apcotex

Responsible Care®
OUR COMMITMENT TO SUSTAINABILITY

21st August 2017

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 2016-17.

Pursuant to Regulation 34(1) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we wish to inform you that the shareholders at the 31st Annual General Meeting of the Company held on 17th August 2017 has approved and adopted the Annual Report for the financial year 2016-17, as per the provisions of Companies Act, 2013.

Accordingly please find enclosed copy of the Annual Report for the financial year 2016-17.

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

Thank you.

Yours Faithfully

For Apcotex Industries Ltd

Authorised Signatory

apcotex

The
Invisible Bond
in all walks of life

apcotex industries limited

ANNUAL REPORT 2016-2017

Company History

1980	Started as a division of Asian Paints. Pioneered the manufacturing of Vinyl Pyridine latex and Carboxylated Styrene-Butadiene latex in India.
1991	Constituted as a Public Limited Company listed on stock exchanges as Apcotex Lattices Limited.
1998	Started High Styrene Rubber production with 10,000 MT p.a. (dry) capacity.
2005	Name changed to Apcotex Industries Limited.
2009	Entered Acrylic Emulsion business to exploit synergies with other products and markets.
2013	Installed capacity of saleable latex increased at Taloja from 40,000 MT p.a. to 55,000 MT p.a. (wet).
2016	Completed acquisition of Omnova Solutions Indian business of Nitrile Rubber of 16,000 MT p.a. (dry) and High Styrene Rubber to create synergy.



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	Executive Director

COMPANY SECRETARY

Anand V. Kumashi

AUDITORS

Kalyaniwalla & Mistry LLP
Chartered Accountants.

BANKERS

State Bank of India
Standard Chartered Bank
Citi Bank

REGISTERED OFFICE & PLANT 1

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

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

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

PLANT 2

Village - Dungri,
Tal- Valia, Ankleshwar- 393135.
Dist- Bharuch, Gujarat.

REGISTRARS AND SHARE TRANSFER AGENTS

LINK INTIME INDIA PVT LTD.
C-101, 247 Park,
L.B.S. Marg, Vikhroli (W),
Mumbai- 400 083
Tel. No.- 022 49186000, 49186270
Fax – 022 49186060
Email: rnt.helpdesk@linkintime.co.in
Website: www.linkintime.co.in

NOTICE

NOTICE is hereby given that the Thirty First Annual General Meeting of **apcotex industries limited** will be held at Saphire, Royal Tulip Hotel, 26/B, Sector 7 Kharghar, Navi Mumbai, Maharashtra 410210 on **Thursday,** the **17th day** of **August 2017** at **4.30 p.m.** to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Financial Statement for the year ended 31st March 2017 together with the Reports of the Board of Directors and Auditors thereon.
2. To declare a dividend on Equity Shares.
3. To appoint a Director in place of Mr. Girish Choksey (DIN 00246196), 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 LLP, Chartered Accountants (Firm Registration No.W100166) 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 and if thought fit, to pass with or without modification(s), the following Resolution as **Special Resolution:**

   "RESOLVED THAT subject to the approval of Central Government, if required and of Financial Institutions, wherever necessary, consent of the Company be and is hereby accorded for payment of commission to Director of the Company other than the Managing/Whole Time Director(s) pursuant to and within limits as are or may be prescribed under the provisions of Section 197 and 198 and other applicable provisions of the Companies Act, 2013, in such amounts or proportion and in such manner as may be decided by the Board of Directors of the Company for each financial year and such payments shall be made out of the profits of the company for a period of five years commencing from 1st April 2017."

BY ORDER OF THE BOARD
For apcotex industries limited

Date: 5th May 2017

ANAND V. KUMASHI
Company Secretary

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

NOTES:

1. The relevant Statement pursuant to Section 102 of the Companies Act, 2013 is annexed hereto.
2. A statement giving the relevant detail of the Directors seeking appointment/re-appointment under item no.3 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 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 **Thursday**, the **10th day** of **August 2017** to **Wednesday**, the **16th day** of **August 2017**, (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 **18th August 2017** to those shareholders whose names appear on the Register of Shareholders as on **10th August 2017**. In respect of

shares held in electronic form, the dividend will be payable on the basis of beneficial ownership as at the close of **10th August 2017**, 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 124 of Companies Act, 2013 the Company has transferred the unclaimed dividends upto the financial year 2008-09 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 10th August 2016 (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-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai- 400 083, 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 Central Depository Services (India) Limited (CDSL).

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 12th August 2017 (9:00 am) and ends on 16th August 2017 (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 10th August 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL 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 instructions for shareholders voting electronically are as under:**

(i) The voting period begins on 12th August 2017 (9:00 am) and ends on 16th August 2017 (5:00 pm). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 10th August 2017 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(ii) The shareholders should log on to the e-voting website www.evotingindia.com.

(iii) Click on Shareholders.

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,

b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Attendance Slip indicated in the PAN field.
Dividend Bank Details **OR** Date of Birth (DOB)	• Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. • If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN of "Apcotex Industries Limited" on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take a print of the votes cast by clicking on "Click here to print" option on the Voting page.

(xvii) If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

(xviii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Apple and Windows phone. Please follow the instructions as prompted by the mobile app while voting on your mobile.

(xix) **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporates.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to helpdesk.evoting@cdslindia.com.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.

VI. 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.

VII. 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.

VIII. The Scrutinizer shall after the conclusion of voting at the annual 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.

IX. 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 CDSL 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

STATEMENT

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

Item No.5

The resolution set out at item No. 5 requires your approval by way of special resolution under Section 197 & 198 and other provisions of the Companies Act, 2013.

Your Directors recommend payment of commission within limits as are prescribed in the provisions of the Companies Act, 2013 to the non-executive Director(s) of the Company, for a period of five years w.e.f. **1st April 2017** to **31st March 2022**. The amount of commission payable for a year to such directors, would be fixed by the Board within the overall limits, prescribed under the Companies Act, 2013.

Only those Directors of the Company, who are not Managing/ Whole Time Director, may be deemed to be interested in the Special Resolution to the extent of commission as may be received by them in future.

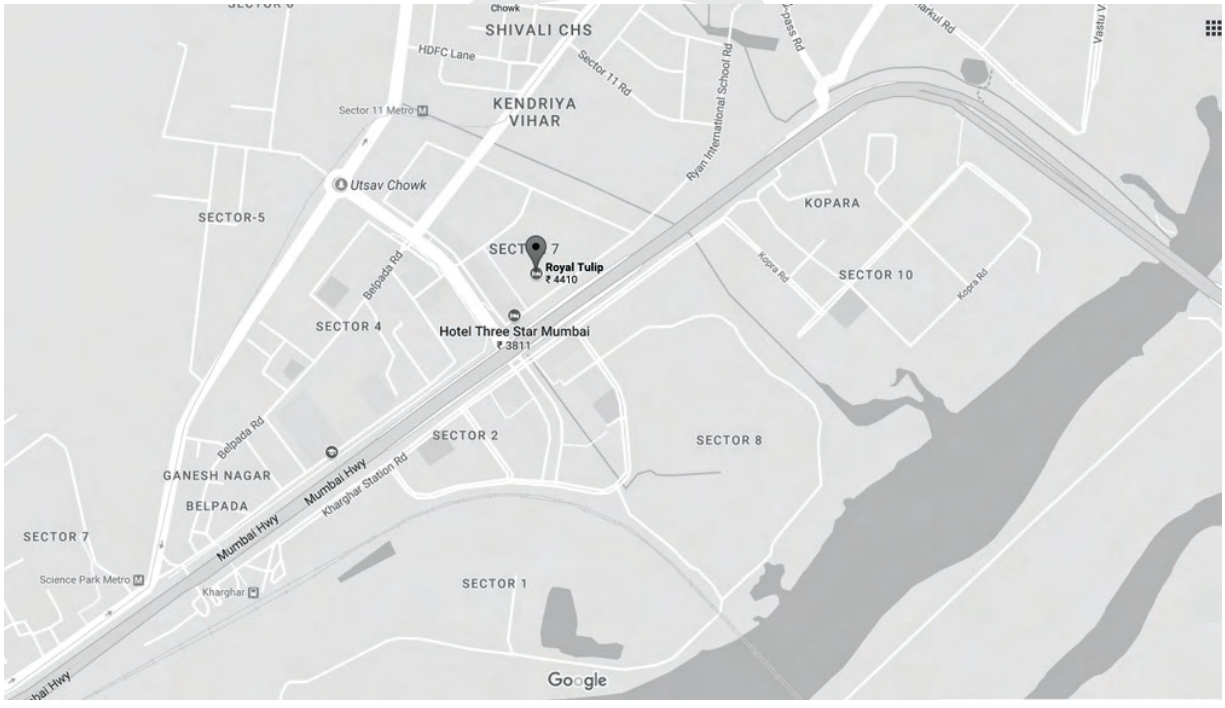
BY ORDER OF THE BOARD
For apcotex industries limited

Date: 5th May 2017

ANAND V. KUMASHI
Company Secretary

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

ROUTE MAP



DIRECTORS' REPORT

TO THE MEMBERS

Your Directors have pleasure in presenting to you the Thirty First Annual Report of the Company and the Audited Financial Statement for the year ended 31st March 2017.

A. COMPANY PERFORMANCE

FINANCIAL HIGHLIGHTS

Particulars	2016-17 (Rs. In Lacs)	2015-16 (Rs. In Lacs)	Growth %
GROSS SALES	**43,163.43**	29,772.38	44.98
Gross Profit Before Depreciation, Finance cost and Tax but after prior years' adjustments	**3,718.04**	4,479.20	(16.99)
Less: a) Depreciation	**1,210.02**	894.44	
b) Finance Cost	**286.31**	242.01	
Profit Before Tax	**2,221.71**	3,342.75	(33.54)
Less : a) Provision for Tax	**517.59**	966.13	
b) MAT Credit Entitlement	**(254.31)**	-	
c) Adjustment for Deferred Tax Liability	**1,015.56**	(90.48)	
d) Prior Period Tax Expenses	**(966.13)**	-	
Profit After Tax	**1,909.00**	2,467.10	(22.62)
Add: Balance brought forward from the Previous Year	**4,474.73**	3,930.83	
Disposable Profit	**6,383.73**	6,397.93	(0.22)
Recommended Appropriations:			
a) Dividend	**933.21**	933.21	
b) Tax on Dividend	**189.98**	189.98	
c) Transfer to General Reserve	**400.00**	800.00	
Balance carried forward to Balance Sheet	**4,860.54**	4,474.73	
	6,383.73	6,397.93	

DIVIDEND

Your Directors have recommended a dividend @ **Rs.4.50/-** (Rupees Four and fifty paise) (Previous year Rs.4.50/- (Rupees Four and fifty paise) per Equity Share of Rs.5/- each for the financial year 2016-17. Dividend, if approved, will absorb a sum of Rs. 1123.19 lacs (including Dividend Distribution Tax of Rs.189 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 **Thursday**, **10th** day of **August 2017.**

TRANSFER TO RESERVE

The appropriations for the year are:

Rs. in lacs

Particulars	Year ended 31st March 2017
Net Profit after tax for the year	**1,909.00**
Balance of Reserve at the beginning of the year	3,203.72
Transfer to General Reserve	400.00
Balance of Reserve at the end of the year	**3,603.72**

B. MANAGEMENT DISCUSSION AND ANALYSIS

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

I. CURRENT SCENARIO

Your Company is one of the leading producers of emulsion polymer products namely, Synthetic Latexes (Vinyl Pyridine Latex, Carboxylated Styrene Butadiene Latex, Styrene Acrylic Latex, Nitrile Latex, etc.) and Synthetic Rubber (High Styrene Rubber, Nitrile Butadiene Rubber, NBR Powder, and Nitrile Polyblends) in India. The Company has one of the broadest ranges of products in the industrial segments and caters to a wide range of industries. Your Company's Synthetic Latex 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, rice rolls, 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's plant at Taloja 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 the plant and in operations and rationalizing costs. The Taloja plant has successfully completed re-certification of the integrated ISO 9001, ISO 14001 and OHSAS 18001. It has also successfully completed recertification by Indian Chemical Council (ICC) to use the "Responsible Care" logo.

The above initiatives are also being implemented at the recently acquired plant at Valia, Ankleshwar, Gujarat.

II. OPERATIONS DURING THE FINANCIAL YEAR 2016-17.

After amalgamation of wholly owned subsidiary viz. Apcotex Solutions India Private Limited, which was made effective from 1st December 2016, the Company achieved Gross Value Sales of Rs. 43,163.43 lacs during the financial year, compared to Rs. 29,772.38

lacs in the preceding year on standalone basis. The company exported its products worth Rs. 4014 lacs during the financial year. The sales of Synthetic Latex products were lower during the financial year due to strike of unionized workmen at Taloja plant for almost 2 months and intermittent stoppages of production at one of our major customer's plant.

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

Profits before tax were lower by 33% to Rs. 2221.71 lacs as compared to Rs 3,342.75 lacs during the previous year due to strike at Taloja Plant and intermittent stoppages of production at one of our major customer's plant. Due to the recently acquired company, there were some one time post-acquisition and merger expenses which also put some pressure on the bottom line. Your Company was also successful in turning around a loss-making asset in a very short period of time. In spite of the challenging year, EBITDA decreased by only 17% from Rs 4479.20 lacs in the previous year to Rs 3,718.04 lacs during the financial year 2016-17.

Profit after tax stood at Rs.1909.00 lacs as compared to Rs. 2,467.10 lacs in the previous year.

The Balance Sheet of the Company is also quite healthy with zero debt, reasonable working capital cycle and cash/liquid Investments valued at about Rs.35 crore based on NAV as on 31st March, 2017.

Your Directors consider Company's performance as satisfactory.

NEW LOGO

Your Company is proud to inform that the management has adopted a new logo for the Company as a part of the ongoing evolution of business.

Over the last few years, your company has grown and changed dramatically and during FY 2015-16 your Company acquired Omnova Solutions India Pvt. Ltd., which immensely helped to expand the product basket. It was a perfect time to evaluate our company's brand and logo to ensure it is in sync with who we are and where we are heading. After careful consideration, the Company chose a new logo the shape of which not onlyrepresents the letter "A" but also the upwardly mobile nature of the Company. At the same time, the curved stroke and colours used in gradient depict flexibility and adaptability which is essential for success. The colours green and blue symbolizes the importance of the eco-system and environment for our Company. We have also retained the same font and red colour of "apcotex" in the logo to ensure that we remember our roots and values.

III. MERGER

The Scheme of Amalgamation of wholly owned subsidiary viz. Apcotex Solutions India Private Limited with the Company was approved by the Honorable High Court, judicature at Bombay on 27th October 2016 and was made effective from 1st December 2016 with appointed date as 31st March 2016, by filing the High Court order with Ministry of Corporate Affairs (MCA).

The Board of Directors of your Company on 31st March 2017 has approved the Scheme of Amalgamation of Saldhar Investment and Trading Company Private Limited, the holding company of Apcotex Industries Limited (holding 51.10% paid-up share capital) with the Company from 31st March 2017. Your Company is in process of making an application to Stock exchanges for their consent, before filing petition before National Company Law Tribunal (NCLT), Mumbai Bench.

IV. OUTLOOK

In light of the acquisition of Omnova Solutions India Private Limited in Financial Year (FY) 2015-16 and subsequent merger in 2016-17, the Company expects FY 2017-18 to be an exciting year in spite of a few challenges. The Company will 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 2017-18 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's Risk Management Committee, periodically reviews the risks in the organization, identifies new risk areas, develops action plans and 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 current high risks areas:

1) Credit Risk:

The management has adopted the stringent credit policy due to which the bad debts written off is only Rs.36.22 lacs - 0.11% of Sales Turnover during past 3 years. The credit period and the exposure limits are reviewed regularly. Taking the credit report of new customers and for existing customers once in 2-3 years to understand their credit worthiness. The supplies are stopped once the overdue outstanding exceeds the set limit. Deposits / bank guarantees are obtained from the dealers / consignment agents wherever necessary. The overdue outstanding list is reviewed by the senior Sales Managers and Managing Director on a weekly basis. One of the largest customer in paper/paperboard segment is facing financial problem and overdue outstanding is about Rs.11 crore.

2) Procurement Risk:

Presently the Company is procuring major quantity of Butadiene from IOCL, OPAL and on availability basis from RIL and Haldia. Butadiene availability in India is now fairly sufficient. Styrene is not manufactured in India, hence completely imported and our quantities are large. Acrylonitrile (ACN) is also not manufactured in India, hence is completely imported but our quantities are small so we should be able to get this material. To mitigate the risk of availability of material, same are sourced from multi sources viz, bulk suppliers, dealers and imports.

A system has been set to constantly monitor inventories and prices. The company has maintained relation with domestic and overseas suppliers for regular supplies of materials.

3) Safety Risk:

The Company has several safety measures in place. Consent to operate for Taloja plant is valid upto 30th March 2021. The Consent to operate Valia Plant is valid till 9th November 2019. The safety committee meets regularly and conducts the mock drills to check the preparedness in the organisation to face any eventuality. To track the compliances in the organisation implemented software called Total Compliance which helps to escalate the non-compliance to higher-ups.

The Company has taken adequate Insurance policies for covering the floods, earthquake, and terrorism for appropriate amount.

4) Strike Risk:

The unionised workmen at Taloja Plant were on strike for 51 days in Q4 of FY 2016-17. A new action plan is being prepared to mitigate the risks faced during the strike period. Even though the impact is high it has been somewhat reduced due to the second manufacturing plant which allowed the Company to make some products in our other facility. There is no insurance policy to cover the loss of profit on account of strike.

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 systems in the organisation, its compliance with operating systems, accounting procedures and policies of the Company. Based on the observations of the internal auditor, the process owners undertake the corrective actions and improvements 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 deputes 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.135.00 lacs during the financial year (previous year Rs. 95.05 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 2017 is Rs.1036.90 lacs, comprising of 2,07,37,984 equity shares of Rs.5/- each.

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 Listing Obligation and Disclosure Requirment (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 8th February 2017 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

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read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is enclosed as **Annexure IV** to this Report.

IX. **COMMENTS ON AUDITORS REPORT**

There are no qualifications, reservations or adverse remarks on disclaimers made by M/s. Kalyaniwalla & Mistry LLP, 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 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://www.apcotex.com/policy/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 in compliance with provision of section 177 (10) of Companies Act 2013 and Regulation 22 of SEBI (LODR) 2015. The details of same are 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. 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 activities, which could not be completed due to following reason, which has resultant into short fall in CSR spend to the extent of Rs.31.97 lacs for the financial year 2016-17.

1. Delay in inauguration of St. Jude's new Centre at Cotton Green, Mumbai which was scheduled to be operational during April/May 2016, started its operation during March 2017.
2. The CSR Team was diverted this year due to integration of newly acquired company viz. Omnova Solutions India Private Limited, the ensuring merger process as well as the strike at the Taloja Plant

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 conducts the Familiarisation program when new Director(s) is/are 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://www.apcotex.com/policy/Familiarisation_Programme_Independent.pdf

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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. These are reviewed periodically and made part of work instructions or process in the company.

The Company periodically conducts physical verification of inventory, fixed assets and cash on hand and matches them with the books of account. Explanations are sought for any variance noticed from the respective functional heads.

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. **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 2017-18.

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

Consent has been obtained from Maharashtra Pollution Control Board, to operate the plant at Taloja till 30th March 2021.

N. **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.**

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The information required pursuant to Section 197 of the Companies Act, 2013 read with Rule 5(2) & 5(3) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014, in respect of employees of your company is available for inspection by the members at registered office of the company during business hour on working days up to the date of the ensuing Annual General Meeting. If any member is interested in obtaining a copy thereof, such member may write to the company secretary, whereupon a copy would be sent.

O. **DIRECTORS & KEY MANAGERIAL PERSONNEL**

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. Girish Choksey (DIN 00246196) 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.

P. **AUDITORS**

I. Pursuant to provisions of Section 139(1) of the Companies Act, 2013, M/s. Kalyaniwalla & Mistry LLP, Chartered Accountants (Firm Registration no. 104607W/W100166), 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 LLP, Chartered Accountants (Firm Registration no. 104607W/W100166), Mumbai, as Statutory Auditors of the Company for the financial year 2017-18 and to hold the office till the conclusion of the next Annual General Meeting during the year 2018.

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**.

Q. **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 2016-17 under review was placed before the Board of Directors of the Company at its meeting held on 5th May 2017.

R. **ACKNOWLEDGEMENT**

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

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

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

FOR AND ON BEHALF OF THE BOARD

ATUL C CHOKSEY
CHAIRMAN
DIN: 00002102

Mumbai: 5th May 2017

ANNEXURE I TO DIRECTORS' REPORT

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION, FOREIGN EXCHANGE EARNING AND OUTGO ETC:

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

(A) Conservation of Energy:	Energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimize use of energy with continuous monitoring, improvement in batch cycle time and improved operations.
(B) Technology absorption:	No new technology has been acquired during the year. Upgradation of present technology is a continuous process, implemented and adapted by the Company through innovation. Efforts are made to reduce batch cycle time and improve operational efficiency. No technology import has been made in the recent past.
Expenditure incurred on R&D during the Financial Year are as follows:	

		(Rs. in lacs)
Particulars	**2016-17**	2015-16
Capital	**8.58**	0.79
Recurring	**254.38**	189.60
Total	**262.96**	190.39
Total R & D expenditure as a percentage of Total Revenue	**0.68%**	0.71%

(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 33 and 34 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 2017

[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- 410208, Maharashtra Telephone No. 022-27403500 Fax No. 022-27412052
vi)	Whether listed Company	**Yes**
vii)	Name, address and contact details of Registrar and Transfer Agent, if any.	Link Intime India Pvt Ltd, C-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai- 400 083 Telephone No. 022-49186000, 49186270 Fax No. 49186060

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	58
2	Manufacture of other products or preparations of kind used in the textile, paper, leather and like industries.	20297	42

III PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES –

SI. NO	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING/ SUBSIDIARY/ ASSOCIATE	% of shares held	Applicable Section
1	Saldhar Investment And Trading Company Pvt Ltd (with effect from 23rd November 2016)	U67120MH1979PTC021881	Holding	51.11	2(87)
2	Apcotex Solutions India Private Ltd (**Ceased to be Subsidiary with effect from 1st December 2016**)	U24296MH2007PTC174698	Subsidiary	100	2(87)

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

SI NO.		Category of Shareholders	Shareholding at the beginning of the year				Shareholding at the end of the year				% Change during the year
			Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)		**Shareholding of Promoter and Promoter Group**									
	[1]	**Indian**									
		(a) Individuals / Hindu Undivided Family	30,59,288	-	30,59,288	14.75	8,91,354	-	8,91,354	4.30	(10.45)
		(b) Central Government / State Government(s)	-	-	-	-	-	-	-	-	-
		(c) Financial Institutions / Banks	-	-	-	-	-	-	-	-	-
		(d) Any Other (Specify)									
		Bodies Corporate	89,40,937	-	89,40,937	43.11	1,11,16,554	-	1,11,16,554	53.60	10.49
	Sub Total (A)(1)		**1,20,00,225**	-	**1,20,00,225**	**57.87**	**1,20,07,908**	-	**1,20,07,908**	**57.90**	**0.03**
	[2]	**Foreign**									
		(a) Individuals (Non-Resident Individuals / Foreign Individuals)	-	-	-	-	-	-	-	-	-
		(b) Government	-	-	-	-	-	-	-	-	-
		(c) Institutions	-	-	-	-	-	-	-	-	-
		(d) Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
		(e) Any Other (Specify)									
		Sub Total (A)(2)	-	-	-	-	-	-	-	-	-
Total Shareholding of Promoter and Promoter Group(A)=(A)(1)+(A)(2)			**1,20,00,225**	-	**1,20,00,225**	**57.87**	**1,20,07,908**	-	**1,20,07,908**	**57.90**	**0.03**
(B)		**Public Shareholding**									
	[1]	**Institutions**									
		(a) Mutual Funds / UTI	1,460	1,236	2,696	0.01	1,460	1,236	2,696	0.01	-
		(b) Venture Capital Funds	-	-	-	-	-	-	-	-	-
		(c) Alternate Investment Funds	-	-	-	-	-	-	-	-	-
		(d) Foreign Venture Capital Investors	-	-	-	-	-	-	-	-	-
		(e) Foreign Portfolio Investor	-	-	-	-	-	-	-	-	-
		(f) Financial Institutions / Banks	1,984	888	2,872	0.01	9,782	888	10,670	0.05	0.04
		(g) Insurance Companies	-	-	-	-	-	-	-	-	-
		(h) Provident Funds/ Pension Funds	-	-	-	-	-	-	-	-	-
		(i) Any Other (Specify)									
		Foreign Bank	-	892	892	-	-	892	892	-	-
		UTI	-	200	200	-	-	200	200	-	-
	Sub Total (B)(1)		**3,444**	**3,216**	**6,660**	**0.03**	**11,242**	**3,216**	**14,458**	**0.07**	**0.04**
	[2]	**Central Government/ State Government(s)/ President of India**	-	-	-	-	-	-	-	-	-
	Sub Total (B)(2)		-	-	-	-	-	-	-	-	-
	[3]	**Non-Institutions**									
	(a)	**Individuals**									
		(i) Individual shareholders holding nominal share capital upto Rs. 1 lakh.	49,78,221	10,18,690	59,96,911	28.93	50,67,552	9,71,742	60,39,294	29.12	0.19
		(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 lakh	12,60,901	1,67,800	14,28,701	6.89	11,95,064	1,67,800	13,62,864	6.57	(0.32)
	(b)	NBFCs registered with RBI	-	-	-	-	-	-	-	-	-
	(c)	Employee Trusts	-	-	-	-	-	-	-	-	-
	(d)	Overseas Depositories(holding DRs) (balancing figure)	-	-	-	-	-	-	-	-	-

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Sl NO.		Category of Shareholders	Shareholding at the beginning of the year				Shareholding at the end of the year				% Change during the year
			Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
	(e)	Any Other (Specify)									
		Trusts	3,576	2,932	6,508	0.03	3,563	2,932	6,495	0.03	-
		Hindu Undivided Family	2,16,945	208	2,17,153	1.05	2,09,034	208	2,09,242	1.01	(0.04)
		Non Resident Indians (Non Repat)	1,17,712	6,396	1,24,108	0.60	1,53,916	6,396	1,60,312	0.77	0.17
		Non Resident Indians (Repat)	1,53,628	35,258	1,88,886	0.91	1,55,840	33,914	1,89,754	0.92	-
		Directors/Relatives of Director	548	2,600	3,148	0.01	10,548	2,600	13,148	0.06	0.05
		Clearing Member	52,769	-	52,769	0.25	72,471	-	72,471	0.35	0.10
		Bodies Corporate	7,04,911	8,004	7,12,915	3.44	6,56,034	6,004	6,62,038	3.19	(0.25)
	Sub Total (B)(3)		**74,89,211**	**12,41,888**	**87,31,099**	**42.10**	**75,24,022**	**11,91,596**	**87,15,618**	**41.98**	**(0.12)**
Total Public Shareholding(B)=(B)(1)+(B)(2)+(B)(3)			**74,92,655**	**12,45,104**	**87,31,099**	**42.13**	**75,35,264**	**11,94,812**	**87,30,076**	**42.05**	**(0.12)**
Total (A)+(B)			**1,94,92,880**	**12,45,104**	**2,07,37,984**	**100**	**1,95,43,172**	**11,94,812**	**2,07,37,984**	**100**	**-**
(C)	Non Promoter - Non Public										
	[1]	Custodian/DR Holder	-	-	-	-	-	-	-	-	-
	[2]	Employee Benefit Trust (under SEBI (Share based Employee Benefit) Regulations, 2014)	-	-	-	-	-	-	-	-	-
	Total (A)+(B)+(C)		**1,94,92,880**	**12,45,104**	**2,07,37,984**	**100**	**1,95,43,172**	**11,94,812**	**2,07,37,984**	**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	5,19,616	2.51	-	1,24,105	0.60	-	(1.91)
2	Abhiraj Trading and Investment Pvt Ltd	1,16,468	0.56	-	1,16,468	0.56	-	-
3	Amit Champaklal Choksey	1,10,050	0.53	-	1,10,050	0.53	-	-
4	Ankita Amit Choksey	54,088	0.26	-	54,088	0.26	-	-
5	Ankur Girish Choksey	13,600	0.07	-	13,600	0.07	-	-
6	Apco Enterprises Limited	1,12,352	0.54	-	1,12,352	0.54	-	-
7	Aquamaraine Trading &Investments Pvt Ltd	98,800	0.48	-	98,800	0.48	-	-
8	Atul Champaklal Choksey	13,76,404	6.64	-	71,398	0.34	-	(6.29)
9	Bhuvantray Investments & Trading Co Pvt Ltd	99,784	0.48	-	99,784	0.48	-	-
10	Biyash Abhiraj Choksey	36,000	0.17	-	36,000	0.17	-	-
11	Choksey Chemicals Pvt Ltd	276	0.00	-	276	0.00	-	-
12	Devaki Ashok Parekh	6,400	0.03	-	6,400	0.03	-	-
13	Devanshi Anant Veer Jalan	1,46,000	0.70	-	1,47,353	0.71	-	0.01
14	Dhumraketu Investments and Trading Co Pvt Ltd*	33,37,269	16.09	-	*23,888*	0.12	-	(15.98)
15	Forest Hills Trading and Investments Pvt Limited	8,600	0.04	-	8,600	0.04	-	-
16	Gauriputra Investments & Trading Co.Pvt Ltd	52,400	0.25	-	52,400	0.25	-	-
17	Girish Champaklal Choksey	17,800	0.09	-	17,800	0.09	-	-

SI NO.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	%of Shares Pledged/ encumbered to total shares	
18	Haridwar Trading and Investments Pvt Ltd	8,600	0.04	-	8,600	0.04	-	-
19	Janaki Ashok Parekh	4,800	0.02	-	4,800	0.02	-	-
20	Namrata Amit Choksey	57,076	0.28	-	57,076	0.28	-	-
21	Parul Atul Choksey	5,41,540	2.61	-	72,770	0.35	-	(2.26)
22	Prashant Girish Choksey	13,200	0.06	-	13,200	0.06	-	-
23	Priti Amit Choksey	47,134	0.23	-	47,134	0.23	-	-
24	Rita Ashok Parekh	1,06,380	0.51	-	1,06,380	0.51	-	-
25	Saldhar Investments & Trading Co Pvt Ltd	11,33,088	5.46	-	1,05,74,412	50.99	-	45.53
26	Sunita Girish Choksey	9,200	0.04	-	9,200	0.04	-	-
27	The Hindustan Mineral Products Limited	19,324	0.09	-	19,324	0.09	-	-
28	Trivikram Investments and Trading Co Ltd*	39,53,976	19.07		-	-		(19.07)
29	Colortek India Limited	-	-	-	1,650	0.01	-	0.01
		1,20,00,225	57.87	-	**1,20,07,908**	57.90	-	0.04

Note: *Dhumraketu Investments and Trading Co Pvt Ltd and Trivikram Investments and Trading Co Ltd amalgamted with Saldhar Invetsment and Trading Co. Ltd

(iii) Change in Promoters Shareholding

SI NO.		Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
	Name & Type of Transaction	NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	SALDHAR INVESTMENTS AND TRADING COMPANY PVT LTD	11,33,088	5.4638			11,33,088	5.4638
	Transfer			23 Sep 2016	4,45,634.00	15,78,722	7.6127
	Transfer			30 Sep 2016	6,06,300.00	21,85,022	10.5363
	Transfer			14 Oct 2016	72,73,090.00	94,58,112	45.6077
	Transfer			18 Nov 2016	7,58,000.00	1,02,16,112	49.2628
	Transfer			25 Nov 2016	2,00,000.00	1,04,16,112	50.2272
	Transfer			02 Dec 2016	1,20,200.00	1,05,36,312	50.8068
	Transfer			16 Dec 2016	38,100.00	1,05,74,412	50.9905
	AT THE END OF THE YEAR					1,05,74,412	50.9905
2	DEVANSHI ANANT VEER JALAN	1,46,000	0.7040			1,46,000	0.7040
	Transfer			03 Jun 2016	39,353	1,85,353	0.8938
	Transfer			09 Dec 2016	(40,000)	1,45,353	0.7009
	Transfer			16 Dec 2016	2,000	1,47,353.00	0.7105
	AT THE END OF THE YEAR					1,47,353	0.7105
3	ABHIRAJ TRADING AND INVESTMENT PVT LTD	1,16,468	0.5616			1,16,468	0.5616
	AT THE END OF THE YEAR					116468	0.5616

SI NO.		Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
	Name & Type of Transaction	NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
4	APCO ENTERPRISES LIMITED	1,12,352	0.5418			1,12,352	0.5418
	AT THE END OF THE YEAR					1,12,352	0.5418
5	ABHIRAJ ATUL CHOKSEY	5,19,616	2.51			5,19,616	2.51
	Transfer			03 Jun 2016	39,353	5,58,969	2.69
	Transfer			23 Sep 2016	(1,74,864)	3,84,105	1.85
	Transfer			25 Nov 2016	(2,60,000)	1,24,105	0.59
	AT THE END OF THE YEAR					1,24,105	0.59
6	RITA ASHOK PAREKH	1,06,380	0.5130			1,06,380	0.5130
	AT THE END OF THE YEAR					1,06,380	0.5130
7	BHUVANTRAY INVESTMENTS AND TRADING COMPANY PVT LTD	99,784	0.4812			99,784	0.4812
	AT THE END OF THE YEAR					99,784	0.4812
8	AQUAMARINE TRADING & INVESTMENTS PRIVATE LIMITED	98,800	0.4764			98,800	0.4764
	AT THE END OF THE YEAR					98,800	0.4764
9	PARUL ATUL CHOKSEY	5,41,540	2.6113			5,41,540	2.6113
	Transfer			23 Sep 2016	(2,70,770)	2,70,770	1.3057
	Transfer			11 Nov 2016	(2,10,000)	60,770	0.2930
	Transfer			18 Nov 2016	12,000	72,770	0.3509
	AT THE END OF THE YEAR					72,770	0.3509
10	ATUL CHAMPAKLAL CHOKSEY	13,76,404	6.64			13,76,404	6.64
	Transfer			27 May 2016	(5,000)	13,71,404	6.61
	Transfer			03 Jun 2016	(73,706)	12,97,698	6.2576
	Transfer			30 Sep 2016	(6,06,300)	6,91,398	3.3340
	Transfer			11 Nov 2016	(5,60,000)	1,31,398	0.6336
	Transfer			25 Nov 2016	(60,000)	71,398	0.3443
	AT THE END OF THE YEAR					713,98	0.3443
11	AMIT CHAMPAKLAL CHOKSEY	1,10,050	0.53			1,10,050	0.53
	AT THE END OF THE YEAR					1,10,050	0.53
12	NAMRATA AMIT CHOKSEY	57,076	0.2752			57,076	0.2752
	AT THE END OF THE YEAR					57,076	0.2752
13	ANKITA AMIT CHOKSEY	54,088	0.2608			54,088	0.2608
	AT THE END OF THE YEAR					54,088	0.2608
14	GAURIPUTRA INVESTMENTS AND TRADING COMPANY PRIVATE LIMITED	52,400	0.2527			52,400	0.2527
	AT THE END OF THE YEAR					52,400	0.2527
15	PRITI AMIT CHOKSEY	47,134	0.2273			47,134	0.2273
	AT THE END OF THE YEAR					47134	0.2273
16	BIYASH ABHIRAJ CHOKSEY	36,000	0.1736			36,000	0.1736
	AT THE END OF THE YEAR					36,000	0.1736
17	DHUMRAKETU INVT AND TRDG CO P LTD	33,37,269	16.0925			33,37,269	16.0925
	Transfer			08 Apr 2016	5733	33,43,002	16.1202
	Transfer			14 Oct 2016	(33,19,114)	23,888	0.1152
	AT THE END OF THE YEAR					23,888	0.1152

Sl NO.		Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
	Name & Type of Transaction	NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
18	HMP MINERALS PRIVATE LIMITED	19,324	0.0932			19,324	0.0932
	AT THE END OF THE YEAR					19,324	0.0932
19	GIRISH CHAMPAKLAL CHOKSEY	17,800	0.09			17,800	0.09
	AT THE END OF THE YEAR					17,800	0.09
20	ANKUR GIRISH CHOKSEY	13,600	0.0656			13,600	0.0656
	AT THE END OF THE YEAR					13,600	0.0656
21	PRASHANT GIRISH CHOKSEY	13,200	0.0637			13,200	0.0637
	AT THE END OF THE YEAR					13,200	0.0637
22	SUNITA GIRISH CHOKSEY	9,200	0.0444			9,200	0.0444
	AT THE END OF THE YEAR					9,200	0.0444
23	HARIDWAR TRADING AND INVESTMENTS PVT LTD	8,600	0.0415			8,600	0.0415
	AT THE END OF THE YEAR					8,600	0.0415
24	FOREST HILLS TRADING AND INVESTMENT P LTD	8,600	0.0415			8,600	0.0415
	AT THE END OF THE YEAR					8,600	0.0415
25	DEVAKI ASHOK PAREKH	6,400	0.0309			6,400	0.0309
	AT THE END OF THE YEAR					6,400	0.0309
26	JANAKI ASHOK PAREKH	4,800	0.0231			4,800	0.0231
	AT THE END OF THE YEAR					4,800	0.0231
27	COLORTEK INDIA LIMITED	0	0.0000			0	0.0000
	Transfer			24 Feb 2017	50	50	0.0002
	Transfer			03 Mar 2017	300	350	0.0017
	Transfer			10 Mar 2017	300	650	0.0031
	Transfer			24 Mar 2017	1,000	1,650	0.0080
	AT THE END OF THE YEAR					1,650	0.0080
28	CHOKSEY CHEMICALS PRIVATE LTD	276	0.0013			276	0.0013
	AT THE END OF THE YEAR					276	0.0013
29	TRIVIKRAM INVESTMENTS AND TRADING COMPANY LIMITED	39,53,976	19.0663			39,53,976	19.0663
	Transfer			07 Oct 2016	(39,53,976)	0	0.0000
	AT THE END OF THE YEAR					0	0.0000

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IV. Shareholding Pattern of Top Ten Shareholders

SI NO.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	VIJAY KISHANLAL KEDIA	2,31,814	1.12			2,31,814	1.12
	AT THE END OF THE YEAR					2,31,814	1.12
2	MITA DIPAK SHAH	2,34,000	1.13			2,34,000	1.13
	Transfer			22 Apr 2016	(34,000)	2,00,000	0.96
	AT THE END OF THE YEAR					2,00,000	0.96
3	ABHAY ARVIND VAKIL	1,59,224	0.77			1,59,224	0.77
	Transfer			12 Aug 2016	(25,600)	1,33,624	0.64
	AT THE END OF THE YEAR					1,33,624	0.64
4	AMAR ARVIND VAKIL	1,42,000	0.68			1,42,000	0.68
	AT THE END OF THE YEAR					1,42,000	0.68
5	MINT INVESTMENTS LIMITED	80,358	0.39			80,358	0.39
	Transfer			22 Apr 2016	(4,000)	76,358	0.37
	Transfer			08 Jul 2016	(7,000)	69,358	0.33
	AT THE END OF THE YEAR					69,358	0.33
6	NAGA DHUNSERI GROUP LIMITED	80,274	0.39			80,274	0.39
	Transfer			29 Apr 2016	(16,252)	64,022	0.31
	Transfer			06 May 2016	(7,354)	56,668	0.27
	Transfer			08 Jul 2016	(3,768)	52,900	0.26
	AT THE END OF THE YEAR					52,900	0.26
7	KISHAN GOPAL MOHTA	76,758	0.37			76,758	0.37
	Transfer			08 Apr 2016	(47,664)	29,094	0.14
	Transfer			30 Jun 2016	47,664	76,758	0.37
	Transfer			18 Nov 2016	(1,635)	75,123	0.36
	Transfer			25 Nov 2016	135	75,258	0.36
	Transfer			09 Dec 2016	(5,000)	70,258	0.34
	Transfer			23 Dec 2016	(635)	69,623	0.34
	Transfer			30 Dec 2016	(9,365)	60,258	0.29
	Transfer			03 Feb 2017	(5,929)	54,329	0.26
	Transfer			10 Feb 2017	(4,071)	50,258	0.24
	AT THE END OF THE YEAR					50,258	0.24
8	HAFEEZ SORAB CONTRACTOR	60,000	0.29			60,000	0.29
	Transfer			30 Sep 2016	(5,000)	55,000	0.27
	Transfer			09 Dec 2016	(5,000)	50,000	0.24
	AT THE END OF THE YEAR					50,000	0.24

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SI NO.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
9	TRU TRADING AND INVESTMENTS PVT LTD	48,856	0.24			48,856	0.24
	AT THE END OF THE YEAR					48,856	0.24
10	SUBHRA BIKASH BANERJEE	55,746	0.27			55,746	0.27
	Transfer			25 Nov 2016	(1,185)	54,561	0.26
	Transfer			02 Dec 2016	(6,000)	48,561	0.23
	AT THE END OF THE YEAR					48,561	0.23

V. Shareholding of Directors and Key Managerial Personnel:

SI NO.	Name & Type of Transaction	Shareholding at the beginning of the year		Transactions during the year		Cumulative Shareholding at the end of the year	
		NO.OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY	DATE OF TRANSACTION	NO. OF SHARES	NO OF SHARES HELD	% OF TOTAL SHARES OF THE COMPANY
1	ATUL CHAMPAKLAL CHOKSEY	13,76,404	6.64			13,76,404	6.64
	Transfer			27 May 2016	(5,000)	13,71,404	6.61
	Transfer			03 Jun 2016	(73,706)	12,97,698	6.26
	Transfer			30 Sep 2016	(6,06,300)	6,91,398	3.33
	Transfer			11 Nov 2016	(5,60,000)	1,31,398	0.63
	Transfer			25 Nov 2016	(60,000)	71,398	0.34
	AT THE END OF THE YEAR					71,398	0.34
2	ABHIRAJ ATUL CHOKSEY	5,19,616	2.51			5,19,616	2.51
	Transfer			03 Jun 2016	39,353	5,58,969	2.69
	Transfer			23 Sep 2016	(1,74,864)	3,84,105	1.85
	Transfer			25 Nov 2016	(2,60,000)	1,24,105	0.59
	AT THE END OF THE YEAR					1,24,105	0.59
3	GIRISH CHAMPAKLAL CHOKSEY	17,800	0.09			17,800	0.09
	AT THE END OF THE YEAR					17,800	0.09
4	AMIT CHAMPAKLAL CHOKSEY	1,10,050	0.53			1,10,050	0.53
	AT THE END OF THE YEAR					1,10,050	0.53
5	MANUBHAI G PATEL	518	0.00			518	0.00
	AT THE END OF THE YEAR					518	0.00
6	PRIYAMVADA BHUMKAR	10,000	0.05			10,000	0.05
	AT THE END OF THE YEAR					10,000	0.05
7	Y B Gadgil	2,600	0.01			2,600	0.01
	AT THE END OF THE YEAR					2,600	0.01
8	ANAND V KUMASHI	4,600	0.02			4,600	0.02
	AT THE END OF THE YEAR					4,600	0.02

Note: Mr. Kamlesh Vikamsey, Dr. S Sivram, Mr. Shailesh Vaidya, Director and Mr. Rohit Mahakal, CFO were not holding any shares during the year.

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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	1,705.08	-	260.06	1,965.14
ii) Interest due but not paid	-	-	5.9	5.9
iii) Interest accrued but not due	7.73	-	-	7.73
Total (i+ii+iii)	1,712.81	-	265.96	1,978.77
Change in Indebtedness during the financial year				
• Addition	511.32	-	58.95	570.27
• Reduction	-	-	-	-
Net Change	511.32	-	58.95	570.27
Indebtedness at the end of the financial year				
i) Principal Amount	**2,224.40**	-	314.06	**2,538.46**
ii) Interest due but not paid	-	-	10.85	10.85
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	**2,224.40**	-	**324.91**	**2,549.31**

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 Choksey	Mr. Y B Gadgil	
1	Gross salary			
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	89.73	34.85	124.58
	(b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961	4.8	0	4.8
	(c) Profits in lieu of salary under section 17(3) of the Income- tax Act, 1961			
2	Stock Option	-		-
3	Sweat Equity	-		-
4	Commission - as % of profit - others, specify...	-		-
5	Others, please specify	-		-
	Total (A)	94.53	34.85	129.38
	Ceiling as per the Act	**10% of net profit of the Company**		

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	3.00	1.60	1.00	3.00	2.00	10.60
	• Commission	1.20	1.20	1.20	1.20	1.20	6.00
	• Others, please specify						
3	Total (1)						**16.60**

4	Other Non-Executive Directors	Atul Choksey	Girish Choksey	Amit Choksey			
5	• Fee for attending board/committee meetings • Commission • Others, please specify	1.00 12.62	0.80	0.60			2.40 12.62
6	Total (2)						**15.02**
7	Total (B) = (1 + 2)						**31.62**
8	Total Managerial Remuneration						
9	Overall Ceiling as per the Act	1% of net profits of the Company					

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

(Rs in lacs)

Sl. no.	Particulars of Remuneration	Key Managerial Personnel		
		Anand V Kumashi, Company Secretary	Rohit R Mahakal, Chief Financial Officer	Total
1	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	24.81	17.31	42.12
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission	-	-	-
	- as % of profit - others, specify...			
5	Others, please specify	-	-	-
	Total	24.81	17.31	42.12

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				

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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 evaluated.

b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

8. **SECRETARY:**

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

9. **VOTING:**

a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.

b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

10. **MINUTES OF COMMITTEE MEETING:**

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

11. Disclosure of Information:

The company shall disclose the remuneration policy and the evaluation criteria in it's 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			
1	The percentage increase in remuneration of each Director, Company Secretary and Chief Financial Officer during the financial year 2016-17, ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year 2016-17.	Directors / KMP	Title	Ratio	% increase in remuneration
		Atul C. Choksey	Non-Executive Chairman	5.22	-42.80
		Abhiraj A. Choksey	Managing Director	36.26	16.02
		Girish C. Choksey	Non-Executive Director	0.31	33.33
		Amit C. Choksey	Non-Executive Director	0.23	0.00
		Manubhai G. Patel	Non-Executive Director	1.61	40.00
		Dr. S. Sivaram	Non-Executive Director	1.07	7.69
		Shailesh S. Vaidya	Non-Executive Director	0.84	-8.33
		Kamlesh Vikamsey	Non-Executive Director	1.61	40.00
		Priyamvada Bhumkar	Non-Executive Director	1.23	6.67
		Y B Gadgil	Executive Director	13.37	3.43
		Anand V. Kumashi	Company Secretary	N.A	4.33
		Rohit R. Mahakal	Chief Financial Officer	N.A	14.67
2	Percentage increase in the median remuneration of employees in the financial year	-20.97; considering employees who were in employment for the whole of FY 2015-16 and FY 2016-17.			
3	Number of permanent employees on the rolls of Company at the end of the year	419			
4	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 15-16 and FY 16-17 the average increase is 39.78%. Average increase for managerial personnel is 12.40%.			
5	Affirmation that the remuneration is as per the remuneration policy of the Company.	The Company is in Compliance with its Remuneration policy.			

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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	**Mr. Abhiraj A.Choksey**
Age	39 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	1st May 2005
Experience	16 years
Gross Remuneration	94.52 Lacs
Previous Employment	Apcosoft Pvt., Ltd
Designation	Managing Director
Shares held	0.59%

2

Name	**Mr. Y B Gadgil**
Age	57 years
Qualification	Bachelor of Chemical Engineering
Designation	Executive Director
Date of Commencement of Employment	1981
Experience	36 years
Gross Remuneration	34.86 Lakh
Previous Employment	Asian Paints Ltd
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**					
	A	B	C	D	E	F
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:	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	7,02,000
2	Trivikram Investment & Trading Co., Ltd Common Director(s). **(Amalgamted with Saldhar Investment and Trading Company Pvt Ltd with effect from 6th September 2016)**	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.	on going	Sale of Goods at prevailing market price.	31/10/2013	N.A.
4	Apcotex Solutions India Private Limited (ASIPL) **(Amalgamted with Apcotex Industries Ltd with effect from 1st December 2016)**	Inter corporate Deposit	Till the time ASIPL arrange Working capital facilities from Bank.	Inter corporate deposit up to 15 crores	05/02/2016	N.A.
5	Apcotex Solutions India Private Limited **(Amalgamted with Apcotex Industries Ltd with effect from 1st December 2016)**	Sale/Purchase of Goods at prevailing market price	on going	Sale/Purchase of Goods at prevailing market price	-	N.A.
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	N.A.

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ANNEXURE VI TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES		
1	A brief outline of the Company's CSR Policy, including overview of the Projects or Programs Proposed to be undertaken and a reference to the web-link to the CSR Policy and the Projects or Programs.	The Company has framed the CSR Policy in compliance with the provisions of the Companies Act, 2013 read with the Companies (Social Responsibilities) Rules 2014 and same is placed on the Company's website and web-link of same is http://www.apcotex.com/policy/CSR_policy.pdf
		The company has undertaken activities in the area of Healthcare, Education & Vocational Training and Social Projects in the Plant area through:
		a. St. Jude – Mumbai
		b. Jan Shikshan Sansthan, Raigad
		c. Magic Bus Foundation
		d. Bhagwan Yagnyavalkya Ved Tauva Gyan Yogashram
		e. Shree Ram Dharmada Trust
		f. Cancer Patients Aid Association
2	The composition of CSR Committee	Mr. Atul Choksey – Chairman (Chairman of the Company)
		Mr. Shailesh Vaidya – Member (Independent Director)
		Mr. Abhiraj Choksey – Member (Managing Director)
3	Average net profit of the Company for last three financial years	Rs.2830.24 lacs.
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	Rs.56.60 lacs
5	Details of CSR spend for the financial year:	
	a. Total amount spent for the financial year	Rs.24.63 lacs
	b. Amount unspent, if any.	Rs.31.97 lacs
	c. Manner in which the amount spent during the financial year is detailed below:	

(Rs 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	Vocational Training, Tailoring class, Beauty Parlour, artificial flower making and Warli Painting to village women around the Plant area	Education / Vocational Skill	Tondre and Nitlas Village, Tal. Panvel, Vavanje Panvel Tribal Wadi Dist. Raigad, Maharashtra and Village Dungri in Gujarat	10.00	3.52	3.52	Jan Shikshan Sansthan.

2	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	10.00	10.00	St. Jude India Childcare Centre.
3	Education and sustainable livelihood to street children	Education	Ankleshwar, Gujarat	3.00	3.00	3.00	Magic Bus Foundation
4	Providing healthcare facility to women for deliveries, diseases of women, neonates	Healthcare	Mumbai, Maharashtra	-	4.00	4.00	Shree Ram Dharmada Trust
5	Providing education and animal therapy, arts therapy etc. mentally affected children for one year.	Education	Mumbai, Maharashtra.	3.00	2.00	2.00	The Indian Council for mental health
6	Educational & Residential support for childrens studying Vedic culture	Education	Village Mudeti, Tal, Idar, Dist. Sabarkantha, Gujarat	1.40	1.36	1.36	Bhagwan Yagnayavalkya Ved Tauva Gyan Yogashram Trust
7	Provides medicines to deserving family affected by cancer.	Healthcare	Mumbai, Maharashtra	0.20	0.75	0.75	Cancer Patients Aid Association
8	Providing to undertake project for conservation of water	Environment	Raigad	**6.00**	**-**	**-**	
9	Providing Distance Education at remote Schools	Literacy / Education	Raigad	5.00	-	-	Rotary Club
10	Health & Hygine in villages around Plant area	Healthcare	Raigad	2.00	-	-	Rotary Club
11	Educational & Residential support for girls from backward class, scheduled class and schedule tribes	Education	Ajol, Tal. Mansa, Dist. Gandhinagar, Gujarat	**1.00**	**-**	**-**	Sanskar Tirth
				56.60	**24.63**	**24.63**	

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 2017

[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 2017; 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 2017 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 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, 2015;

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009: Not Applicable.

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999: Not Applicable.

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008: Not Applicable.

(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.

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998: Not Applicable.

(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.

(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. There is no changes in the composition of the Board of Directors that took place during the period under review.

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

Place: Mumbai
Date:05/05/2017

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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 Stakeholders Relationship Committee. During the financial year 2016-17, six meetings of the Board of Directors were held on **i) 22nd April 2016, ii) 16th May 2016, iii) 10th August 2016, iv) 4th November 2016 v) 8th February 2017 and vi) 31st March 2017**.

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 2017 and attendance at the Board Meetings of the Company are given below:

Name of Director(s)	Designation/Category of Directorship	Board Meetings attended	Attendance at last AGM	No. of other Directorships held	No. of Committees of which Member / Chairman
Atul C. Choksey	Non- Executive Chairman Promoter	6	Yes	5	1/-
Abhiraj A. Choksey	Managing Director	6	Yes	-	-/-
Girish C. Choksey	Non-Executive	6	Yes	4	3/-
Amit C. Choksey	Non-Executive	6	Yes	4	-/-
Manubhai G. Patel	Non-Executive, Independent	6	Yes	0	-/2
Dr. S. Sivaram	Non-Executive, Independent	5	Yes	4	1/-
Shailesh S. Vaidya	Non-Executive, Independent	4	No	4	-/-
Kamlesh S. Vikamsey	Non-Executive, Independent	6	Yes	5	4/1
Priyamvada Bhumkar	Non-Executive, Independent	5	Yes	-	1/-
Y B Gadgil	Executive Director	5	Yes	--	-/-

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

Details of shareholding of Directors as on 31st March 2017

The number of equity shares of face value of Rs.5/- each of the Company held by the Directors as on 31st March 2017 is as under:

Name of Directors	Executive or Non-Executive Director	No. of Shares	% to paid up capital
Atul C. Choksey	Non-Executive Director	71,398	0.34
Abhiraj A. Choksey	Executive Director	1,24,105	0.59
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 5th July 2012 had authorised the payment of commission to the Non-Executive Directors @ 1% of net profit of the Company, calculated in accordance with provisions of Section 197 and 198 of the Companies Act, 2013. The allocation of commission to Non-Executive Directors is determined by the Board based on the individual contribution.

The Remuneration paid to the Non-Executive Directors of the Company during the financial year, 2016-17 are as under:

Name of Director	Sitting Fees	Commission	Total
Mr. Atul Choksey	1,00,000	12,62,000	13,62,000
Mr. Girish Choksey	80,000	-	80,000
Mr. Amit Choksey	60,000	-	60,000
Mr. M.G.Patel	3,00,000	1,20,000	4,20,000
Dr. S. Sivaram	1,60,000	1,20,000	2,80,000
Mr. Shailesh Vaidya	1,00,000	1,20,000	2,20,000
Mr. Kamlesh Vikamsey	3,00,000	1,20,000	4,20,000
Mrs. Priyamvada Bhumkar	2,00,000	1,20,000	3,20,000

Remuneration paid to Directors for the financial year 2016-17 are as under:

Name	Mr. Abhiraj A Choksey	Mr. Y B Gadgil
Salary	Rs. 88.49 lacs	Rs. 33.83 lacs
Variable Pay	As per Company's Policy.	As per Company's Policy.
Provident Fund	Rs.3.24 lacs	Rs.1.41 lacs
Perquisites	Rs.4.80 lacs	Nil
Notice Period	6 months	6 months

Details of Service contracts with Directors		
Director	**Service Contract and Period**	Severance Fees
Mr. Abhiraj Choksey Managing Director	Agreement date. 10-08-2016: Period:01-05-2016 to 30-04-2019	Nil
Mr. Y B Gadgil Executive Director	Period:06-02-2016 to 05-02-2019	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, which was reconstituted by the Board of Directors in their meeting held on 26th April 2014. During the year under review, six meetings of the Committee were held on **i) 22nd April 2016, ii) 16th May 2016, iii) 10th August 2016 iv) 4th November 2016 v) 8th February 2017 and vi) 31st March 2017.**

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 – **Six** Attended
M. G. Patel	Non-Executive, Independent	6
Girish C. Choksey	Non-Executive	2
Kamlesh Vikamsey	Non-Executive, Independent	6
Priyamvada Bhumkar	Non-Executive, Independent	5

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

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

1. Oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible;
2. Recommendation for terms of appointment and remuneration of Auditors of the Company;
3. Approval of payment to Statutory Auditors for any other services rendered by the Statutory Auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the Board for approval, with particular reference to:
   a. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013
   b. Changes, if any, in accounting policies and practices and reasons for the same
   c. Major accounting entries involving estimates based on the exercise of judgment by management
   d. Significant adjustments made in financial statements arising out of audit findings
   e. Compliance with listing and other legal requirements relating to quarterly and yearly financial statements
   f. Disclosure of any related party transactions
   g. Modified opinion in the draft audit report.
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report to be submitted by monitoring agency with regard to utilisation of proceeds of a public or rights issue, and making appropriate recommendations to Company's Board;

7. Review and monitor the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertaking or assets of the company, whenever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of Statutory and Internal Auditors, reviewing Internal Control Systems in the organisation;
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 thrice during the financial year viz. i) **16th May 2016**, ii) **10th August 2016 and iii) 8th February 2017**. The necessary quorum was present for all the meetings. The Chairman of the Nomination & Remuneration Committee meeting was present at the last Annual General Meeting. The composition of the Committee during the financial year and the details of the meetings held and attended by the members are as under:

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

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 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 28th April 2017. The necessary quorum was present for the meeting. The composition of the Committee during the financial year 2016-17 and details of meeting held and attended by the Directors are as under:

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

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 activities, which could not be completed due to following reason, which has resultant into short fall in CSR spend to the extent of Rs.31.97 lacs for the financial year 2016-17.

1. Delay in inauguration of St. Jude new Centre at Cotton Green, Mumbai, supposed to be operational during April/May 2016 was started its operation during March 2017.
2. The CSR Team was busy with integration of newly acquired company viz. Omnova Solutions India Private Limited and Strike at Taloja Plant.

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, non-executive Director.

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 2016-17 by the Company through the Registrars, LINK INTIME INDIA PVT LTD, are as under;

Source		Correspondences	
		Received	Redressed / Attended
A	**Complaints**		
	Directly from Shareholders	14	14
	SEBI	3	2
	Stock Exchanges	1	1
	Total (A)	**18**	**17**
B	**Type of Requests from Shareholders**		
	Request for change of address	103	103
	Request for procedure of transfer/transmission of shares /deletion of name	102	102
	Request for change/correction of Bank details/mandate /Ecs details	73	73
	Request for revalidation/issue of fresh demand drafts	127	127
	Issue of Duplicate share certificates	23	23
	Change of Signature	3	3
	Request for stop transfer removal	33	33
	Request for stop transfer / procedure for duplicate	69	69
	Confirmation of details	12	12
	Exchange of Shares	53	53
	Dematerialisation of Shares	7	7
	Correction of name and address	7	7
	Miscellaneous	6	6
	Total (B)	**618**	**618**
	Grand Total (A+B)	**636**	**635**

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.

Meeting of Independent Directors:

The company's Independent Directors met on 8th February 2017 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 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://www.apcotex.com/policy/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. Girish Choksey**
Director Identification Number (DIN)	**00246196**
Date of Birth	**21/10/1942**
Nationality	**Indian**
Date of Appointment on Board	**25/11/1992**
Qualification	**Undergraduate**
Shares held	**17,800**
List of Directorship held in other listed Companies	**2**
Membership/Chairmanships of Audit and Stakeholders' Relationship Committees across Public Companies	**3/-**
Relationship with other Board Members.	**Related to Mr. Amit Choksey, Mr. Atul Choksey and Mr. Abhiraj Choksey**

General Body Meetings

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

Details of last three Annual General Meetings Held:

Year	Date	Time	Special resolution/s passed
2015-16	10th August 2016	04.00 p.m	Yes(Three)*
2014-15	31st July 2015	04.00 p.m	No
2013-14	31st July 2014	10.30 a.m.	Yes(One)*

***Special Resolution/s passed:**

2015-16:

1) Re-appointment of Mr. Abhiraj Choksey as Managing Director for a further period of 3 years.
2) Alteration of Memorandum of Association for increased in authorized share capital.

3) Alteration of Articles of Association for increased in authorized share capital.

2013-14:

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

Special Resolution passed through postal ballot

None of the business proposed to be transacted in the ensuing Annual General meeting require passing a specialresolution 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 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 5th May 2017.

Compliances:

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

Means of Communication:

1. The quarterly, half yearly and annual results of the Company's financial performances were published in two newspapers viz. 'Business Standard' and 'Mumbai Lakshadeep', and displayed on Company's website, www.apcotex.com.
2. The Annual Report is circulated to all members, and is also available on the Company's website.
3. The Annual Report of the Company for the financial year 2016-17 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.
4. If any member wishes to get a duly printed copy of the Annual Report, the Company will send the same, free of cost, upon receipt of request from the member.

Management Discussion and Analysis forms part of the Directors Report.

Certification of Corporate Governance Report:

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

General Shareholders Information:

a) 31st Annual General Meeting will be held on **Thursday, 17th day of August 2017 at 4.30 pm** at Saphire, Royal Tulip Hotel, 26/B, Sector 7 Kharghar, Navi Mumbai, Maharashtra 410210.

b) The Company's financial Year is 1st April to 31st March

c) Dates of book closure: **Thursday, 10th day of August 2017 to Wednesday, the 16th day of August 2017** (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 18th August 2017.**

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

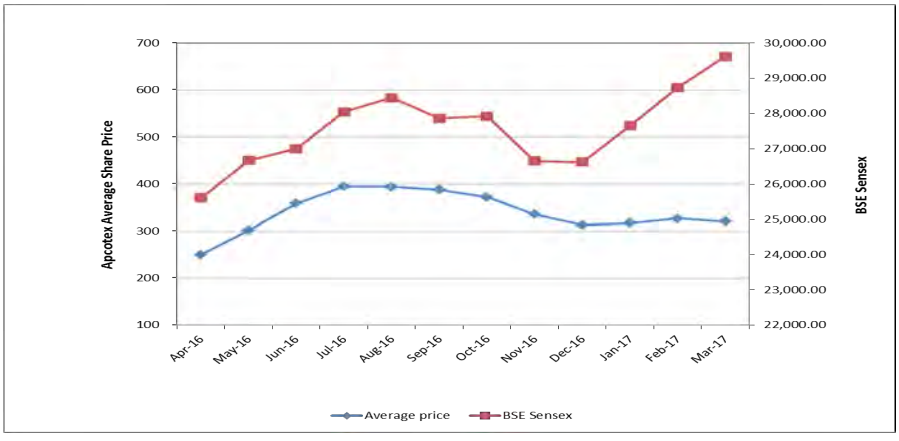
Market Price Data:

Monthly high and low prices of equity shares of the company quoted at Bombay Stock Exchange and National Stock Exchange during the year **2016-17.**

(Amount in Rs.)

Month	Bombay Stock Exchange		National Stock Exchange	
	High	Low	High	Low
April	293.90	208.20	294.85	207.10
May	330.95	274.00	333.30	270.10
June	398.00	320.00	397.80	325.00
July	435.00	354.95	434.00	354.05
August	432.00	356.75	434.00	354.10
September	413.50	362.15	414.50	358.00
October	389.50	355.00	399.50	354.00
November	376.00	296.00	382.00	296.00
December	345.00	282.00	337.00	284.00
January	329.00	305.95	332.00	304.00
February	348.90	305.00	349.95	301.65
March	334.40	307.00	335.00	305.30

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-101, 247 Park,

L.B.S. Marg, Vikhroli (W),

Mumbai- 400 083

Tel. No.- 022-49186000, 49186270

Fax : (022) 49186060

Email : rnt.helpdesk@linkintime.co.in

Share Transfer System:

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

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

Distribution of Share: Distribution of shareholding as on 31st March 2017.

Category	No. of Shareholders	% to total No. of Shareholders	No. of shares	% to total Shares
1 - 500	19,617	89.10	25,13,972	12.12
501 - 1000	1,207	5.48	9,07,243	4.37
1001 - 2000	619	2.81	9,28,382	4.48
2001 - 3000	146	0.66	3,65,476	1.76
3001 - 4000	131	0.60	4,76,339	2.30
4001 - 5000	60	0.27	2,74,055	1.32
5001 - 10000	118	0.54	8,60,285	4.15
Above 10001	119	0.54	1,44,12,232	69.50
Total	**22,017**	**100.00**	2,07,37,984	100.00

Categories of Shareholding as on 31st March 2017:

Sr. No.	Category	No. of Shares	% of shareholding
1.	**Promoters' Holding**		
	Indian Promoters	1,20,07,908	57.90
2.	**Non promoters' Holding**		
	Mutual Funds/Trusts/clearing members	81,662	0.39
	Insurance companies/Banks/Financial Institution	11,762	0.06
	Indian Public	74,02,188	35.69
	Directors/Relatives	13,118	0.06
	Hindu Undivided Family	2,09,242	1.01
	Non Resident Indians	3,50,066	1.69
	Other Corporate Bodies	6,62,038	3.19
	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 2017, 1,95,43,172 Equity Shares comprising of 94.24% 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-1 Location:

Plot No.3/1, MIDC Industrial Area

Taloja – 410 208, Dist. Raigad, Maharashtra

Telephone: (022) 2740 3500

Fax: (022) 2741 2052

Plant -2 Location:

Village - Dungri,

Tal- Valia, Ankleshwar- 393135.

Dist- Bharuch, Gujarat.

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-101, 247 Park, L.B.S. Marg, Vikhroli (W), Mumbai- 400 083 Tel. No.-022-49186000, 49186270 Fax - (022) 49186060
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, 2013, 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
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
2015-16	35933618597	State Bank of India	10/08/2016	09/08/2023

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 2017, have affirmed compliance with code of conduct.

For Apcotex Industries Limited

Abhiraj Choksey
Managing Director
DIN: 00002120

Date : 5th May 2017.
Place : Mumbai

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 **2016-17**, 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: 5th May 2017

INDEPENDENT AUDITOR'S REPORT

TO THE MEMBERS OF APCOTEX INDUSTRIES LIMITED.

Report on the Financial Statements

We have audited the accompanying financial statements of **APCOTEX INDUSTRIES LIMITED** ("the Company"), which comprises the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes 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 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 financial statements.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2017, and its profit and its cash flows for the year ended on that date.

Emphasis of matter

Note 43 to the financial Statement, on October 27, 2016 the Honorable High Court of Judicature at Bombay has approved a scheme of amalgamation of Apcotex Solutions India Private Limited (ASIPL), the wholly owned subsidiary company, with the Company with effect from March 31, 2016. As per the scheme of Amalgamation the Company shall account for amalgamation of ASIPL in its books of accounts with effect from the appointed date (i.e. March 31, 2016) as per the "Purchase Method", as prescribed in Accounting Standard-14 "Accounting for Amalgamation" issued by the Institute of Chartered Accountants of India.

Accordingly, all the assets and liabilities being the net assets excluding reserves of ASIPL have been recorded by the Company at their respective fair values, as decided by the Board of Directors of the Company as on March 31, 2016 and the Investment held by the Company in Apcotex Solutions India Private Limited amounting to Rs. 3016.50 lakh stands cancelled and excess of net assets of ASIPL amounting to Rs. 7402.48 lakh has been recorded as Capital Reserve.

Our opinion is not qualified in respect of this matter.

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

e) On the basis of the written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 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 26 to the 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.

iv. The Company has provided requisite disclosures in the financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management - Refer Note 42 to the financial statements.

For KALYANIWALLA & MISTRY LLP
CHARTERED ACCOUNTANTS
Firm Reg.No. 104607W/W100166

Ermin K. Irani
Partner
Membership No.: 35646

Place: Mumbai
Dated: May 05, 2017

apcotex

ANNEXURE A TO THE INDEPENDENT AUDITOR'S REPORT

Referred to in in Para 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditors' Report to the members of the Company on the financial statements for the year ended March 31, 2017.

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, except:

Sr. No.	Total No. of Cases	Type of Assets	Gross Block as at March 31, 2017(Amt (Rs.))	Net Block as at March 31, 2017 (Amt (Rs.))	Remarks
1	1	Lease Hold Land	39,493,120	35,439,084	The Company is in the process of transferring the title deeds.
2	2	Lease Hold Land	21,193,800	18,918,025	It is in the name of erstwhile company i.e. Eliokem India Private Limited. The Company is in the process of transferring the title deeds.
3	1	Buildings	6,079,825	4,519,599	It is in the name of erstwhile company i.e. Eliokem India Private Limited. The Company is in the process of transferring the title deeds.

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 has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Therefore, the provisions of sub-clause (a), (b) and (c) of paragraph 3(iii) of the Order are not applicable.

iv. In our opinion and according to the information and explanations given to us, the Company has not advanced any loans to the parties covered under section 185 of the Act. The Company has not given any loans and guarantees but has made investments in the securities of other body corporate within the limits specified by section 186 of the Act.

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:

Sr. No.	Name of the Statute	Nature of Dues	Amount (Rs. In lakh)	Period to which the amount relates	Forum where dispute is pending
1	Income Tax Act, 1961	Income Tax	3.75	2002-03	Commissioner of Income Tax (appeals)
2	Income Tax Act, 1961	Income Tax	8.00	2007-08	Commissioner of Income Tax (appeals
3	Income Tax Act, 1961	Income Tax	189.78	2009-10	Income Tax Appellant Tribunal
4	Income Tax Act, 1961	Income Tax	147.06	2010-11	Commissioner of Income Tax (appeals)
5	Income Tax Act, 1961	Income Tax	455.39	2011-12	Commissioner of Income Tax (appeals)
7	Income Tax Act, 1961	Income Tax	94.24	2012-13	Commissioner of Income Tax (appeals)
8	Income Tax Act, 1961	Income Tax	23.75	2013-14	Commissioner of Income Tax (appeals)

9	Customs Act	Customs Duty	284.18	August 2000 to July 2004	Supreme Court of India
10	Central Excise Act & Service Tax	Excise Duty	1.59	2009-10 to 2011-12	Deputy Commissioner Central Excise and Service Tax
11	Central Excise Act & Service Tax	Service Tax	0.13	2007-08	The Customs, Excise and Service Tax Appellate Tribunal
12	Central Excise Act & Service Tax	Service Tax	11.24	2005-06 to 2009-10	The Customs, Excise and Service Tax Appellate Tribunal
13	Central Excise Act & Service Tax	Service Tax	81.80	2010-11 to 2014-15	The Customs, Excise and Service Tax Appellate Tribunal
14	Central Excise Act and Service Tax	Service Tax	17.50	Nov 2013- Nov 2014	Commissioner of Central Excise and Service Tax (Appeals)
15	Central Excise Act & Service Tax	Service Tax	8.70	April 2015 to December 2015	Commissioner of Central Excise and Service Tax (Appeals)
16	Central Excise Act and Service Tax	Service Tax	164.95	September 2012- Jan 2016	Additional Commissioner of Central Excise and Customs
17	Maharashtra Value Added Tax Act	Value Added Tax	1.70	2006-07	Bombay High Court
18	Maharashtra Value Added Tax Act	Value Added Tax	73.49	2007-08 to 2011-12	Joint Commissioner of Sale Tax(Appeals)

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.

ix. 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 LLP
CHARTERED ACCOUNTANTS
Firm Reg.No. 104607W/W100166

Ermin K. Irani
Partner
Membership No.: 35646

Place: Mumbai
Dated: May 05, 2017

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 financial statements for the year ended March 31, 2017.

ANNEXURE B TO THE INDEPENDENT AUDITOR'S REPORT

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, 2017 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, 2017, 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 LLP
CHARTERED ACCOUNTANTS
Firm Reg.No. 104607W/W100166

Ermin K. Irani
Partner
Membership No.: 35646

Place: Mumbai
Dated: May 05, 2017

BALANCE SHEET AS AT 31ST MARCH 2017

(₹ In Lacs)

	Notes	As at 31st March 2017	As at 31st March 2016
EQUITY AND LIABILITIES			
Shareholders' Funds			
Share Capital	2	**1,040.80**	1,040.80
Reserves and Surplus	3	**19,589.88**	17,680.88
		20,630.68	18,721.68
NON CURRENT LIABILITIES			
Deferred Tax Liability (Net)	4	**342.60**	-
Other Long Term Liabilities	5	**314.06**	260.06
Long Term Provisions	6	**261.36**	198.82
		918.02	458.88
CURRENT LIABILITIES			
Short Term Borrowings	7	**2,224.40**	1,705.08
Trade Payables	8		
a. total outstanding dues of micro enterprises and small enterprises		**238.27**	166.58
b. total outstanding dues of creditors other than micro enterprises and small enterprises		**1,980.14**	3,246.91
Other Current Liabilities	9	**2,204.36**	3,062.93
Short Term Provisions	6	**26.71**	1,443.76
		6,673.88	9,625.26
TOTAL		**28,222.58**	28,805.82
ASSETS			
NON CURRENT ASSETS			
Property Plant & Equipment			
Tangible Assets	10 A	**8,712.84**	8,954.21
Intangible Assets	10 B	**65.85**	31.06
Capital work-in-progress		**595.71**	488.55
		9,374.40	9,473.82
Non-current Investments	11	**2,363.83**	1,780.67
Deferred Tax Asset (Net)	4	**-**	672.96
Long Term Loans and Advances	12	**862.06**	1,061.99
Other Non Current Assets	13	**210.94**	605.20
CURRENT ASSETS			
Inventories	14	**4,450.24**	4,333.85
Trade Receivables	15	**7,818.48**	8,384.08
Cash and Bank balances	16	**618.63**	981.08
Short Term Loans and Advances	12	**1,912.52**	740.58
Other Current Assets	17	**611.48**	771.59
		15,411.35	15,211.18
TOTAL		**28,222.58**	28,805.82
Significant Accounting Policies	1		
The accompanying Notes 1 to 46 are an integral part of the Financial Statements			

apcotex

As per our Report of even date
For KALYANIWALLA & MISTRY LLP
Chartered Accountants
Firm Registration Number: 104607W / W100166

ERMIN K. IRANI
Partner
Membership Number: 35646
Mumbai : 05th May, 2017

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

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

Mumbai : 05th May, 2017

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH 2017

(₹ In Lacs)

	Notes	For the Year ended 31st March 2017	For the Year ended 31st March 2016
INCOME			
Revenue from Operations	**18A**	**43,163.43**	29,772.38
Less: Excise duty		**4,296.57**	3,072.11
Revenue from Operations (Net of excise duty)		**38,866.86**	26,700.27
Other Operating Revenue	**18B**	**147.55**	134.85
Other Income	**19**	**825.07**	735.25
TOTAL REVENUE		**39,839.48**	27,570.37
EXPENSES			
Cost of Materials Consumed	**20A**	**26,264.93**	17,776.80
Changes in Inventories of Finished Goods and Work in Progress	**20B**	**657.12**	(224.15)
Employee Benefit Expenses	**21**	**2934.52**	1,521.63
Finance Cost	**22**	**286.31**	242.01
Depreciation and Amortization Expense	**23**	**1,210.02**	894.44
Other Expenses	**24**	**6,264.87**	4,016.88
TOTAL EXPENSES		**37,617.77**	24,227.61
PROFIT BEFORE TAX		**2,221.71**	3,342.76
Less : Tax Expenses			
Current Tax		**517.59**	966.13
MAT Credit entitlement		**(254.31)**	-
Deferred Tax	**4**	**1015.56**	(90.48)
Adjustment of Tax relating to earlier years		**(966.13)**	-
Total Tax Expenses		**312.72**	875.65
PROFIT AFTER TAX		**1,909.00**	2,467.11
Basic and Diluted Earnings per Equity Share of ₹ 5/- each	**40**	**9.21**	11.90
Significant Accounting Policies	**1**		
The accompanying Notes 1 to 46 are an integral part of the Financial Statements			

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As per our Report of even date
For KALYANIWALLA & MISTRY LLP
Chartered Accountants
Firm Registration Number: 104607W / W100166

ERMIN K. IRANI
Partner
Membership Number: 35646
Mumbai : 05th May, 2017

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

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

Mumbai : 05th May, 2017

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

(₹ in lacs)

			For the Year ended 31st March 2017	For the Year ended 31st March 2016
A.	**CASH FLOW FROM OPERATING ACTIVITIES :**			
	Profit Before Tax		**2,221.71**	3,342.75
	Adjustments for :			
	Depreciation and Amortization Expense		**1,210.02**	894.44
	Finance Cost		**286.31**	242.01
	Prov for Diminishing Value of Investments (PL)		**-**	16.00
	Foreign Exchange Fluctuation Difference		**(78.06)**	56.17
	Fixed Assets Written off		**-**	1.86
	Loss / (Profit) on Sale of Assets		**2.83**	(0.20)
	Bad Debts Written Off		**56.55**	21.56
	Provision for Bad and Doubtful Debts		**(75.36)**	(21.56)
	Loss / (Surplus) on Sale of Investment		**(550.59)**	(596.75)
	Dividend Income		**(69.22)**	(39.60)
	Interest received		**(100.80)**	(16.25)
	Income from Investment Property		**(52.01)**	(50.20)
	Excess Provision Written back		**(53.57)**	(38.97)
	Operating Profit Before Working Capital Changes		**2,797.81**	3,811.26
	Adjustments for :			
	Increase / (Decrease) in Non Current Liabilities		**100.97**	57.13
	Increase / (Decrease) in Current Liabilities		**(1,207.37)**	2,741.04
	(Increase) / Decrease in Non Current Assets		**586.54**	(5,380.29)
	(Increase) / Decrease in Current Assets		**680.26**	(6,968.30)
	Cash Flow Generated from Operations		**2,958.21**	(5,739.16)
	Direct taxes paid		**(692.10)**	(702.94)
	Net Cash Flow from Operating Activities	**(a)**	**2,266.11**	(6,442.10)
B.	**CASH FLOW FROM INVESTING ACTIVITIES**			
	Purchase of Fixed assets		**(1,125.41)**	(653.88)
	Sale of Fixed Assets		**59.83**	1.94
	Purchase of Investments		**(1,843.09)**	(7,903.74)
	Capital Reserve on Merger		**-**	7,402.47
	Sale of Investments		**1,862.37**	9,675.58
	Dividend Income		**69.22**	39.60
	Interest received		**10.36**	16.25
	Income from Investment Property		**52.01**	50.20
	Net Cash Used in Investing Activities	**(b)**	**(914.71)**	8,628.42
C.	**CASH FLOW FROM FINANCING ACTIVITIES**			
	Proceeds / (Repayment) of Short Term Borrowings (Net)		**519.32**	265.83
	Repayment of Long Term Borrowings		**(836.56)**	(833.43)
	Finance Cost paid		**(289.08)**	(246.07)
	Dividends paid		**(919.29)**	(715.32)
	Dividend Distribution Tax paid		**(189.98)**	(147.76)
	Net Cash Used in Financing Activities	**(c)**	**(1,715.59)**	(1,676.75)
	Net Increase/ (Decrease) in Cash and Cash Equivalents	**(a+b+c)**	**(364.19)**	509.57
	Cash and cash equivalents as at 1st April, 2016		**882.02**	372.45
	Cash and cash equivalents as at 31st March, 2017		**517.83**	882.02
			(364.19)	509.57

Notes

1. The Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard (AS) 3 - Cash Flow Statement and presents cash flows by operating, investing and financing activities.
2. Figures in the Bracket are outflows / deductions.
3. Cash flow of year ended 31st March 16 is adjusted on account of merger of Apcotex Solutions India Private Limited (ASIPL), the wholly owned subsidiary company, with the Company with effect from 31st March 2016 (Refer note 43.C)
4. 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 LLP
Chartered Accountants
Firm Registration Number: 104607W / W100166

ERMIN K. IRANI
Partner
Membership Number: 35646
Mumbai : 05th May, 2017

For and on behalf of Board of Directors

ATUL C. CHOKSEY	Chairman (DIN00002102)
ABHIRAJ A. CHOKSEY	Managing Director (DIN00002120)
MANUBHAI G. PATEL	Director (DIN00001662)
ANAND V. KUMASHI	Company Secretary
ROHIT R MAHAKAL	Chief Financial Officer

Mumbai : 05th May, 2017

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2017

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

NOTE 1 : SIGNIFICANT ACCOUNTING POLICIES

(i) **Basis of Accounting:**

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

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

(ii) **Use of Estimates:**

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

(iii) **Property Plant & Equipment and Depreciation / Amortization**

a. Property Plant & Equipment

Freehold land is carried at carrying cost. All other items of Property Plant & Equipment are carried at the cost of acquisition or construction, less accumulated depreciation and accumulated impairment, if any. The cost of items of Property Plant & Equipment 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.

Subsequent costs are included in the assets carrying amount or recognized as separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs & maintenance are charged to profit and loss during the reporting period in which they are incurred.

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. Any gain or loss on de-recognition (calculated as difference between the net disposal proceeds and the carrying amount of the asset) is recognized in the Statement of Profit and Loss when the asset is derecognized.

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

(iv) **Borrowing Cost**

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

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

(v) **Investments**

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

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

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

(vi) **Inventory**

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

The cost is determined as follows:

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

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

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

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

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

(vii) **Excise Duty** :

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

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

(viii) **Transactions in foreign exchange**

(a) Initial recognition:

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

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

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

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

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

(ix) **Forward Exchange Contracts – Hedging**

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

(x) **Employees' Benefits**

(a) **Short Term Employee Benefits:**

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

(b) **Post-employment benefits:**

Defined contribution plans :

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

Defined benefit plans

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

Other long-term employee benefits

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

(xi) **Research and Development**

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

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

(xii) **Taxes on Income**

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

Deferred tax is recognized, subject to the consideration of prudence, on timing differences, being the difference between taxable income and accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred Tax assets are not recognized on unabsorbed depreciation and carry forward of losses unless there is

virtual certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. The carrying amount of deferred tax assets/liabilities are reviewed at each balance sheet date. The tax effect is calculated on the accumulated timing difference at the year-end, based on the tax rates and laws enacted or substantially enacted on the balance sheet date.

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

(xiii) **Cash & Cash Equivalent:**

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

(xiv) **Leases - Assets taken on operating lease**

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

(xv) **Revenue Recognition:**

(a) Domestic sales are recognized at the point of dispatch of goods to customers, which is when risks and rewards of ownership are passed to the customers. Sales are inclusive of excise duty but net of trade discount and VAT /sales tax.

(b) Export sales are recognized based on the bill of lading except sales to Nepal which are recognized when the goods cross the Indian Territory, which is when risks and rewards of ownership are passed to the customers.

(c) Dividend income is recognized when the right to receive the same is established.

(d) Interest and other income are recognized on accrual basis.

(e) Export incentives receivable under Duty Drawback Scheme are accounted on accrual basis.

(f) Insurance claims are recognized post filing of the claim with the insurer.

(xvi) **Provisions and Contingencies**:

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

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

(xvii) **Earnings per Share**

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

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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2017

(₹ In Lacs)

	As at 31st March 2017	As at 31st March 2016
NOTE 2 : SHARE CAPITAL		
Authorised		
6,22,60,000 Equity Shares of ₹ 5/- each (2,99,40,000 Equity Shares of ₹ 5/- each)	3,113.00	1,497.00
500 Preference Shares of ₹ 100/- each (500 Preference Shares of ₹ 100/- each)	0.50	0.50
50,000 Unclassified Shares of ₹ 5/- each (50,000 Unclassified Shares of ₹ 5/- each)	2.50	2.50
	3,116.00	1,500.00
Issued, Subscribed and Paid up capital		
2,07,37,984 Equity Shares of ₹ 5/- *(2,07,37,984 Equity Shares of ₹ 5/-)* each fully paid.(Including ₹ 3.90 lacs towards 78,051 shares forfeited at ₹ 5/- each)	1,040.80	1,040.80
Total	**1,040.80**	1,040.80

Note:

a) The Company had vide 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 ₹ 5/- each fully paid to the shares holders existing on record date i.e 24th September 2015. The shares were alloted in board meeting held on 25th September 2015 (Refer Note 2(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 2017**		As at 31st March 2016	
	No. of Shares	**₹ in Lacs**	No. of Shares	₹ in Lacs
At the beginning of the year	**2,07,37,984**	**1,040.80**	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**	2,07,37,984	1,040.80

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

	As at 31st March 2017		As at 31st March 2016	
Equity Shares	**No of Shares Face Value of ₹ 5 Each**	**% Holding**	No of Shares Face Value of ₹ 5 Each	% Holding
Saldhar Investment & Trading Company Pvt. Ltd (Holding Company wef 23rd November 2016)	**1,05,98,300**	**51.11**	11,33,088	5.46
Trivikram Investment & Trading Company Ltd.	**-**	**-**	39,53,976	19.07
Dhumraketu Investment & Trading Company Pvt. Ltd	**23,888**	**0.12**	33,19,114	16.00
Atul Champaklal Choksey	**71,398**	**0.34**	12,18,992	5.88

Note:
Dhumraketu Investment & Trading Co Pvt Ltd is merged with Saldhar Investment & Trading Company Pvt. Ltd w.e.f 6th September 2016. Saldhar Investment & Trading Company Pvt. Ltd is in process of transferring 23,888 Equity Shares of Dhumraketu Investment & Trading Co Pvt Ltd in its name.

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

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

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

Financial Year 2015-16	**As at 31st March 2017**	As at 31st March 2016
No of Equity Shares	-	1,03,68,992
Face Value per Share	-	5.00
Total Face Value (₹ in Lacs)	**-**	518.45

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2017

(₹ In Lacs)

	As at 31st March 2017	As at 31st March 2016
NOTE 3 : RESERVES AND SURPLUS		
(a) Capital Redemption Reserve		
As per last Balance Sheet	-	34.30
Less: Utilisation for Issue of Fully Paid-up Bonus Shares { Refer Note 2(a) & 2(e) }	-	(34.30)
	-	-
(b) Capital Reserve (Refer Note 43c)	**7,402.48**	7,402.48
(c) Share Premium		
As per last Balance Sheet	**2,599.95**	3,084.11
Less: Utlisation for Issue of Fully Paid-up Bonus Shares { Refer Note 2(a) & 2(e) }	-	(484.15)
	2,599.95	2,599.95
(d) General Reserve		
As per last Balance Sheet	**3203.72**	2,403.72
Add : Transfer from Statement of Profit and Loss	**400.00**	800.00
	3603.72	3,203.72
(e) Surplus in Statement of Profit and Loss		
As per last Balance Sheet	**4,474.74**	3,930.83
Add : Net profit after tax transferred from Statement of Profit and Loss	**1,909.00**	2,467.11
Amount available for appropriation	**6,383.74**	6,397.93
Less: Appropriations		
Dividend on Equity shares:		
- Proposed Dividend [(Previous year ₹ 4.5 per share of ₹ 5 each)] (Refer Note 3a. below)	-	(933.21)
Dividend Distribution Tax	-	(189.98)
Transfer to General Reserve	**(400.00)**	(800.00)
	5,983.74	4,474.74
Total	**19,589.88**	17,680.88

Note :

3a. No Provision for Dividend has been made for current year in accordance with revised Accounting Standard 4, Contingencies and Events Occuring After the Balance Sheet Date.

3b. The Board of Directors have recommended a dividend of ₹ 4.5/- per share (on fully paid up share of ₹ 5/- each) for Financial Year 2016-17.

Note 4: 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, 2017 are as follows:

(₹ In Lacs)

	As at 31st March 2017	As at 31st March 2016
Deferred tax liabilities		
Depreciation on Fixed Assets (other than Scientific Research Assets)	**614.61**	664.98
Depreciation on Scientific Research Assets	**28.55**	31.78
Others	-	-
Total deferred tax liabilities	**643.16**	696.76

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Deferred tax assets		
Brought forward unabsorbed depreciation	**-**	1,079.04
Provision for doubtful debts	**130.78**	150.63
Provision for leave encashment & gratuity	**122.95**	117.93
Provision for bonus	**32.25**	13.48
Others	**14.57**	8.65
Total deferred tax assets	**300.55**	1,369.73
Net Deferred tax liability/(assets)	**342.60**	(672.96)

Note:

4.1 Balance as at 31st Mar 2016 includes Deferred Tax Asset ₹ 1140.98 lacs on account of merger of Apcotex Solutions India Pvt Ltd with Apcotex Industries Limited. (Refer Note 43c)

(₹ In Lacs)

	As at 31st March 2017	As at 31st March 2016
Note 5: OTHER LONG TERM LIABILITIES		
Unsecured		
Security Deposits	**314.06**	260.06
	314.06	260.06

Note:

5.1 Sundry deposits includes refundable Security Deposits accepted from Dealers carrying interest rate in the of range 8% to 9% p.a.

5.2 Balance as at 31st Mar 2016 includes ₹ 121.79 lacs on account of merger of Apcotex Solutions India Pvt Ltd with Apcotex Industries Limited. (Refer Note 43c)

(₹ In Lacs)

	Long -Term		**Short -Term**	
	As at 31st March 2017	As at 31st March 2016	**As at 31st March 2017**	As at 31st March 2016
NOTE 6. PROVISIONS				
Employee liabilities:				
Leave Encashment & Gratuity (Refer Note 6.1)	**178.76**	131.79	**26.71**	59.41
Proposed Dividend	**-**	-	**-**	933.21
Provision for Dividend Distribution Tax	**-**	-	**-**	189.98
Income Tax	**82.60**	67.03	**-**	261.16
	261.36	198.82	**26.71**	1,443.76

Note:

6.1 Balance as at 31st Mar 16 includes ₹ 65.99 lacs Long Term provision & ₹ 14.76 lacs Short Term Provision on account of merger of Apcotex Solutions India Pvt Ltd with Apcotex Industries Limited. (Refer Note 43c)

(₹ In Lacs)

	As at 31st March 2017	As at 31st March2016
NOTE 7 : SHORT TERM BORROWINGS		
(a) Loan repayable on demand from banks		
Secured		
Cash Credit	**2,224.40**	1,705.08
	2,224.40	1,705.08

Note :-

7.1. 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 Cash Credit carrys interest rate in range of 9.00% p.a. to 11.00% p.a.

7.2. Default in terms of repayment of principal and interest – NIL.

7.3. Balance as at 31st Mar 16 includes ₹ 17.25 lacs on account of merger of Apcotex Solutions India Pvt Ltd with Apcotex Industries Limited. (Refer Note 43c)

(₹ In Lacs)

	As at 31st March 2017	As at 31st March 2016
NOTE 8. TRADE PAYABLES		
Unsecured		
Trade Payables		
a. Total outstanding dues of micro enterprises and small enterprises	**238.27**	166.58
b. Total outstanding dues of creditors other than micro enterprises and small enterprises	**1,980.14**	3,246.91
(Refer note 41 for Details of due to Micro, Small and Medium Enterprises)		
	2,218.41	3,413.49
Note:- Amount due to Related Parties:		
Apco Enterprises Limited	**8.38**	3.54
Trivikram Investment & Trading Co. Ltd	**-**	(0.14)

Balances as at 31st March 2016 includes below trade payables on account of merger of Apcotex Solutions India Pvt Ltd with Apcotex Industries Limited: (Refer Note 43c)

a. Total outstanding dues of micro enterprises and small enterprises	97.96
b. Total outstanding dues of creditors other than micro enterprises and small enterprises	1,093.73
Total	**1,191.70**

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(₹ In Lacs)

	As at 31st March 2017	As at 31st March 2016
NOTE 9. OTHER CURRENT LIABILITIES		
(a) Other Payables		
Current Maturities of Long-term debt	**-**	836.56
Interest accrued but not due on borrowings	**10.85**	13.63
Statutory Payables -		-
Central Sales Tax and VAT	**14.90**	2.01
Service Tax	**177.38**	180.19
Excise duty on Closing Stock	**238.89**	331.80
TDS under Income tax	**35.29**	45.87
Providend Fund, Profession Tax and ESIC	**19.67**	18.74
Payable to Employees -		-
Salaries & Wages	**249.62**	175.46
Bonus	**93.28**	111.66
Incentives	**45.96**	59.71
Leave Encashment	**17.11**	17.09
Gratuity	**146.41**	132.47
Unpaid/ Unclaimed dividend	**69.24**	55.32
Unclaimed Fixed Deposits and Interest thereon	**0.70**	0.70
Other Liabilities -		
Payable for Expenses	**715.65**	525.24
Payable for Capital Goods	**81.18**	69.72
Commission to Non Exe. Directors	**20.00**	29.01
Advances received from Customers	**162.54**	25.98
Outstanding Expenses	**105.67**	431.75
	2,204.36	3,062.93

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

9.2: 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.

9.3: Balance as at 31st Mar 16 includes ₹ 1312.10 lacs on account of merger of Apcotex Solutions India Pvt Ltd with Apcotex Industries Limited. (Refer Note 43c)

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NOTE 10A & 10B : FIXED ASSETS

(₹ in lacs)

	Gross Block				Depreciation				Net Block Value	
	As at 01/04/2016	Additions/ Adjustments	Deletions/ Adjustments	As at 31/03/2017	Upto 01/04/2016	For the Year	Deletions/ Adjustments	Upto 31/03/2017	As at 31/03/2017	As at 31/03/2016
A. Tangible Assets :										
Freehold Land	5.33	-	-	5.33	-	-	-	-	**5.33**	5.33
Leasehold Land	808.46	30.97	-	839.43	77.99	9.79	-	87.79	**751.64**	730.47
Buildings	3,519.49	257.52	-	3,777.01	1,185.82	123.17	-	1,308.98	**2,468.03**	2,333.67
Plant and Equipment	10,971.70	435.89	-	11,407.59	6,655.72	740.81	-	7,396.53	**4,011.07**	4,315.42
Scientific Research Equipments	290.71	8.58	-	299.29	198.87	17.92	-	216.80	**82.49**	91.84
Furnitures & office equipments	390.88	57.30	(2.92)	445.25	262.19	45.08	(2.82)	303.09	**140.81**	129.24
Vehicles	229.65	81.39	(44.41)	266.62	151.88	26.94	(29.29)	149.53	**117.09**	77.76
Electric & Pipe Fittings	1,772.24	76.71	-	1,848.95	932.05	184.30	-	1,116.35	**732.60**	840.19
Wind Turbine Generator	612.79	-	-	612.79	182.51	26.51	-	209.01	**403.78**	430.29
Total tangible assets	**18,601.25**	**948.36**	**(47.33)**	**19,502.27**	**9,647.04**	**1,174.51**	**(32.11)**	**10,788.08**	**8,712.84**	**8,954.21**
B. Intangible Assets :										
Goodwill	140.85	-	-	140.85	140.85	-	-	140.85	**-**	-
Computer Softwares	205.69	69.93	(77.47)	198.15	174.63	35.15	(77.47)	133.67	**65.85**	31.06
Total intangible assets	**346.54**	**69.93**	**(77.47)**	**339.00**	**315.49**	**35.15**	**(77.47)**	**274.52**	**65.85**	**31.06**
Total (A+B)	**18,947.79**	**1,018.28**	**(124.80)**	**19,841.27**	**9,962.52**	**1,209.66**	**(109.58)**	**11,062.60**	**8,778.69**	**8,985.27**
Previous year	12,170.30	8,575.62	(1,798.12)	18,947.79	5,845.02	5,811.77	(1,694.26)	9,962.52		
Capital Work-in-progress									**595.71**	488.55
									9,374.40	**9,473.82**

Note : i) On 27th October 2016, The Honorable High Court of Judicature at Bombay has approved a scheme of amalgamation of Apcotex Solutions India Private Limited (ASIPL), the wholly owned subsidiary company, with the Company with effect from 31st March,2016.

ii) The Opening balance as at 1st April 2016, includes ₹ 3204.35 lacs being Net Fixed Assets of merged company, Apcotex Solutions India Private Limited. (Refer Note 43c)

iii) The Company is in process of registering Title deeds of the following immovable property in the Company's name:

Type of Assets	Number of cases	Gross Block as at 31st March, 2017	Net Block as at 31st March, 2017
Lease Hold Land	1	3,94,93,120	3,54,39,084
Lease Hold Land	1	2,11,93,800	1,89,18,025
Buildings	1	60,79,825	45,19,599

(₹ in lacs)

			As at 31st March 2017	As at 31st March 2016
SCHEDULE 11: NON CURRENT INVESTMENTS				
(A)	**INVESTMENT PROPERTY (at cost less accumulated depreciation)**			
	Buildings given on Operating Lease:			
	Opening Gross Block		**32.69**	32.69
	Add: Transfer from Fixed Assets during the year		**-**	-
	Closing Gross Block		**32.69**	32.69
	Less:			
	Opening Accumulated Depreciation		**20.60**	20.24
	Add: Transfer from Accumulated depreciation during the year		**-**	-
	Add: Depreciation for the year		**0.36**	0.36
	Closing Accumulated Depreciation		**20.96**	20.60
	Net Block (a)		**11.73**	12.09
(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 ₹10/- fully paid	**16.00**	16.00
		Less: Prov for Diminishining Value of Investment	**(16.00)**	(16.00)
			-	-
		2 247,500 Shares (P.Y. 247,500 Shares) of Narmada Clean Tech Limited of ₹ 10/- each fully paid up (formely known as Bharuc Eco-Aqua Infrastructure Limited)	**24.75**	24.75
		3 1,751 Shares (P.Y. 1,751 Shares) of Bharuch Enviro Infrastructure Limited of ₹10/- each fully paid up	**0.18**	0.18
			24.93	24.93
	ii)	**INVESTMENTS IN MUTUAL FUNDS**		
		1 NIL (P. Y. 94134.364 Units) Birla Sun Life Frontline Equity Fund - Growth	**-**	59.88
		2 400000 Units (P. Y. 400000 Units) Birla Sun Life Fixed Term Plan - Corp Bond Series A (1170 days)	**40.00**	40.00
		3 439412.899 Units (P. Y. 767459.708 units) of DHFL Pramerica Gilt Fund Growth (formerly known as -DWS Gilt Fund - Regular Growth)	**55.95**	97.72
		4 NIL Units (P. Y. 370000 units) of UTI Fixed Term Income Fund Series XVI-VII (366 Days) (GR)	**-**	37.00
		5 575721.811 Units (P. Y. 575721.811 units) of JPMorgan US Value Equity Offshore Fund (G)	**60.00**	60.00
		6 210696.566 Units (P. Y. 460696.566 units) of SBI Bluechip Fund - Regular Plan (GR)	**43.12**	94.29
		7 Nil Units (P. Y.21597.766 units) of HDFC Equity Fund (GR)	**-**	73.70
		8 483040.687 Units (P. Y. 483040.687 units) of Mirae Assets India Opportunities Fund - Regular - Growth Plan	**154.30**	154.30
		9 684032.548 Units (P. Y. 684032.548 units) of Kotak Select Focus Fund-Growth (Regular Plan)	**154.30**	154.30

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(₹ in lacs)

				As at 31st March 2017	As at 31st March 2016
		10	1083711.076 Units (P. Y. Nil) of IDFC Corporate Bond Fund Regular Plan-Growth	**111.12**	-
		11	527442.544 Units (P. Y. Nil) of ICICI Prudential Income Oportunities Fund -Growth	**111.12**	-
		12	438753.939 Units (P. Y. Nil) of HDFC Corporate Debt Oportunities Fund - Regular Plan - Growth	**55.00**	-
		13	364435.589 Units (P. Y. Nil) of Kotak Medium Term Fund - Regular Plan (GR)	**47.92**	-
		14	4684.576 Units (P. Y. Nil) of Reliance Liquid Fund - Treasury Plan- Weekly Dividend Option	**71.71**	-
		15	410367.302 Units (P. Y. Nil) of DSP Black Rock Focus 25 Fund - Regular Plan - Growth	**81.22**	-
				985.78	771.19
	2)	**QUOTED**			
	i)	**NON-TRADE INVESTMENTS**			
		1	40800 (P. Y. 40800) Equity Shares of Asian Paints Ltd of the face value of ₹ 1/- fully paid	**4.99**	4.99
		2	5000 (P. Y. 5000 Equity Shares of Axis Bank of the face value of ₹ 2/- fully paid *(Unclaimed by investors in Apcotex Securities Ltd since 2004, now incorporated into Apcotex Industries Ltd)*	**0.00**	0.00
		3	300 (P. Y. 300) Equity Shares of Kesoram Industries Ltd of the face value of ₹ 10/- fully paid *(Unclaimed by investors in Apcotex Securities Ltd since 2004, now incorporated into Apcotex Industries Ltd)*	**0.00**	0.00
		4	100 (P. Y. 100) Equity Shares of Computech International Ltd of the face value of ₹ 5/- fully paid *(Unclaimed by investors in Apcotex Securities Ltd since 2004, now incorporated into Apcotex Industries Ltd)*	**0.00**	0.00
		5	1000 (P. Y. 1000) Equity Shares of Consortex Karl Doelitz (India) Ltd of the face value of ₹ 10/- fully paid *(Unclaimed by investors in Apcotex Securities Ltd since 2004, now incorporated into Apcotex Industries Ltd)*	**0.00**	0.00
		6	1000 (P. Y. 1000) Equity Shares of Skylid Telecom Equipments Ltd of the face value of ₹ 10/- fully paid *(Unclaimed by investors in Apcotex Securities Ltd since 2004, now incorporated into Apcotex Industries Ltd)*	**0.00**	0.00
		7	3225 (P. Y. 3225) Equity Shares of Lupin Ltd of the face value of ₹ 2/- fully paid	**47.92**	24.25
		8	NIL (P. Y. 15800) Equity Shares of Axis Bank Ltd. of the face value of ₹ 2/- fully paid (Includes Stock Split 1:5)	**-**	38.07
		9	12850 (P. Y. 12850) Equity Shares of United Phosphorous Ltd. of the face value of ₹ 2/- fully paid	**63.52**	20.60
		10	10900 (P. Y. 5450) Equity Shares of Kajaria Ceramics Ltd. of the face value of ₹ 1/- fully paid (Includes Stock Split 1:2)	**14.21**	14.21
		11	17750 (P. Y. 17750) Equity Shares of Cadila Healthcare Ltd. of the face value of ₹ 1/- fully paid	**30.06**	30.06
		12	11050 (P. Y. 13568) Equity Shares of Tech Mahindra of the face value of ₹ 5/- fully paid	**51.45**	56.49
		13	18900 (P. Y. 18900) Equity Shares of Havells India Ltd. of the face value of ₹ 1/- fully paid	**51.87**	31.36

(₹ in lacs)

				As at 31st March 2017	As at 31st March 2016
		14	13150 (P. Y. 11874) Equity Shares of Kotak Mahindra Bank of the face value of ₹ 5/- fully paid	**99.97**	50.28
		15	Nil (P. Y. 100) Equity Shares of MRF Ltd. of the face value of ₹ 10/- fully paid	**-**	20.79
		16	5150 (P. Y. 9800) Equity Shares of Dalmia Bharat Ltd. of the face value of ₹ 2/- fully paid	**27.75**	52.80
		17	8675 (P. Y. 6175) Equity Shares of Indusind Bank of the face value of ₹ 10/- fully paid	**81.75**	35.18
		18	Nil (P. Y. 9625) Equity Shares of Raymond Ltd. of the face value of ₹ 10/- fully paid	**-**	41.97
		19	9950 (P. Y. 9950) Equity Shares of PC Jewellers of the face value of ₹ 10/- fully paid	**21.14**	21.14
		20	11825 (P. Y. 11050) Equity Shares of ICICI Bank Ltd of the face value of ₹ 2/- fully paid	**40.79**	38.67
		21	5025 (P. Y. 4375) Equity Shares of MCX India of the face value of ₹ 10/- fully paid	**43.86**	38.34
		22	75400 (P. Y. 60650) Equity Shares of Ashok Leyland of the face value of Re. 1/- fully paid	**65.37**	49.58
		23	37856 (P. Y. 41579) Equity Shares of KEC International Ltd. of the face value of ₹ 2/- fully paid	**44.47**	30.21
		24	55950 (P. Y. 80850) Equity Shares of Kirloskar Ferroc Ind. Ltd.of the face value of ₹ 5/- fully paid	**43.39**	42.77
		25	NIL (P. Y. 6315) Equity Shares of Mahindra Life SPA.. of the face value of ₹ 10/- fully paid	**-**	25.92
		26	Nil (P. Y. 3540) Equity Shares of Zensar Techof the face value of ₹ 10/- fully paid	**-**	10.05
		27	NIL (P. Y 42850) Equity Shares of Deepak Nitrite of the face value of ₹ 2/- fully paid	**-**	28.42
		28	25260 (P. Y. 21735) Equity Shares of Kalpataru Power Transmission Ltd of the face value of ₹ 2/- fully paid	**55.71**	24.49
		29	4162 (P. Y.5995) Equity Shares of Ramco Cements of the face value of ₹ 1/- fully paid	**24.54**	20.49
		30	Nil (P. Y.11200) Equity Shares of Network 18 of the face value of ₹ 5/- fully paid.	**-**	6.11
		31	NIL (P. Y. 11220) Equity Shares of Godrej Properties of the face value of ₹ 5/- fully paid	**-**	27.08
		32	NIL (P. Y. 29752) Equity Shares of Coromandel International Ltd of the face value of ₹ 1/- fully paid	**-**	65.24
		33	Nil (P. Y. 1950) Equity Shares of Bajaj Finserv Ltd of the face value of ₹ 5/- fully paid	**-**	20.59
		34	4875(P. Y. 4875) Equity Shares of Biocon Ltd. of the face value of ₹ 5/- fully paid	**45.47**	21.55
		35	Nil (P. Y. 48925) Equity Shares of TV18 Broadcast Ltd. of the face value of ₹ 2/- fully paid	**-**	14.82
		36	27920 (P. Y. 27325) Equity Shares of Greaves Cotton Ltd of the face value of ₹ 2/- fully paid	**38.36**	37.45
		37	NIL (P. Y. 12500) Equity Shares ofJMC Projects Shares of the face value of ₹ 10 /- fully paid	**-**	24.35

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(₹ in lacs)

				As at 31st March 2017	As at 31st March 2016
		38	NIL (P. Y. 552) Equity Shares of Vardhman Textiles of the face value of ₹ 10 /- fully paid	-	4.14
		39	1300 (P. Y. Nil) Equity Shares of Maruti Suzuki India Ltd. of the face value of ₹ 5 /- fully paid.	**58.67**	-
		40	29600 (P. Y. Nil) Equity Shares of Aegis Logistics Ltd. of the face value of ₹ 1/- fully paid.	**37.09**	-
		41	4950 (P. Y. Nil) Equity Shares of SUN TV Network Ltd. the face value of ₹ 5 /- fully paid.	**35.98**	-
		42	51676 (P. Y. Nil) Equity Shares of Federal Bank Ltd. of the face value of ₹ 2 /- fully paid.	**29.25**	-
		43	18725 (P. Y. Nil) Equity Shares of Simplex Infrastructures Ltd. of the face value of ₹ 2 /- fully paid.	**52.57**	-
		44	20000 (P. Y. Nil) Equity Shares of Carborundum Universal Ltd. of the face value of ₹ 1 /- fully paid.	**47.35**	-
		45	18300 (P. Y. NIL) Equity Shares of Mahindra CIE Automotive Limited of the face value of ₹ 10/- fully paid	**35.91**	-
		46	6830 (P. Y. NIL) Equity Shares of Sun Pharmaceuticals of the face value of ₹ 1/- fully paid	**44.32**	-
		47	4000 (P. Y. NIL) Equity Shares of Gujarat GAS Ltd. of the face value of ₹ 10/- fully paid	**24.71**	-
		48	16587 (P. Y. NIL) Equity Shares of Aditya Birla Fashion and Retail Ltd of the face value of ₹ 10/- fully paid	**24.85**	-
		49	7130 (P. Y. NIL) Equity Shares of Tata Communications Ltd of the face value of ₹ 10/- fully paid	**54.12**	-
				1,341.40	972.46
			Total of Long Term Investments (B)	**2,352.10**	1,768.58
			Total (A+B)	**2,363.83**	1,780.67

Note: Balance as at 31st Mar 16 includes Investments of ₹ 24.93 lacs on account of merger of Apcotex Solutions India Pvt Ltd with Apcotex Industries Limited. (Refer Note 43c)

(₹ in lacs)

	As at 31st March 2017	As at 31st March 2016
AGGREGATE MARKET VALUE OF INVESTMENTS		
QUOTED INVESTMENTS	**2,298.76**	1,747.59

(₹ in Lacs)

	Long Term		Short Term	
	As at		As at	
	31st March 2017	31st March 2016	**31st March 2017**	31st March 2016
NOTE 12 : LOANS AND ADVANCES				
A. Unsecured and Considered good:				
Capital Advances	**23.41**	97.35	**-**	-
Sundry deposits	**500.04**	558.67	**-**	-
	523.45	656.02	**-**	-
B. Other loans and advances				
Advances to Vendors	**-**	-	**377.71**	223.86
Balance with Excise and service tax	**-**	74.94	**350.80**	201.50
Excise Duty / Sales Tax under protest	**25.06**	15.38	**-**	-
Income Tax paid against disputed liability	**208.33**	208.33	**-**	-
Advance payments of Income Tax - (NET)	**105.22**	107.32	**895.05**	-
Other advances receivable in cash or kind	**-**	-	**-**	279.31
MAT Credit Entitlement	**-**	-	**254.31**	-
Advances to employees	**-**	-	**34.65**	35.90
	338.61	405.96	**1,912.52**	740.58
	862.06	1,061.99	**1,912.52**	740.58
Balances as at 31st March 2016 includes below loans and advances on account of merger of Apcotex Solutions India Pvt Ltd with Apcotex Industries Limited: (Refer Note 43c)				
A. Unsecured and Considered good:		320.14		-
B. Other loans and advances:		397.18		470.00

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(₹ in Lacs)

	As at 31st March 2017	As at 31st March 2016
NOTE 13: OTHER NON CURRENT ASSETS		
TRADE RECEIVABLES		
(Unsecured and considered doubtful)		
Overdue for more than six months	**377.90**	435.25
Less:- Provision for Doutful Debt	**(377.90)**	(435.25)
Net Trade Receivables	**-**	-
Sales Tax Refund Receivable	**210.94**	605.20
	210.94	605.20
Balances as at 31st March 2016 includes below Receivables on account of merger of Apcotex Solutions India Pvt Ltd with Apcotex Industries Limited: (Refer Note 43c)		
Sales Tax Refund Receivable		578.42

(₹ in Lacs)

	As at 31st March 2017	As at 31st March 2016
NOTE 14: INVENTORIES (At Lower of cost and market value)		
(a) Raw materials	**2,119.71**	1,350.82
(b) Packing materials	**73.36**	84.64
(c) Finished goods	**1,955.22**	2,195.43
(d) Work-in-progress	**18.43**	435.35
(e) Stores, spares and consumables	**283.51**	267.61
	4,450.24	4,333.85
Note:-		
Balances as at 31st March 2016 includes below inventories on account of merger of Apcotex Solutions India Pvt Ltd with Apcotex Industries Limited: (Refer Note 43c)		
(a) Raw materials		435.42
(b) Packing materials		19.28
(c) Finished goods		1,467.54
(d) Work-in-progress		393.02
(e) Stores, spares and consumables		18.28
Total		**2,333.54**

(₹ in Lacs)

	As at 31st March 2017	As at 31st March 2016
NOTE 15: TRADE RECEIVABLES		
(Unsecured and considered good)		
Overdue for more than six months	**617.90**	42.35
Others	**7,200.58**	8,341.72
	7,818.48	8,384.08
Note:-		
Amount due from private company in which any director is a director of that company		
Choksey Chemical Pvt. Ltd	**27.68**	19.93
Balances as at 31st March 2016 includes below receivables on account of merger of Apcotex Solutions India Pvt Ltd with Apcotex Industries Limited: (Refer Note 43c)		
Overdue for more than six months		22.05
Others		3,822.34

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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2017

(₹ in Lacs)

	As at 31st March 2017	As at 31st March 2016
NOTE 16: CASH AND BANK BALANCES		
A. Cash & cash equivalents		
(a) Cash on hand	**6.02**	3.99
(b) Balances with Banks :		
(i) Balances with Bank Accounts	**420.16**	775.50
(ii) EEFC A/c	**41.65**	97.53
(c) Investment in Liquid Mutual Funds (See note 16.2)	**50.00**	5.00
16A. Total Cash & Cash equivalents	**517.83**	882.02
B. Other bank balances-earmarked		-
(i) Unpaid dividend	**69.24**	55.32
(ii) Deposit with bank - Margin	**31.55**	43.74
16B. Total Other bank balances	**100.80**	99.06
	618.63	981.08
16.1. Balances as at 31st March 2016 includes below cash and bank balances on account of merger of Apcotex Solutions India Pvt Ltd with Apcotex Industries Limited: (Refer Note 43c)		
(a) Cash on hand		0.93
(b) Balances with Banks		498.19
Total		499.12

16.2. Details of Investment in Liquid Mutual Funds	As at 31st March 2017	As at 31st March 2016
Unquoted		
Investments in Mutual Funds:		
NIL (P. Y. 50000 units) of SBI Magnum Multicap Fund	**-**	5.00
496465.168 units (P.Y NIL units) of IDFC Mutual Fund	**50.00**	-
	50.00	5.00

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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2017

(₹ in Lacs)

	As at 31st March 2017	As at 31st March 2016
NOTE 17: OTHER CURRENT ASSETS		
(Unsecured and Considered Good)		
Interest Receivable	**95.57**	5.13
Discount Receivable	**15.84**	5.45
Octroi Receivable	**0.62**	0.62
Excise Duty Refund (Exports)	**19.46**	17.97
Sales Tax Refund Receivable	**347.62**	474.58
Interest on Sales Tax Refund Receivable	**-**	124.21
Export Incentive Receivable	**8.10**	9.98
Assets held for disposal	**3.24**	50.68
Other Receivables	**121.04**	82.97
	611.48	771.59
Balances as at 31st March 2016 includes below current assets on account of merger of Apcotex Solutions India Pvt Ltd with Apcotex Industries Limited: (Refer Note 43c)		
Sales Tax Refund Receivable		474.58
Interest on Sales Tax Refund Receivable		124.21
Assets held for disposal		50.68
Total		649.47

(₹ In Lacs)

	For the Year Ended 31st March 2017	For the Year Ended 31st March 2016
NOTE 18: REVENUE FROM OPERATIONS		
(A) Sale of products:		
(a) Domestic	**39,149.53**	26,145.63
(b) Exports	**4,013.89**	3,626.74
Turnover	**43,163.43**	29,772.38
Less: Excise duty	**4,296.57**	3,072.11
Sale of products	**38,866.86**	26,700.27
(B) Other operating revenues:		
Operating income:		
(a) Scrap sales	**57.16**	7.34
(b) Export Incentives	**83.27**	92.68
(c) Insurance Claim	**0.20**	18.38
(d) Other Income	**6.93**	16.45
	147.55	134.85
	39,014.41	26,835.12

Note:-

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

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2017

(₹ In Lacs)

	For the Year Ended 31st March 2017	For the Year Ended 31st March 2016
NOTE 19: OTHER INCOME		
(a) Interest Income	**100.80**	16.25
(b) Dividend Received from Non Current Investments	**69.22**	39.60
(c) Surplus on sale of Non- Current Investments	**550.59**	596.75
(d) Income from rent	**52.01**	50.20
(e) Other Income	**14.10**	0.08
(f) Foreign Exchange Fluctuation Difference	**38.35**	32.37
	825.07	735.25

(₹ In Lacs)

	For the Year ended 31st March 2017	For the Year ended 31st March 2016
NOTE 20 (A) COST OF MATERIALS CONSUMED		
Raw Materials Consumed		
Opening Stock	**1,350.82**	721.77
Add : Purchases	**26,268.30**	17,521.81
	27,619.12	18,243.58
Less: Sale of Raw Materials	**188.89**	0.00
	27,430.24	18,243.58
Less: Closing Stock Raw Materials	**(2119.71)**	(915.41)
Less: Closing Stock taken over in Merger of Apcotex Solutions India Pvt Ltd	**-**	(435.42)
	25,310.52	16,892.75
Packing Materials Consumed		
Opening Stock	**84.64**	30.46
Add : Purchases	**943.13**	938.23
	1,027.77	968.69
Less : Closing Stock Packing Materials	**(73.36)**	(65.36)
Less: Closing Stock taken over in Merger of Apcotex Solutions India Pvt Ltd	**-**	(19.28)
	954.40	884.05
	26,264.93	17,776.80

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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2017

(₹ in lacs)

	For the Year ended 31st March 2017	For the Year ended 31st March 2016
NOTE 20 (B) CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE		
Stock at the beginning of the year		
Finished Goods	**2,195.43**	1,976.71
Work-in-Progress	**435.35**	429.92
Total (A)	**2,630.78**	2,406.63
Stock at the end of the year		
Finished Goods	**1,955.22**	727.88
Work-in-Progress	**18.43**	42.33
Add: Stock taken over in Merger of Apcotex Solutions India Pvt Ltd		
Finished Goods	**-**	1,467.54
Work-in-Progress	**-**	393.02
Total(B)	**1,973.66**	2,630.78
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK IN PROGRESS AND STOCK-IN-TRADE (B-A)	**657.12**	(224.15)

(₹ in Lacs)

	For the Year ended 31st March 2017	For the Year ended 31st March 2016
NOTE 21 : EMPLOYEE BENEFIT EXPENSES		
Salaries ,wages and allowances	**2,230.17**	1,138.39
Wages and allowances to Contract Labour	**361.69**	145.14
Contribution to Provident and other Funds	**161.98**	89.31
Staff welfare expenses	**180.68**	148.80
	2,934.52	1,521.63

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(₹ in lacs)

	For the Year ended 31st March 2017	For the Year ended 31st March 2016
Note 22 : FINANCE COST		
Interest on Borrowings	**265.76**	231.99
Other Finance costs	**20.54**	10.02
	286.31	242.01

(₹ in lacs)

	For the Year ended 31st March 2017	For the Year ended 31st March 2016
Note 23 : DEPRECIATION AND AMORTISATION EXPENSE		
Depreciation on Tangible Assets (Refer Note 10 A)	**1,173.15**	883.03
Depreciation on Intangible Assets (Refer Note 10 B)	**36.51**	11.05
Depreciation on Investment Property (Refer Note 11 A)	**0.36**	0.36
	1,210.02	894.44

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2017

(₹ In Lacs)

	For the Year ended 31st March 2017	For the Year ended 31st March 2016
Note 24 : OTHER EXPENSES		
Stores and spares consumed	**278.68**	128.40
Power and fuel (Net of Income from Windmill operations of ₹ 95.04 Lacs *(Previous Year Rs 61.15 Lacs)*)	**2,111.85**	611.19
Repairs and Maintenance		
Buildings Repairs and Maintenance	**184.94**	285.93
Machinery Repairs and Maintenance	**97.35**	59.32
Other assets Repairs and Maintenance	**266.95**	156.58
Rent	**24.71**	14.26
Rates and taxes	**255.86**	76.39
Insurance	**90.21**	38.05
Sales Discount & Rebates	**142.83**	331.20
Freight and transport charges	**776.01**	975.06
Advertisement	**31.19**	34.07
Printing, Stationary, & Communication charges	**89.86**	52.19
Travelling Expenses		
Directors Travelling Expenses	**89.33**	78.48
Others Travelling Expenses	**282.43**	158.70
Commission on sales	**165.22**	139.94
Loss on sale of Fixed Assets	**2.83**	(1.34)
Fixed Assets Written off	**-**	1.86
Bad Debts Written off	**56.55**	21.56
Provision for Bad & Doubtful Debts	**(75.36)**	(21.56)
Donation	**0.06**	3.30
Bank Charges	**90.47**	58.35
Miscellaneous expenses	**1,004.20**	606.05
Prov for Diminishing Value of Investments	**-**	16.00
Commission to Non Executive Directors	**20.00**	29.01
Directors' meeting fees	**13.00**	10.00
Auditors Remunertion (Ref. Note No. 28)	**12.17**	8.58
Professional Fees	**307.11**	184.28
Excess Provision written back	**(53.57)**	(38.97)
	6,264.87	4,016.88

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Note:

24.1. Miscellaneous expenses include Excise duty of ₹ 93.01 lacs (Previous year ₹ 8.61 lacs) being the difference of excise duty between the opening & closing stock of finished goods.

24.2. The Company was required to spend an amount of ₹ 56.63 Lacs (Previous Year ₹ 43.65 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 ₹ 24.63 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	-	24.63	24.63
		(29.76)	*(29.76)*
Miscellaneous Expenses	**-**	**-**	**-**
		-	-
Total Expenditure	-	**24.63**	**24.63**
		(29.76)	*(29.76)*
Yet to be Spent	-	32.00	32.00
		(16.59)	(16.59)
Total Eligible Amount	**-**	**56.63**	**56.63**
		(46.35)	(46.35)

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

25. Estimated amount of contracts to be executed on capital account and not provided for ₹ **19.18 lac** (Net of advances of ₹ **3.75** lacs) [(P.Y. ₹ **75.45 lacs** (Net of Advances of ₹ **15.88** lacs)].

26. Contingent Liabilities:

Claims against the Company not acknowledged as debts [Gross] ₹ **1817.92 lacs** (P.Y. ₹ 1350.58 Lacs).

Particulars	As at 31st March 2017	As at 31st March 2016
Income tax liability on account of disputed liability	**921.97**	796.06
Excise duty, Service Tax and Customs	**263.05**	168.68
Show Cause notices / Demands under MVAT disputed by the company	**-**	-
Professional Tax	**2.29**	-
Open Letters of Credit	**64.75**	24.98
Bank Guarantees	**565.86**	360.86
26.1 Income Tax liability of ₹ 656.10 (Previous Year ₹ 656.10 lacs) is in respect of certain disallowances/ Transfer Pricing adjustments by Income Tax Authorities, and ₹ 230.37 lacs (Previous Year ₹ 230.37 lacs) is in respect of certain disallowances for R & D by Income Tax Authorities, both disputed by the Management.		
26.2 Customs authorities have raised vide notice dated 22-07-2005 a demand and penalty of ₹ 142.09 Lacs each for a dispute regarding high sea sales. The Company has paid the demand of ₹ 142.09 Lacs in the year 2011-12 and has claimed the same as deduction in the year financial year 2011-12. Balance penalty amount of ₹ 142.09 Lacs has been disclosed as contingent.		

27. Auditors Remuneration

(₹ In Lacs)

Particulars	For the Year Ended 31st March 2017	For the Year Ended 31st March 2016
Statutory Audit	**11.50**	6.50
Certification fees and other services	**0.32**	0.65
Reimbursement of Expenses	**0.35**	0.38
Total	**12.17**	7.53

Net of Service Tax

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2017

28. RESEARCH AND DEVELOPMENT EXPENDITURE

(₹ in Lacs)

Particulars	**For the Year Ended 31st March 2017**	For the Year Ended 31st March 2016
Capital Expenditure	**8.58**	0.79
Revenue Expenditure	**189.35**	189.60
TOTAL EXPENDITURE	**197.93**	190.39

29. Value of Imports on CIF basis:

(₹ in Lacs)

	For the Year Ended 31st March 2017	For the Year Ended 31st March 2016
Raw materials	**8,871.32**	3,405.92
Stores and spares	**83.42**	1.64

30. 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 2017**	**% to Total**	For the Year Ended 31st March 2016	% to Total
Raw Materials:				
Imported	**10,053.82**	**36.98**	3,557.02	21.06
Indigenous	**17,136.55**	**63.02**	13,335.73	78.94
Total	**27,190.37**	**100.00**	16,892.75	100.00
Stores and Spares:				
Imported	**32.07**	**11.51**	7.55	5.89
Indigenous	**246.61**	**88.49**	120.85	94.11
Total	**278.68**	**100.00**	128.40	100.00

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31. Value of Raw Material Consumed

(₹ in Lacs)

Particulars	**For the Year Ended 31st March 2017**	For the Year Ended 31st March 2016
Monomers	**21,701.41**	14,327.18
Others	**5,488.96**	2,565.57
Total	**27,190.37**	16,892.75

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

(₹ In Lacs)

Particulars	**For the Year Ended 31st March 2017**	For the Year Ended 31st March 2016
Premium on swap on Foreign Currency Loan	**47.03**	121.67
Total	**47.03**	121.67

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2017

33. Earning in foreign currency

(₹ In Lacs)

	For the year Ended 31st March 2017	For the year Ended 31st March 2016
Export of Goods on F.O.B. basis	**3,997.26**	3,400.91

34. Expenditure in Foreign Currency

(₹ in Lacs)

	Particulars	For the year Ended 31st March 2017	For the Year Ended 31st March 2016
a.	Professional Fees (including reimbursement)	**50.32**	13.37
b.	Interest	**27.25**	68.38
c.	Foreign Travel	**124.79**	109.30
d.	Sales Commission	**34.39**	0.00
e.	Others	**52.46**	1.31

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

(i) Derivative instruments outstanding:

(A) Forward Exchange Contracts:

Particulars	As at 31st March 2017		As at 31st March 2016	
	Purchase	Sales	Purchase	Sales
Total number of contracts outstanding	**2**	-	2	-
USD	**507126**	-	1525750	-
INR Equivalent (₹ in Lacs)	**341.62**	-	964.91	-

(B) Interest Rate Swap Contracts (ECB Loan)

Particulars	As at 31st March 2017	As at 31st March 2016
Total Number of Contracts	**NIL**	1
Principal Notional Amount US $	**NIL**	1337000
Maturity Period	**NIL**	Upto 1 Years

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

Particulars	As at 31st March 2017		As at 31st March 2016	
	USD	₹.in Lacs	USD	₹.in Lacs
Trade and Other Payables	**528375**	**339.99**	472154	320.58
Receivables : Trade Receivables	**147458**	**95.95**	921081	610.56

36. Segment Information

The Company operates in a single primary business segment, i.e. Synthetic Emulsion Polymers. 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.

NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2017

Secondary segment information with respect to geographical location

(₹ in Lacs)

Particulars	**Revenue for the year ended 31st March, 2017**	**Trade Receivable as at 31st March, 2017**	Revenue for the year ended 31st March, 2016	Trade Receivable as at 31st March, 2016
India	**39,149.53**	**7,809.51**	26,145.63	7,709.66
Outside India	**4,013.89**	**8.97**	3,626.75	674.42
Total	**43,163.43**	**7,818.48**	29,772.38	8,384.08

37. 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 control by the Company (Subsidiary Company) merge with the Company w.e.f. 31st March 2016**

Apcotex Solutions India Pvt. Limited

(iii) **Enterprises directly controlling the company(holding company w.e.f 23 Nov. 2016)**

Saldhar Investments & Trading Company Pvt. Limited

(iv) **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) Forest Hills Trading & Investments Pvt. Limited
n) Gauriputra Investments & Trading Co. Pvt. Limited
o) Haridwar Trading & Investments Pvt. Limited
p) HMP Mineral Pvt. Limited

q) Joshimath Trading & Investments Pvt. Limited
r) Laxmanjhula Trading & Investments Pvt. Limited
s) Mazda Colours Limited
t) Sammelan Investments & Trading Limited
u) Shyamal Finvest (India) Limited
v) Hindustan Mineral Products Co. Limited

(v) **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			**84.16**	
2.	Apcotex Solution Pvt Ltd.		0 *(0.39)*	*(73.16)*	
b.	**Rent Income**				
1	Aquamarine Investment Manager LLP			**0.84** *(0.37)*	
c.	**Interest on ICD**				
1.	Apcotex Solutions India Pvt Ltd.		**-** *(7.90)*		
Expenses					
a.	**Rent and Other expenses (Reimbursement)**				
	Apco Enterprises Limited			**11.56** *(12.07)*	
	Trivikram Investment & Trading Co. Ltd			**-** *(1.80)*	
b.	**Remuneration**				
	Shri. Abhiraj A. Choksey				**99.27** *(104.01)*
c.	**Reimbursement of Medical Expenses**				
	Shri. Atul C. Choksey	**2.12** *(1.62)*			
d.	**Commission to Non-Executive Directors**				
	Shri. Atul C. Choksey	**23.01** *(27.52)*			
e.	**Purchase Of Goods**				
	Apcotex Solutions India Pvt Ltd.		**-** *(79.10)*		

f.	**Others**				
a.	Inter Corporate Deposits Apcotex Solutions India Pvt Ltd.		- *(600.00)*		
b.	Corporate Guarantee given for loan taken by Apcotex Solutions India Pvt Ltd.		- *(5000.00)*		

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

C. **Merger of Apcotex Solutions India Pvt Ltd. with the company.**

Refer Note 43c

D. **Merger of Saldhar Investments and Trading Company Private Limited**

Dhumraketu Investment & Trading Company Pvt. Ltd and Trivikram Investment & Trading Company Ltd. have merged with Saldhar Investments and Trading Company Private Limited effective from 6th September 2016.

E. **Closing Balances**

Sr. No.	Name of the related Party	Perons having controlling Interest	Enterprises directly controlled by the Company (subsidiary)	Companies controlled by Directors / Relatives of Directors	Directors / Key Management Personnel*
Outstanding Payable Balance					
a.	Apco Enterprises Limited			**9.37** *(3.54)*	
b.	Trivikram Investment & Trading Co. Ltd			- *(1.22)*	
c.	Apcotex Solutions India Pvt Ltd.		- ***(79.10)***		
d.	Shri. Abhiraj A. Choksey – Salary Payable				**3.42** *(6.85)*
e..	Shri. Atul C. Choksey – Commission Payable	- *(23.01)*			
Outstanding Receivable Balance					
a.	Choksey Chemicals Pvt Ltd.			**27.68** *(19.93)*	
b.	Apcotex 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) for FY 2016-17.

Sr. no.	In the accounts of	Disclosures of amounts at the year end and the maximum amount of loans/ advance/Investments outstanding during the year.
1.	Loans and advances in the nature of Loans to subsidiary :	Apcotex Solutions India Private Limited

1	At the year end	Nil
2	Maximum amount of ICD/Loans given during the year	775.00

38. Disclosure as per Accounting Standard 15 (Revised)

i. Contribution to Defined Contribution Plans

Payment for Employers Contribution to Provident Fund, recognized as expenses is ₹ 107.26 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)

	31st March 2017	31st March 2016
Change in Present Value of Defined Benefit Obligation		
Present Value of Benefit Obligation at the beginning of the year	**222.01**	192.31
Interest Cost	**37.47**	15.38
Current Service Cost	**30.98**	16.20
Past Service Cost	**-**	(18.09)
(Benefits Paid)	**(59.97)**	(8.23)
Liability transferred in by virtue of Merger	**242.92**	-
Actuarial (Gain)/Loss on obligations	**(7.37)**	24.44
Present Value of Benefit Obligation at the end of the year	**466.02**	222.01
Fair Value of Plan Assets		
Fair Value Of Plan Assets at the beginning of the year	**199.89**	164.45
Expected Return on Plan Assets	**16.11**	13.16
Contributions	**22.12**	27.72
Assets transferred in by virtue of Merger	**132.56**	-
(Benefits Paid)	**(59.97)**	(8.23)
Actuarial Gain/(Loss) on Plan Asset	**8.91**	2.79
Fair Value of Plan Asset at the end of the year	**319.61**	199.89
Recognition of Actuarial Gain / Losses		
Actuarial (Gain)/Loss for the year – Obligation	**(7.37)**	24.44
Actuarial (Gain)/Loss for the year – Plan Asset	**(8.91)**	(2.79)
Total (Gain)/Loss for the year	**(16.28)**	21.65
Actuarial (Gain)/Loss recognized in the year	**(16.28)**	21.65
Expenses Recognized in the Statement of Profit & Loss A/c		
Current Service Cost	**30.98**	16.20
Past Service Cost	**-**	(18.08)
Interest Cost	**37.47**	15.38
(Expected Return on Plan assets)	**(16.11)**	(13.16)
Actuarial (Gain)/Loss	**(16.28)**	21.65
Expenses Recognized in the Statement of Profit & Loss	**36.06**	21.99
Amount to be recognized in the Balance Sheet		
Present Value of Obligation as at the end of the year	**(466.02)**	(222.01)
Fair value of plan asset as at the end of the year	**319.61**	199.89
Net Asset/(Liability) recognized in the Balance sheet	**(146.41)**	(22.12)
Actuarial Assumptions		
Discount Rate	**7.29%**	8.06%
Salary Escalation Rate	**6.00% to 7.50%**	6.00% to 7.50%
Rate of Return on Plan Assets	**7.29%**	8.06%
Investment details		
Insurer Managed Fund	**100.00%**	100.00%
Total	**100.00%**	100.00%

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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)

Experience Adjustments	Year ended 31stMarch 2013	Year ended 31stMarch 2014	Year ended 31stMarch 2015	Year ended 31stMarch 2016	**Year ended 31st March 2017**
Defined Benefit Obligations	(149.59)	(171.03)	(192.30)	(222.01)	**(466.02)**
Plan Assets	106.92	152.65	164.45	199.89	**319.61**
Surplus/(Deficit)	(42.67)	(18.38)	(27.85)	(22.12)	**(146.41)**

39. Operating Leases:

The Company lease agreements are in respect of operating lease for vehicles and premises taken on lease. 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 2017**	For the Year Ended 31st March 2016
Lease payment recognized in P&L	**31.33**	9.67
Future Lease Commitments		
Within one year	**18.67**	8.89
Later than one year and not later than Five years	**18.39**	17.26

40. Earnings per Share:

	For the year ended 31st March 2017	For the year ended 31st March 2016
Profit computation for both basic and diluted earnings per equity share of ₹ 5 each. Net profit as per Statement of profit and loss available for equity Shareholders (₹ in Lacs)	**1,909.00**	2,467.11
Number of Equity Shares	**20737984**	20737984
Earning per equity share Basic & Diluted (in Rupees)	**9.21**	11.90

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NOTES TO ACCOUNTS FOR THE YEAR ENDED 31ST MARCH 2017

41. 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 ₹ 238.27 (Previous Year: ₹ 166.28). The disclosure pursuant to MSMED Act based on the books of account are as under :

(₹ in Lacs)

	For the year ended 31st March 2017	For the Year Ended 31st March 2016
Dues remaining unpaid Principal Interest	 **238.27** **1.69**	 166.28 0.39
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	**2.08**	-
Amount of further interest remaining due and payable in succeeding years for the purpose of disallowance under section 23 of the Act	**-**	-

42. During the year, the Company had Specified Bank Notes (SBN) held and other denomination notes as definiend in the MCA Notification No GSR 308E dated 31st March 2017. The details of Specified Bank Notes (SBN) held and transacted During the period, from 08th Nov 2016 to 30th Dec 2016, denomination wise SBNS and other note as per the notification as given below:

(₹ in Lacs)

	SBN's	**Other Denomination Notes**	**Total**
Closing Cash in Hand as on 08th Nov 2016	9.02	0.80	9.82
(+) Permitted Receipts	-	6.00	6.00
(-) Permitted Payments	0.15	5.36	5.51
(-) Amount deposited in Banks	8.87	-	8.87
Closing Cash in Hand as on 30th Dec 2016	**-**	**1.44**	**1.44**

* For the purpose of this clause 'Specified Bank Notes' shall have the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated 8th November 2016.

43. Acquisition and 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".

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 from 31st March 2016.

c. On 27th October 2016, The Honorable High Court of Judicature at Bombay has approved a scheme of amalgamation of Apcotex Solutions India Private Limited (ASIPL), the wholly owned subsidiary company, with the Company with effect from March 31, 2016, which had been filed with Ministry of Corporate Affairs on 1st December 2016 and same has been effective from that date. As per the scheme of Amalgamation the Company shall account for amalgamation of ASIPL in its books of accounts with effect from the appointed date (i.e. March 31, 2016) as per the "Purchase Method", as prescribed in Accounting Standard-14 "Accounting for Amalgamation" 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.

Accordingly, all the assets and liabilities being the net assets excluding reserves of ASIPL have been recorded by the Company at their respective fair values, as decided by the Board of Directors of the Company as on March 31, 2016 and

the Investment held by the Company in ASIPL amounting to ₹ 3016.50 lakh stands cancelled and excess of net assets of ASIPL amounting to ₹ 7402.48 lakh has been recorded as Capital Reserve. The details of Assets and Liabilities are given below:

Details of Assets and Liabilities as at 31st March 2016

(₹ In Lacs)

Non-current assets:		
(a) Fixed Assets:		
(i) Tangible assets	3,184.51	
(ii) Intangible assets	8.99	
(iii) Capital work-in-progress	10.85	
(b) Non current investments	24.93	
(c) Deferred tax assets (net)	1,140.98	
(d) Long-term loans and advances	397.18	
(e) Other non-current assets	578.42	**5,345.85**
Current assets:		
(a) Inventories	2,333.54	
(b) Trade receivables	3,844.39	
(c) Cash and cash equivalents	499.12	
(d) Short-term loans and advances	470.20	
(e) Other current assets	649.47	**7,796.73**
Non-current liabilities:		
(a) Long term provisions	65.99	**65.99**
Current liabilities:		
(a) Short-term borrowings	17.25	
(b) Trade payables	1,191.70	
(c) Other current liabilities	1,433.89	
(d) Short-term provisions	14.76	**2,657.60**
Net Assets of Apcotex Solutions India Private Limited		**10,418.98**
Less: Cost of Investments		**(3,016.50)**
Capital Reserve { Refer Note 3(b)}		**7,402.48**

44. Amalgamation

The board of directors of Apcotex Industries Limited have, at their meeting held on 31st March 2017, approved the scheme of Amalgamation of Saldhar Investments and Trading Company Private Limited with Apcotex Industries Limited. The Scheme shall be subject to approval / Sanction by National Company Law Tribunal, Mumbai Bench and such other authorities as may be necessary.

45. The Workmen union at Taloja plant had called a strike which lasted for 51days from 9th January 2017 to 1st March 2017.

46. Previous year's figures have been have been regrouped / restated wherever necessary to confirm to current year's presentation.

As per our Report of even date
For KALYANIWALLA & MISTRY LLP
Chartered Accountants
Firm Registration Number: 104607W / W100166

ERMIN K. IRANI
Partner
Membership Number: 35646
Mumbai : 05th May, 2017

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

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

Mumbai : 05th May, 2017

NOTES

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PERFORMANCE SUMMARY

(₹ In Lacs)

	2016-17	2015-16** (Consolidated)	2014-15	2013-14*	2012-13	2011-12	2010-11	2009-10	2008-09	2007-08
Revenues										
Gross Sales	43,163.43	32,868.02	39,114.46	33,035.43	30,262.47	27,789.76	21,941.10	15,681.96	11,410.11	11,899.25
Net Sales	38,866.86	29,492.52	35,336.86	29,537.81	27,212.63	25,384.72	19,967.31	14,307.57	9,972.90	10,156.96
Other Income	972.63	981.18	728.77	408.87	48.06	262.46	358.79	96.80	65.12	309.15
Cost										
Material Cunsumed	26,922.05	19,381.03	25,020.39	22,663.67	20,628.13	19,327.65	15,069.78	10,229.49	6,921.79	7,675.17
Employee's Remuneration and Benefits	2,934.52	1,707.61	1,410.26	1,158.82	1,078.11	1,008.51	777.48	636.60	529.73	443.47
Other Expenses (Incl Finance Cost)	6,551.18	4,857.71	5,249.27	3,779.64	3,437.04	3,297.44	2,639.20	2,132.80	1,657.02	1,477.88
Gross Profit	3,431.74	4,527.35	4,385.72	2,344.55	2,117.41	2,013.58	1,839.64	1,405.48	929.48	869.59
Depreciation	1,210.02	939.62	897.71	676.81	311.30	278.64	264.76	198.95	219.91	211.71
Earlier year adjustments (Income)	-	-	5.15	2.61	1.96	103.72	68.06	- 50.73	- 4.17	6.32
Earning Before Interest,Tax, Depreciation and Amortisation (EBITDA)	**3,718.05**	**4,770.40**	**4,704.83**	**2,756.43**	**2,350.26**	**2,275.91**	**1,980.55**	**1,504.68**	**948.49**	**908.14**
Profit before tax	2,221.71	3,587.73	3,482.85	1,665.12	1,804.16	1,631.20	1,506.82	1,257.26	713.74	651.56
Profit after tax	1,909.00	3,853.06	2,468.06	1,314.32	1,280.53	1,146.38	1,072.36	832.79	448.39	487.24
Earning Per Shares	**9.21**	**18.58**	**23.80**	**12.68**	**24.70**	**22.11**	**20.68**	**15.26**	**8.11**	**8.82**
Capital Accounts										
Share Capital	1,040.80	1,040.80	522.35	522.35	522.35	522.35	522.35	522.35	556.64	556.64
Reserves and Surplus	19,589.88	17,680.88	9,452.95	8,005.18	7,297.44	6,455.32	5,897.07	5,247.88	4,988.88	4,799.15
Net Worth	20,630.68	18,721.68	9,975.30	8,527.53	7,819.79	6,977.67	6,419.42	5,770.23	5,545.52	5,355.79
Net Block of Fixed Assets	8,778.69	8,985.27	6,325.26	6,779.16	6,498.91	3,178.36	2,887.37	2,837.64	1,967.59	2,025.07

* Equity Shares of Rs.10 each subdivided into 2 equity shares of Rs.5 each on 17th August 2013 (Record date)

** Bonus Share allotted in the ratio of 1:1 on 25th September 2015.

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Plot No. 3/1, MIDC Industrial Area, Taloja, Dist. Raigad - 410208, Maharashtra, India