apcotex Solutions India Private Limited with the Company applicable from 31st March 2016. Accordingly, deferred tax assets have been created on the accumulated unabsorbed depreciation allowance of the wholly owned subsidiary.
44. Previous year's figures have been regrouped / restated wherever necessary to conform to current year's presentation.



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