



# RAJ

**packaging industries Ltd.**

(CIN:L25209TG1987PLC007550)

Manufacturers of Multilayer Co-extruded Printed/  
Unprinted Barrier & Non Barrier Plastic Film

Phones : 23392024, 23392025  
Fax : 0091 - 040-23399033  
E-mail : hyd2\_rajpack@bsnl.in  
info@rajpack.com

6-3-1090/C-4,  
(Opp. Kapadia Lane)  
Rajbhavan Road,  
Hyderabad-500 082. INDIA

REF: RAJ/178/2018-19

29/08/2018

The Secretary,  
Listing Department,  
BSE Limited,  
Mumbai

Dear Sir,

Sub: Submission of Annual Report

Ref: Raj Packaging Industries Limited, Scrip Code: 530111

In compliance with Regulation 34(1) of SEBI(LODR), Regulations, 2015, the Annual Report of the Company is submitted herewith.

Kindly take the same on records.

Thanking you,

Yours truly



Khushboo Joshi

Company Secretary & Compliance Officer



# 31<sup>st</sup>

ANNUAL REPORT

2017-18



**RAJ**

**PACKAGING INDUSTRIES LTD**



## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Mr. V. S.N Murthy	-Non Executive & Independent Director	(DIN: 00021952)
Dr. R.R. Pujari	-Non Executive & Independent Director	(DIN: 00018994)
Mr. Suresh Chandra Bapna	-Non Executive & Independent Director	(DIN: 00154834)
Mr. Prem Chand Kankaria	-Managing Director	(DIN: 00062584)
Ms. Neepa Kankaria	-Whole Time Director	(DIN: 06637083)
Mr. Pushp Raj Singhvi	-Non Executive Director	(DIN: 00347511)

CFO - Mr. M. Narsimha  
 Company Secretary - Ms. Khushboo Joshi

### REGISTERED OFFICE

6-3-1090/C-4, Opp. Kapadia Lane  
 Raj Bhavan Road, Hyderabad-500 082  
 Telangana, India.  
 Ph. No: (040)-23392024  
 Fax No: (040)-23399033  
 Email: info@rajpack.com  
 Website: www.rajpack.com

**CORPORATE IDENTITY NUMBER :**  
 L25209-TG1987PLC007550

### AUDITORS

SVP & Associates  
 Chartered Accountants  
 Mumbai

### SECRETARIAL AUDITOR

M/s. S. S. Reddy & Associates  
 Practicing Company Secretaries  
 Hyderabad

### INTERNAL AUDITOR:

M/s. MGM & Co., Chartered Accountants

### BANKERS

State Bank of India  
 SME Branch, Saifabad, Hyderabad

### AUDIT COMMITTEE

Mr. V. Suryanarayana Murthy - Chairman  
 Dr. R. R. Pujari - Member  
 Mr. Prem Chand Kankaria - Member

### NOMINATION & REMUNERATION COMMITTEE

Mr. Suresh Chandra Bapna - Chairman  
 Mr. V. Suryanarayana Murthy - Member  
 Dr. R. R. Pujari - Member

Mr. Pushp Raj Singhvi - Member

### STAKEHOLDERS RELATIONSHIP COMMITTEE

Mr. Pushp Raj Singhvi - Chairman  
 Mr. Suresh Chandra Bapna - Member  
 Ms. Neepa Kankaria - Member

### INDEPENDENT DIRECTORS COMMITTEE:

Mr. V. Suryanarayana Murthy - Chairman  
 Mr. Suresh Chandra Bapna - Member  
 Dr. R. R. Pujari - Member

### RISK MANAGEMENT COMMITTEE:

Dr. R R Pujari - Chairman  
 Mr. Prem Chand Kankaria - Member  
 Mr. V. Suryanarayana Murthy - Member  
 Mr. Pushp Raj Singhvi - Member

### REGISTRAR & SHARE TRANSFER AGENTS

CIL Securities Ltd.  
 214, Raghavaratna Towers,  
 Chirag Ali Lane,  
 Hyderabad 500 001.  
 Ph.No. (040)23202465/66612093, Fax.(040) 23203028

### LISTED AT

: BSE Limited  
**ISIN** : INE639C01013  
**WEBSITE** : www.rajpack.com  
**INVESTOR E-MAIL ID** : secretary@rajpack.com

### 31<sup>st</sup> ANNUAL GENERAL MEETING

Day	: Thursday
Date	: 27 <sup>th</sup> September, 2018
Time	: 11.00 A.M.
Venue	: Hotel Inner Circle, Lane beside Saboo Motors, Raj Bhavan Road, Hyderabad. – 500 082

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## NOTICE OF ANNUAL GENERAL MEETING

Notice is hereby given that the 31st Annual General Meeting of the Shareholders of Raj Packaging Industries Limited will be held on Thursday, 27th of September 2018 at 11.00 A.M. at Hotel Inner Circle, Lane Beside Saboo Motors, Raj Bhavan Road, Hyderabad, Telangana - 500082, to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2018 the Statement of Profit & Loss and Cash Flow Statement for the year ended on that date together with the Notes attached thereto, along with the Reports of Auditors and Directors thereon.
2. To declare dividend on equity shares for the financial year ended 31st March 2018.  
"Resolved that dividend @ 5% i.e., Rs. 0.50 paise per equity share be and is hereby approved for the financial year 2017-18."
3. To appoint a director in place of Ms. Neepa Kankaria, who retires by rotation and being eligible, offers herself for re-appointment.

### **SPECIAL BUSINESS:**

#### **4. INCREASE IN AUTHORIZED SHARE CAPITAL OF THE COMPANY:**

To consider and if thought fit, to pass, with or without modification(s), the following resolution as a Ordinary Resolution:

**"RESOLVED THAT** pursuant to Section 13 and Section 61 of the Companies Act, 2013, and other applicable provisions of the Companies Act, 2013 and the Rules made there under, the Authorized Share Capital of the Company be and is hereby increased from Rs. 5,00,00,000/- (Rupees Five Crores only) divided into 50,00,000 ( Fifty lakhs only) Equity Shares of Rs. 10/- (Rupees Ten only) each to Rs. 6,00,00,000/- (Rupees Six Crores only) divided into 60,00,000 (Sixty Lakhs only) Equity Shares of Rs. 10/- (Rupees Ten only) each and consequently the existing Clause V of the Memorandum of Association of the Company be and is hereby altered by deleting the same and substituting in its place and instead thereof the following as new Clause V:

V. The Authorized Capital of the Company is Rs.6,00,00,000/- (Rupees six Crores only) divided into 60,00,000 (Sixty Lakhs only) Equity Shares of Rs 10/- (Ten only)."

**"FURTHER RESOLVED THAT** the Board of the Company be and is hereby authorized to take all such necessary steps/actions, deeds, things as may be deemed expedient to give effect to this resolution including signing all such necessary documents and filing of all such necessary E-forms as may be required in this regard with the Registrar of Companies, Andhra Pradesh and Telangana."

For RAJ PACKAGING INDUSTRIES LTD.

Sd/-

**KHUSHBOO JOSHI**  
COMPANY SECRETARY

Place : Hyderabad  
Date : 01.08.2018



**NOTES:**

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF/HERSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY.** The instrument of Proxy in order to be effective shall be deposited at the Registered Office of the Company by not less than 48 hours before the commencement of the Meeting.  
Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty (50) members and holding in aggregate not more than 10% of the total share capital of the Company carrying voting rights. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy, who shall not act as a proxy for any other person or shareholder. The appointment of proxy shall be in the Form No. MGT.11 annexed herewith.
2. Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business to be transacted at the Annual General Meeting as set out in the Notice is annexed hereto.
3. The Register of Members and Share Transfer Books of the Company will remain closed from 22nd September, 2018 to 27th September, 2018 (Both days inclusive).
4. Members holding shares in the electronic form are requested to inform any changes in address/bank mandate directly to their respective Depository Participants.
5. Members are requested to hand over the enclosed Attendance Slip, duly signed in accordance with their specimen signature(s) registered with the Company for admission to the meeting hall. Members who hold shares in dematerialised form are requested to bring their Client ID and DP ID Numbers for identification.
6. Corporate Members are requested to send to the Company's Registrar & Transfer Agent, a duly certified copy of the Board Resolution authorizing their representative to attend and vote at the Annual General Meeting.
7. In case of joint holders attending the Meeting, only such joint holders who are higher in the order of names will be entitled to vote.
8. The dividend as recommended by the Board of Directors, if declared at the Annual General Meeting will be paid within a period of 30 days to those members whose name appear as:
  - a) Beneficial Owners as on 22nd September, 2018 on the lists of Beneficial Owners to be furnished by National Securities Depository Limited and Central Depository Services (India) Limited; and
  - b) Members in the Register of Members of the Company after giving effect to valid share transfer in the physical form lodged with the Company on or before 21st September, 2018
9. **Members holding shares in electronic form may note that bank particulars registered against their respective registered accounts will be used by the Company for the payment of dividend.** The Company or its Registrar and Share Transfer Agent cannot act on any request received directly from the members holding shares in electronic form for any change of bank particulars or bank mandates. Such changes are to be advised only to the Depository Participant of the members.
10. Recent regulations requires submission of Aadhar/PAN number by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit Aadhar card/PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their Aadhar card/PAN details to the Company/Registrar and Share Transfer Agents.
11. As a measure of austerity, copies of the annual report will not be distributed at the Annual General Meeting. Members are therefore, requested to bring their copies of the Annual Report to the Meeting.

12. Members holding shares in the same name under different ledger folios are requested to apply for Consolidation of such folios and send the relevant share certificates to CIL Securities Limited, Share Transfer Agents of the Company for their doing the needful.
13. Members are requested to send their queries at least 10 days before the date of meeting so that information can be made available at the meeting.
14. In respect of shares held in physical mode, all shareholders are requested to intimate changes, if any, in their registered address immediately to the registrar and share transfer agent of the company and correspond with them directly regarding share transfer/transmission / transposition, Demat / Remat, change of address, issue of duplicate shares certificates, ECS and nomination facility.
15. SEBI has notified vide Notification No. SEBI/LAD-NRO/GN/2018/24 that securities of the listed companies can be transferred only in dematerialized form. In view of the above and to avail various benefits of dematerialization, members are advised to dematerialize shares held by them in physical form.
16. In terms of Section 72 of the Companies Act, 2013, a member of the company may nominate a person on whom the shares held by him/her shall vest in the event of his/her death. Members desirous of availing this facility may submit nomination in prescribed Form-SH-13 to the company/ RTA in case shares are held in physical form, and to their respective depository participant, if held in electronic form.
17. Electronic copy of the Annual Report for 2017-18 is being sent to all the members whose email IDs are registered with the Company/Depository Participants(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2017-18 is being sent in the permitted mode.
18. Members may also note that the Notice of the 31st Annual General Meeting and the Annual Report for 2017-18 will also be available on the Company's website [www.rajpack.com](http://www.rajpack.com) for them to download. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days. Even after registering for e-communication, members are entitled to receive such communication in physical form, upon making a request for the same, by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: [secretary@rajpack.com](mailto:secretary@rajpack.com)
19. Voting through Electronic Means (E-Voting Facility)

Pursuant to the provisions of Section 108 of the Act read with the rules thereunder and Regulation 44 of SEBI LODR Regulations, the Company is offering e-voting facility to its members in respect of the businesses to be transacted at the 31st Annual General Meeting scheduled to be held on Thursday, 27th September, 2018, at 11.00 a.m. at Hotel Inner Circle, Somajiguda, Hyderabad, Telangana.

The Company has engaged the services of Central Depository Services (India) Limited (CDSL) as the Authorized Agency to provide e-voting facilities. The e-voting particulars are set out below:

The e-voting facility will be available during the following voting period:

Commencement of e-voting: From 24th September, 2018 at 9.00 a.m.

End of e-voting: Up to 26th September, 2018 at 5.00 p.m.

The cut-off date (i.e. the record date) for the purpose of e-voting is 22nd September, 2018.

Please read the procedure and instructions for e-voting given below before exercising the vote.

This communication forms an integral part of the Notice dated 1st August, 2018 for the AGM

scheduled to be held on 27th September, 2018, Thursday at 11.00 A.M. which is enclosed herewith and is also made available on the website of the Company [www.rajpack.com](http://www.rajpack.com). Attention is invited to the statement on the accompanying Notice that the Company is pleased to provide e-voting facility through CDSL for all shareholders of the Company to enable them to cast their votes electronically on the resolution mentioned in the Notice of the 31st Annual General Meeting of the Company dated 1st August, 2018.

#### Procedure and instructions for e-voting

- (i) The E-voting period begins on 24th September, 2018 (9.00 A.M) and ends on 26th September, 2018 (5.00 P.M). During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date 22nd September, 2018 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](http://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](http://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:

	<b>For Members holding shares in Demat Form and Physical Form</b>
<b>PAN</b>	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
<b>Dividend Bank Details</b> <b>OR Date of Birth</b> <b>(DOB)</b>	<p>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.</p> <ul style="list-style-type: none"> <li>• 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).</li> </ul>



- (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 for the relevant < Raj Packaging Industries Limited >
- (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. 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](http://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](mailto: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](mailto: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](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

## **2. OTHER INSTRUCTIONS:**

- (i). Since the Company is required to provide facility to the members to exercise their right to vote by electronic means, shareholders of the Company, holding shares either in physical form or in dematerialized form and not casting their vote electronically, may cast their vote at the Annual General Meeting.

- (ii) The voting rights of shareholders shall be in proportions to the shares held by them in the paid equity share capital of the Company as on the cut-off date i.e. 22nd September 2018.
  - (iv) The Company has appointed M/s. S. S. Reddy & Associates, Practicing Company Secretaries Hyderabad as Scrutinizer for conducting the e-voting process for the Annual General Meeting in a fair and transparent manner.
  - (v) The Scrutinizer shall after the conclusion of the Voting at the Annual General Meeting 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 (2) witnesses not in the employment of the Company and make not later than three days of conclusion of the meeting a consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, to the Chairman or person authorized by him.
  - (vi) Voting is provided to the members through e-voting and at the Annual General Meeting of the Company. A Member can opt for only one mode of voting i.e. either through e-voting or at the Annual General Meeting of the Company.
  - (vii) If a Member casts votes by both modes, then voting done through e-voting shall prevail.
  - (viii) The results declared along with the Scrutinizer's Report shall be placed on the Company's website [www.rajpack.com](http://www.rajpack.com) and on the website of CDSL and will be communicated to the BSE Limited.
19. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of Contracts or arrangements in which the directors are interested under Section 189 of the Companies Act, 2013, will be available for inspection at the AGM.
20. Relevant documents referred to in the accompanying Notice, as well as Annual Report and Annual Accounts are open for inspection at the Registered Office of the Company, during the office hours, on all working days between 10.00 A.M. to 1.00 P.M. upto the date of Annual General Meeting.
21. The Ministry of Corporate Affairs (vide circular nos. 17/2011 and 18/2011 dated April 21 and April 29, 2011 respectively), has undertaken a 'Green Initiative in Corporate Governance' and allowed companies to share documents with its shareholders through an electronic mode. Members are requested to support this green initiative by registering/uploading their email addresses, in respect of shares held in dematerialized form with their respective Depository Participant and in respect of shares held in physical form with the Company's Registrar and Share Transfer Agents.

**For RAJ PACKAGING INDUSTRIES LTD.**

**Place : Hyderabad**  
**Date : 01.08.2018**

**Sd/-**  
**KHUSHBOO JOSHI**  
**COMPANY SECRETARY**

**EXPLANATORY STATEMENT**

**[Pursuant to Section 102 of the Companies Act, 2013]**

**ITEM NO.4:**

The present authorised share capital of the company is Rs. 5,00,00,000/- (Rupees Five Crores only) divided into 50,00,000 ( Fifty lakhs only) Equity Shares of Rs. 10/- (Rupees Ten only). The company is proposing further issue of shares. Considering the allotment in future, the Board has approved, subject to the shareholders' approval, an increase in the authorised share capital to Rs. 6,00,00,000 divided into 60,00,000 equity shares of Rs 10/- each.

Pursuant to the provisions of Sections 13 and 61 of the Companies Act, 2013, an increase in the authorised share capital of the company and consequent amendments in the capital clause of the Memorandum of Association of the company requires approval of the members. Approval of the members is, therefore, sought in terms of the said sections.

Your Directors recommend the above Ordinary Resolution for your approval.

None of the Directors / Key Managerial Personnel and their relatives of the Company are, in any way, concerned or interested, financially or otherwise, in the resolution.

**For RAJ PACKAGING INDUSTRIES LTD.**

**Place : Hyderabad**  
**Date : 01.08.2018**

**Sd/-**  
**KHUSHBOO JOSHI**  
**COMPANY SECRETARY**



## CHAIRMAN'S SPEECH

Ladies and Gentlemen,

It is my pleasure to Welcome you all at the 31st Annual General Meeting of your Company - Raj Packaging Industries Limited. At the Outset, I would like to thank you for your continuous trust, support and patronage extended to the Company.

The Directors' Report, Auditor's Report and the Audited Accounts with the Notes thereon for the year 2017-18 has been in your hands for some time now. With your consent, I shall take them as read.

The Annual Report sent to you gives a detailed overview of your Company's performance across various quantitative and qualitative parameters during the Year 2017-18. During the year the Company has earned a total income of Rs. 3841.91 Lakhs against previous year Rs. 3874.30 Lakhs and the profit after tax is 120.88 Lakhs against 103.52 Lakhs in the Previous year. I am glad to inform the Members that the Management has decided to declare dividend at the rate of 5%.

During the current year 2018-19, the Company has expanded the capacity and have vertically integrated the facilities for printing and lamination. The Company has taken up expansion project having CAPEX of Rs.720 Lakhs. It is being financed by combination of Term Loan from Bank, internal accruals and Unsecured Loans. So far the Company has spent Rs.469.62 Lakhs. The part of the Machines have already been received at the plant and are under installation. The Management of the Company is positive towards the outcome of the expansion. The expansion plan will augment the Turnover and overall profitability of the Company. The same will reflected in the Financials of the Company in the coming quarters.

I would like to thank my fellow Directors on the Board and the members of various Committee for their support. I and my colleagues thank the Stock Exchange, NSDL, CDSL, Legal Advisors, Auditors, State Bank of India, Government of Telangana and other State and Central Institutions, for their valuable support and guidance.

Before I conclude, I wish to place on record my sincere thanks to the Shareholders for sustained confidence reposed in the Board and to our Customers for their Continued confidence in the Company. I also thank employees for their dedicated and sincere contribution made by them for the Organization's growth and success.

Thank You,  
Chairman

## BOARD'S REPORT

### To the Members,

The Directors have pleasure in presenting before you the 31st Board's Report of the Company together with the Audited Statements of Accounts for the year ended 31st March, 2018.

### 1. FINANCIAL SUMMARY/HIGHLIGHTS, OPERATIONS, STATE OF AFFAIRS:

The performance during the period ended 31st March, 2018 has been as under:

(Rs. in lakhs)

Particular	2017-2018	2016-2017
Total Income	3841.91	3874.30
Total Expenditure	3693.46	3717.15
Profit Before Tax	148.45	157.15
Provision for Tax	27.57	53.63
Profit after Tax	120.88	103.52
Other Comprehensive Income, Net of tax	0.97	(1.32)
Total Comprehensive Income	121.85	102.20
Balance Carried to Balance Sheet	121.85	102.20

**NOTE:** ALL THE LISTED COMPANIES HAD TO SHIFT TO IND AS FINANCIAL REPORTING FORMAT, DUE TO WHICH THERE IS A CHANGE IN THE FORMAT OF THE FINANCIAL SUMMARY

### 2. MATERIAL CHANGES AND COMMITMENTS:

There were no material changes and commitments affecting financial position of the company between 31st March, 2018 and the date of Board's Report. (i.e. 1st August, 2018)

### 3. CHANGE IN THE NATURE OF BUSINESS, IF ANY:

During the period under review and the date of Board's Report there was no change in the nature of Business.

### 4. DIVIDEND:

Your Directors are pleased to recommend a Dividend of Rs. 0.50 per share on the Paid up Equity Share Capital of the Company in respect of the financial year 2017-18.

### 5. RESERVES:

The Company has not carried any amount to the reserves.

### 6. BOARD MEETINGS:

The Board of Directors duly met 5 (Five) times on 5th May, 2017, 25th May, 2017, 28th August, 2017, 18th November, 2017 and 31st January, 2018 and in respect of which meetings, proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.

### 7. DECLARATION FROM INDEPENDENT DIRECTORS ON ANNUAL BASIS:

The Company has received declarations from Dr. R.R Pujari, Mr. Suresh Chandra Bapna and Mr. V.S.N Murthy Independent directors of the company to the effect that they are meeting the criteria of independence as provided in Sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

#### 8. DIRECTORS OR KMP APPOINTED, RE-APPOINTED OR RESIGNED:

As required under regulation 36 (3) of the SEBI (LODR), Regulations, 2015, brief particulars of the Directors seeking appointment/re-appointment and Directors resigning are given as under:-

<b>Name of the Director</b>	<b>Ms. Neepa Kankaria</b>
Date of Birth	08.09.1981
Qualification	Masters in Electrical Engineering from Oklahoma State University, USA, Graduation (B.Tech) in EEE
Expertise in specific functional areas	Management and Administration
Names of listed entities in which the person also holds the directorship and the membership of Committees of the board	NIL
No. of Shares held in the Company	97650
Inter se relationship with any Director	Daughter of Mr. Prem Chand Kankaria, Managing Director of the Company

#### 9. FAMILIARISATION PROGRAMMES:

The Company familiarises its Independent Directors on their appointment as such on the Board with the Company, their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, etc. through familiarisation programme. The Company also conducts orientation programme upon induction of new Directors, as well as other initiatives to update the Directors on a continuing basis. The familiarisation programme for Independent Directors is disclosed on the Company's website [www.rajpack.com](http://www.rajpack.com)

#### 10. COMPOSITION OF AUDIT COMMITTEE:

- I. The Audit Committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Section 177 of the Companies Act, 2013.
- II. The terms of reference of the Audit Committee include a review of the following:
  - Overview of the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information is disclosed.
  - Recommending the appointment and removal of external auditors, fixation of audit fee and also approval for payment for any other services.
  - Discussion with external auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
  - Reviewing the financial statements and draft audit report including quarterly / half yearly financial information.



- Reviewing with management the annual financial statements before submission to the Board, focusing on:
    1. Any changes in accounting policies and practices;
    2. Qualification in draft audit report;
    3. Significant adjustments arising out of audit;
    4. The going concern concept;
    5. Compliance with accounting standards;
    6. Compliance with stock exchange and legal requirements concerning financial statements and
    7. Any related party transactions
  - Reviewing the company's financial and risk management's policies.
  - Disclosure of contingent liabilities.
  - Reviewing with management, external and internal auditors, the adequacy of internal control systems.
  - Reviewing the adequacy of internal audit function, including the audit character, the structure of the internal audit department, approval of the audit plan and its execution, staffing and seniority of the official heading the department, reporting structure, coverage and frequency of internal audit.
  - Discussion with internal auditors of any significant findings and follow-up thereon.
  - Reviewing the findings of any internal investigations by the internal auditors into the 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.
  - Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
  - Reviewing compliances as regards the Company's Whistle Blower Policy.
- III. The previous Annual General Meeting of the Company was held on 27.09.2017 due to preoccupation, Chairman of the Audit Committee, would not attend the previous AGM.
- IV. The composition of the Audit Committee and the attendance of each member of the Audit Committee are given below:

The Company has complied with all the requirements of the provisions of SEBI (LODR) Regulations, 2015 relating to the composition of the Audit Committee.

During the financial year 2017-18, (4) four meetings of the Audit Committee were held on the 25th May, 2017, 28th August, 2017, 18th November, 2017 and 31st January, 2018

The details of the composition of the Committee and attendance of the members at the meetings are given below: (The committee was reconstituted on 18th November, 2017)

Name	Designation	Category	No. of Meetings held during the tenure of the Member	No. of Meetings attended
Reconstituted Committee (on 18th November, 2017)				
Mr. V. Suryanarayana Murthy	Chairman	NED(I)	4	4
Dr. R. R. Pujari	Member	NED(I)	4	4
Mr. Prem Chand Kankaria	Member	ED	1	1
Attendance of Members of original constitution				
Mr. Suresh Chandra Bapna	Member	NED(I)	3	3

**NED (I):** Non-Executive Independent Director

#### V. NOMINATION & REMUNERATION COMMITTEE

Terms of reference: The main term of reference of the Committee is to approve the fixation/revision of remuneration of the Managing Director/Whole Time Director of the Company and while approving:

- To take into account the financial position of the Company, trend in the industry, appointee's qualification, experience, past performance, past remuneration etc.
- To bring out objectivity in determining the remuneration package while striking a balance between the interest of the Company and the Shareholders.

#### Remuneration Policy:

The objectives of the remuneration policy are to motivate Directors to excel in their performance, recognize their contribution and retain talent in the organization and reward merit.

The remuneration levels are governed by industry pattern, qualifications and experience of the Directors, responsibilities shouldered, individual performance etc.

The details of remuneration paid to the Executive and Non-Executive Directors for the financial year 2017-18 are given below:

None of the Directors is drawing any Commission, Perquisites, Retirement benefits etc.,

The details of composition of the Committee are given below: (The committee was reconstituted on 18th November, 2017)

Name	Designation	Category	No of Meetings held during the tenure of the Member	No of Meetings attended
Mr. Suresh Chandra Bapna	Chairman	NED(I)	NIL	NIL
Mr. V. Suryanarayana Murthy	Member	NED(I)	NIL	NIL
Dr. R. R. Pujari	Member	NED(I)	NIL	NIL
Mr. Pushp Raj Singhvi	Member	NED	NIL	NIL

**NED (I):** Non Executive Independent Director

\*As there was no change in the composition of the KMPs nor remuneration of any of the KMP was revised, there arose no need for the Committee to meet during the period under Review,

## **POLICY FOR SELECTION OF DIRECTORS AND DETERMINING DIRECTORS' INDEPENDENCE**

### **1. Scope:**

This policy sets out the guiding principles for the Nomination & Remuneration Committee for identifying persons who are qualified to become Directors and to determine the independence of Directors, in case of their appointment as independent Directors of the Company.

### **2. Terms and References:**

**2.1 "Director"** means a director appointed to the Board of a Company.

**2.2 "Nomination and Remuneration Committee"** means the committee constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and reg. 19 of SEBI (Listing Obligation and Disclosure Requirement), Regulations, 2015.

**2.3 "Independent Director"** means a director referred to in sub-section (6) of Section 149 of the Companies Act, 2013 and Regulation 16(1) (b) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

### **3. Policy:**

#### **Qualifications and criteria**

3.1 The Nomination and Remuneration Committee, and the Board, shall review on annual basis, appropriate skills, knowledge and experience required of the Board as a whole and its individual members. The objective is to have a board with diverse background and experience that are relevant for the Company's operations.

3.2 In evaluating the suitability of individual Board member the NR Committee may take into account factors, such as:

- ◆ General understanding of the company's business dynamics, global business and social perspective;
- ◆ Educational and professional background
- ◆ Standing in the profession;
- ◆ Personal and professional ethics, integrity and values;
- ◆ Willingness to devote sufficient time and energy in carrying out their duties and responsibilities effectively.

3.3 The proposed appointee shall also fulfil the following requirements:

- ◆ shall possess a Director Identification Number;
- ◆ shall not be disqualified under the Companies Act, 2013;
- ◆ shall Endeavour to attend all Board Meeting and Wherever he is appointed as a Committee Member, the Committee Meeting;
- ◆ shall abide by the code of Conduct established by the company for Directors and senior Management personnel;
- ◆ shall disclose his concern or interest in any company or companies or bodies corporate, firms, or other association of individuals including his shareholding at the first meeting of the Board in every financial year and thereafter whenever there is a change in the disclosures already made;
- ◆ Such other requirements as may be prescribed, from time to time, under the Companies Act, 2013, SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015 and other relevant laws.



3.4 The Nomination & Remuneration Committee shall evaluate each individual with the objective of having a group that best enables the success of the company's business.

3.5 Criteria of independence

3.5.1 The Nomination & Remuneration Committee shall assess the independence of Directors at time of appointment/ re-appointment and the Board shall assess the same annually. The Board shall re-assess determinations of independence when any new interest or relationships are disclosed by a Director.

3.5.2 The criteria of independence shall be in accordance with guidelines as laid down in Companies Act, 2013 and reg. 16(1) (b) of the SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

3.5.3 The Independent Director shall abide by the "Code for Independent Directors "as specified in **Schedule IV** to the companies Act, 2013.

3.6 Other Directorships/ Committee Memberships

3.6.1 The Board members are expected to have adequate time and expertise and experience to contribute to effective Board performance Accordingly, members should voluntarily limit their directorships in other listed public limited companies in such a way that it does not interfere with their role as Director of the company. The NR Committee shall take into account the nature of, and the time involved in a Director service on other Boards, in evaluating the suitability of the individual Director and making its recommendations to the Board.

3.6.2 A Director shall not serve as director in more than 20 companies of which not more than 10 shall be public limited companies.

3.6.3 A Director shall not serve an independent Director in more than 7 listed companies and not more than 3 listed companies in case he is serving as a whole-time Director in any listed company.

3.6.4 A Director shall not be a member in more than 10 committee or act chairman of more than 5 committee across all companies in which he holds directorships.

For the purpose of considering the limit of the committee, Audit committee and stakeholder's relationship committee of all public limited companies, whether listed or not, shall be included and all other companies including private limited companies, foreign companies and companies under section 8 of the Companies Act, 2013 shall be excluded.

### **Remuneration policy for Directors, key managerial personnel and other employees**

#### **1. Scope:**

1.1 This policy sets out the guiding principles for the Nomination and Remuneration committee for recommending to the Board the remuneration of the directors, key managerial personnel and other employees of the company.

#### **2. Terms and Reference:**

In this policy the following terms shall have the following meanings:

2.1 "Director" means a Director appointed to the Board of the company.

2.2 "key managerial personnel" means

(i) The Chief Executive Office or the managing director or the manager;

(ii) The Company Secretary;

(iii) The Whole-Time Director;

(iv) The Chief Financial Officer; and

(v) Such other office as may be prescribed under the companies Act, 2013

2.3 "Nomination and Remuneration Committee" means the committee constituted by Board in accordance with the provisions of section 178 of the companies Act,2013 and reg. 19 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

### 3. Policy:

#### 3.1 Remuneration to Executive Director and Key Managerial Personnel

3.1.1The Board on the recommendation of the Nomination and Remuneration (NR) committee shall review and approve the remuneration payable to the Executive Director of the company within the overall approved by the shareholders.

3.1.2The Board on the recommendation of the NR committee shall also review and approve the remuneration payable to the key managerial personnel of the company.

3.1.3The Remuneration structure to the Executive Director and key managerial personnel shall include the following components:

- (i) Basic pay
- (ii) Perquisites and Allowances
- (iii) Commission (Applicable in case of Executive Directors)
- (iv) Retrial benefits
- (v) Annual performance Bonus

3.1.4The Annual plan and Objectives for Executive committee shall be reviewed by the NR committee and Annual performance Bonus will be approved by the committee based on the achievement against the Annual plan and Objectives.

#### 3.2 Remuneration to Non - Executive Directors

3.2.1The Board, on the recommendation of the Nomination and Remuneration Committee, shall review and approve the remuneration payable to the Non - Executive Directors of the Company within the overall limits approved by the shareholders as per provisions of the companies act.

3.2.2Non - Executive Directors shall be entitled to sitting fees attending the meetings of the Board and the Committees thereof.

#### 3.3.Remuneration to other employees

3.3.1.Employees shall be assigned grades according to their qualifications and work experience, competencies as well as their roles and responsibilities in the organization. Individual remuneration shall be determined within the appropriate grade and shall be based on various factors such as job profile skill sets, seniority, experience and prevailing remuneration levels for equivalent jobs.

## VI. STAKEHOLDERS RELATIONSHIP COMMITTEE

### A.) Composition:

The Details of composition of the Committee are given below: (The Committee was reconstituted on 18th November, 2017)

Name	Designation	Category
Mr. Pushp Raj Singhvi	Chairman	NED
Mr. V. Suryanarayana Murthy	Member	NED(I)
Ms. Neepa Kankaria	Member	ED

**NED (I):** Non Executive Independent Director

**B) Powers:**

The Committee has been delegated with the following powers:

- To redress shareholder and investor complaints relating to transfer of shares, Dematerialization of Shares, non-receipt of Annual Reports, non-receipt of declared dividend and other allied complaints.
- To approve, transfer, transmission, and issue of duplicate / fresh share certificate(s)
- Consolidate and sub-division of share certificates etc.
- To redress, approve and dispose off any, other complaints, transactions and requests etc., received from any shareholder of the company and investor in general.

The Board has delegated the power to process the transfer and transmission of shares to the Registrar and Share Transfer Agents, who process share transfers within a week of lodgement in the case of shares held in physical form.

The Company has designated an exclusive e-mail ID called secretary@rajpack.com for complaints/grievances.

**VII. RISK MANAGEMENT COMMITTEE**
**A.) Composition:**

The Details of composition of the Committee are given below (The Committee was reconstituted on 18th November, 2017)

Name	Designation	Category
Dr. R R Pujari	Chairman	NED(I)
Mr. V. Suryanarayana Murthy	Member	NED(I)
Mr. Prem Chand Kankaria	Member	ED
Mr. Pushp Raj Singhvi	Member	NED

**NED (I)** : Non Executive Independent Director

**ED** : Executive Director

**B) RISK MANAGEMENT POLICY:**

The Company follows a comprehensive system of Risk Management. The Company has adopted a procedure for assessment and minimization of probable risks. It ensures that all the risks are timely defined and mitigated in accordance with the well-structured risk management process.

**10. VIGIL MECHANISM:**

Vigil Mechanism Policy has been established by the Company for directors and employees to report genuine concerns pursuant to the provisions of section 177(9) & (10) of the Companies Act, 2013. The same has been placed on the website of the Company.

**11. DIRECTOR'S RESPONSIBILITY STATEMENT:**

Pursuant to Section 134(5) of the Companies Act, 2013, the Board of Directors, to the best of their knowledge and ability, confirm that:

- In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- The Directors had 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;

- (c) The Directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (d) The Directors had prepared the annual accounts on a going concern basis; and
- (e) The Directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.
- (f) The Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

**12. INFORMATION ABOUT THE FINANCIAL PERFORMANCE / FINANCIAL POSITION OF THE SUBSIDIARIES / ASSOCIATES/ JOINT VENTURES:**

The Company does not have any Subsidiary, Associate or Joint venture.

**13. NAMES OF THE COMPANIES WHICH HAVE BECOME OR CEASED TO BE ITS SUBSIDIARIES, JOINT VENTURES OR ASSOCIATE COMPANIES DURING THE YEAR.**

During the year neither any Company became its subsidiary nor ceased to be its subsidiary.

**14. EXTRACT OF ANNUAL RETURN:**

As required pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014, an extract of annual return in MGT 9 annexed as a part of this Annual Report

**15. STATUTORY AUDITORS:**

M/s. SVP & Associates., as the statutory auditors of the Company were appointed in 30th Annual General Meeting held on 27th September, 2017 for the period of five years ending on conclusion of 35th AGM of the Company.

**16. DETAILS IN RESPECT OF FRAUDS REPORTED BY AUDITORS UNDER SUB SECTION (12) OF SECTION 143 OTHER THAN THOSE WHICH ARE REPORTABLE TO THE CENTRAL GOVERNMENT:**

There have been no frauds reported by the auditors u/s 143(12).

**17. SECRETARIAL AUDIT:**

Pursuant to the provisions of Section 134(3) (f) & Section 204 of the Companies Act, 2013, Secretarial audit report as provided by M/s. S. S. Reddy & Associates, Practicing Company Secretaries is annexed to this Report as an annexure.

**18. QUALIFICATIONS IN AUDIT REPORTS:**

Explanations or comments by the Board on every qualification, reservation or adverse remark or disclaimer made-

**(a) Statutory Auditors Report:**

The Board has duly reviewed the Statutory Auditor's Report on the Accounts for the year ended March 31, 2018 and has noted that the same does not have any reservation, qualification or adverse remarks. However, the Board decided to further strengthen the existing system and procedures to meet all kinds of challenges and growth in the market expected in the coming years.

**(b) Secretarial Audit Report:**

The Board has duly reviewed the Secretarial Audit Report for the year ended March 31, 2018 on the Compliances according to the provisions of section 204 of the Companies Act 2013, and the same does not have any reservation, qualifications or adverse remarks.

**19. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:**

The required information as per Sec.134 (3) (m) of the Companies Act 2013 is provided hereunder:

**A. Conservation of Energy:**

Your Company's operations are not energy intensive. Adequate measures have been taken to conserve energy wherever possible by using energy efficient computers and purchase of energy efficient equipment.



**B. Technology Absorption:**

1. Research and Development (R&D): NIL
2. Technology absorption, adoption and innovation: NIL

**C. Foreign Exchange Earnings and Out Go:**

Foreign Exchange Earnings: NIL

Foreign Exchange Outgo: 1910.99 Lakhs

**20. DETAILS RELATING TO DEPOSITS, COVERING THE FOLLOWING:**

Your Company has not accepted any deposits falling within the meaning of Sec.73, 74 & 76 of the Companies Act, 2013 read with the Rule 8(v) of Companies (Accounts) Rules 2014, during the financial year under review. Further, there are no deposits which are not in compliance with the requirements of Chapter V of the Companies Act, 2013.

**21. SIGNIFICANT & MATERIAL ORDERS PASSED BY THE REGULATORS:**

During the period under review there were no significant and material orders passed by the regulators or Courts or Tribunals impacting the going concern status and the company's operations in future.

**22. DETAILS OF ADEQUACY OF INTERNAL FINANCIAL CONTROLS:**

Your Company has well established procedures for internal control across its various locations, commensurate with its size and operations. The organization is adequately staffed with qualified and experienced personnel for implementing and monitoring the internal control environment. The internal audit function is adequately resourced commensurate with the operations of the Company and reports to the Audit Committee of the Board.

**23. INSURANCE:**

The properties and assets of your Company are adequately insured.

**24. PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS:**

The company has not given loans, Guarantees or made any investments attracting the provisions of Section 186 of the Companies Act, 2013 during the year under review.

**25. CREDIT & GUARANTEE FACILITIES:**

The Company has not availed facilities of Credit and Guarantee during the year.

**26. COMPOSITION OF CSR COMMITTEE AND CONTENTS OF CSR POLICY:**

Since the Company does not have the net worth of Rs. 500 Crores or more, or turnover of Rs. 1000 Crores or more, or a net profit of Rs. 5 Crores or more during the financial year, section 135 of the Companies Act, 2013 relating to Corporate Social Responsibility is not applicable and hence the Company need not adopt any Corporate Social Responsibility Policy.

**27. RELATED PARTY TRANSACTIONS:**

During the year under review, the Company had not entered in to any materially significant transaction with any related party that may have potential conflict with the interests of the Company at large. All the related party transactions during the year are in the ordinary course of business and on arms length basis.

**28. FORMAL ANNUAL EVALUATION:**

As per section 149 of the Companies Act, 2013 read with clause VII (1) of the schedule IV and rules made thereunder, the independent directors of the company had a meeting on 31.01.2018 without attendance of non-independent directors and members of management. In the meeting the following issues were taken up:

- (a) Review of the performance of non-independent directors and the Board as a whole;
- (b) Review of the performance of the Chairperson of the company, taking into account the views of executive directors and non-executive directors;

- (c) Assessing the quality, quantity and timeliness of flow of information between the company management and the Board that is necessary for the Board to effectively and reasonably perform their duties.

The meeting also reviewed and evaluated the performance of non-independent directors. The company has 3 (three) non-independent directors namely:

1. Mr. Prem Chand Kankaria
2. Ms. Neepa Kankaria
3. Mr. Pushp Raj Singhvi

The meeting recognized the significant contribution made by Mr. Prem Chand Kankaria directing the Company towards the success path and placing the Company globally.

The meeting also reviewed and evaluated the performance the Board as whole in terms of the following aspects:

- Preparedness for Board/Committee meetings
- Attendance at the Board/Committee meetings
- Guidance on corporate strategy, risk policy, corporate performance and overseeing acquisitions and disinvestments.
- Monitoring the effectiveness of the company's governance practices
- Ensuring a transparent board nomination process with the diversity of experience, knowledge, perspective in the Board.
- Ensuring the integrity of the company's accounting and financial reporting systems, including the independent audit, and that appropriate systems of control are in place, in particular, systems for financial and operational control and compliance with the law and relevant standards.

It was noted that the Board Meetings have been conducted with the issuance of proper notice and circulation of the agenda of the meeting with the relevant notes thereon.

#### **29. DISCLOSURE ABOUT COST AUDIT:**

Cost Audit is not applicable to your Company.

#### **31. RATIO OF REMUNERATION TO EACH DIRECTOR:**

Under section 197(12) of the Companies Act, 2013, and Rule 5(1)(2) & (3) of the Companies (Appointment & Remuneration) Rules, 2014 read with Schedule V of the Companies Act, 2013 the ratio of remuneration of Mr. Prem Chand Kankaria, Managing Director of the Company to the median remuneration of the employees is 19.42:1 and of Ms. Neepa Kankaria, Whole-Time director of the Company is 7.77:1.

#### **32. CORPORATE GOVERNANCE AND SHAREHOLDERS INFORMATION:**

Since the paid up capital of the Company is less than Rs. 10 Crores and Net worth of the Company is less than Rs. 25 Crores, Corporate Governance as mentioned in SEBI (Listing Obligation and Disclosure Requirement) Regulations, 2015 are not applicable.

#### **33. SECRETARIAL STANDARDS**

The Company is in compliance with the applicable secretarial standards.

#### **EVENT BASED DISCLOSURES**

During the year under review, the Company has not taken up any of the following activities:

1. Issue of sweat equity share: NA
2. Issue of shares with differential rights: NA

3. Issue of shares under employee's stock option scheme: NA
4. Disclosure on purchase by company or giving of loans by it for purchase of its shares: NA
5. Buy back shares: NA
6. Disclosure about revision: NA
7. Preferential Allotment of Shares: NA

#### **34. NON-EXECUTIVE DIRECTORS' COMPENSATION AND DISCLOSURES**

None of the Independent / Non-Executive Directors has any pecuniary relationship or transactions with the Company which in the judgment of the Board may affect the independence of the Directors.

#### **35. CEO/ CFO CERTIFICATION:**

The Managing Director and CFO certification of the financial statements for the year 2017-18 is annexed in this Annual Report.

#### **36. EMPLOYEE RELATIONS:**

Your Directors are pleased to record their sincere appreciation of the contribution by the staff at all levels in the improved performance of the Company.

None of the employees is drawing a remuneration of Rs. 1,02,00,000/- and above per annum or Rs.8,50,000/- and above in aggregate per month, the limits prescribed under Section 197 of the Companies Act, 2013 read with rule 5(2) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

#### **37. BOARD EVALUATION:**

Pursuant to the applicable provisions of the Companies Act, 2013 and SEBI Listing Regulations, the Board has carried out an Annual Evaluation of its own performance, performance of the Directors and the working of its Committees. The Board's functioning was evaluated on various aspects, including inter alia degree of fulfilment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning.

Evaluation of the Committees performance was based on the criteria like composition, its terms of the reference and effectiveness of committee meetings, etc., Individual Director's performance evaluation is based on their preparedness on the issues to be discussed, meaningful and constructive discussions and their contribution to the Board and Committee meetings. The Chairperson was evaluated mainly on key aspects of his role. These performance exercises were conducted seeking inputs from all the Directors / Committee Members wherever applicable.

#### **The evaluation procedure followed by the company is as mentioned below:**

- i) Feedback is sought from each Director about their views on the performance of the Board, covering various criteria such as degree of fulfilment of key responsibilities, Board structure and composition, establishment and delineation of responsibilities to various Committees, effectiveness of Board processes, information and functioning, Board culture and dynamics, quality of relationship between the Board and the Management and efficacy of communication with external stakeholders. Feedback was also taken from every Director on his assessment of the performance of each of the other Directors.
- ii) The Nomination and Remuneration Committee (NRC) then discusses the above feedback received from all the Directors.
- iii) Based on the inputs received, the Chairman of the NRC also makes a presentation to the Independent Directors at their meeting, summarising the inputs received from the Directors as regards Board performance as a whole and of the Chairman. The performance of the Non-Independent Non-Executive Directors and Board Chairman is also reviewed by them.
- iv) Post the meeting of the Independent Directors, their collective feedback on the performance of the Board (as a whole) is discussed by the Chairman of the NRC with the Chairman of the Board. It is also presented to the Board and a plan for improvement is agreed upon and is pursued.
- v) Every statutorily mandated Committee of the Board conducts a self-assessment of its performance and these assessments are presented to the Board for consideration. Areas on which the Committees of the

Board are assessed include degree of fulfilment of key responsibilities, adequacy of Committee composition and effectiveness of meetings.

- vi) Feedback is provided to the Directors, as appropriate. Significant highlights, learning and action points arising out of the evaluation are presented to the Board and action plans are drawn up. During the year under report, the recommendations made in the previous year were satisfactorily implemented.

The peer rating on certain parameters, positive attributes and improvement areas for each Board member are also provided to them in a confidential manner. The feedback obtained from the interventions is discussed in detail and, where required, independent and collective action points for improvement are put in place.

**38. DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place an Anti-Sexual Harassment Policy in line with the requirements of The Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaint Committee (ICC) has been set up to redress complaints received regarding sexual harassment. All employees are covered under this policy. The following is the summary of sexual harassment complaints received and disposed during the calendar year.

- No. of complaints received : Nil
- No. of complaints disposed off : Nil

**39. ACKNOWLEDGEMENTS:**

Your Directors wish to place on record their appreciation of the contribution made by the employees at all levels, to the continued growth and prosperity of your Company.

Your Directors also wish to place on record their appreciation of business constituents, banks and other financial institutions and shareholders of the Company for their continued support for the growth of the Company.

**For and on behalf of the Board  
For Raj Packaging Industries Limited**

**Place: Hyderabad  
Date: 01.08.2018**

**Sd/-  
Prem Chand Kankaria  
Managing Director  
(DIN: 00062584)**

**Sd/-  
V.S.N. Murthy  
Director  
(DIN: 00021952)**



## **Certificate of Code of Conduct for the year 2017-18**

The shareholders,

### **Code of Conduct**

The Company has formulated and implemented a Code of Conduct for Board Members and Senior Management of the Company. Requisite annual affirmations of compliance with the respective Codes have been made by the Directors and Senior Management of the Company.

Certificate of Code of Conduct for the year 2017-18 as per Regulation 17(5) read with Regulation 34(3) Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

Raj Packaging Industries Limited is committed for conducting its business in accordance with the applicable laws, rules and regulations and with highest standards of business ethics. The Company has adopted a "Code of Ethics and Business Conduct" which is applicable to all director, officers and employees.

I hereby certify that all the Board Members and Senior Management have affirmed the compliance with the Code of Ethics and Business Conduct, under a certificate of Code of Conduct for the year 2017-18.

**For and on behalf of the Board  
For Raj Packaging Industries Limited**

**Place: Hyderabad**

**Date: 01.08.2018**

**Sd/-  
Prem Chand Kankaria  
Managing Director  
(DIN: 00062584)**

**CERTIFICATE BY THE MANAGING DIRECTOR AND CFO OF THE COMPANY**

To  
The Board of Directors  
Raj Packaging Industries Limited

Dear Sirs,

As required under Regulation 17(8) read with Part B, Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, we state that:

1. We have reviewed the financial statements and the cash flow statement for the year ended 31st March 2018 and to the best of our knowledge and belief;
  - a. These statements do not contain any materially untrue statement nor omit any material fact nor contain statements that might be misleading, and
  - b. These statements present a true and fair view of the company's affairs and are in compliance with the existing accounting standards, applicable laws and regulations.
2. There are, to the best of our knowledge and belief, no transactions entered into by the company during the year, which are fraudulent, illegal or violative of the company's code of conduct.
3. We accept responsibility for establishing and maintaining internal controls, we have evaluated the effectiveness of the internal control systems of the company and we have disclosed to the auditors and the audit committee, deficiencies in the design or the operation of internal controls, if any, of which I was aware and the steps that I have taken or propose to take and rectify the identified deficiencies and
4. That we have informed the auditors and the audit committee of:
  - a) Significant changes in the internal control during the year;
  - b) Significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
  - c) Instances of significant fraud of which we have become aware and the involvement of any employee having a significant role in the company's internal control system.

**For and on behalf of the Board of  
Raj Packaging Industries Limited**

**Place: Hyderabad  
Date: 01.08.2018**

**Sd/-  
M. Narsimha  
Chief Financial Officer**

**Sd/-  
Prem Chand Kankaria  
Managing Director  
(DIN: 00062584)**

FORM MR-3  
SECRETARIAL AUDIT REPORT  
(Pursuant to section 204(1) of the Companies Act, 2013 and  
Rule 9 of the Companies (Appointment and Remuneration Personnel) Rules, 2014  
FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2018

To,  
The Members  
Raj Packaging Industries Limited

We have conducted the audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Raj Packaging Industries Limited (hereinafter called "the Company"). Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on our verification of the Company's Books, Papers, Minute Books, Forms and Returns filed and other Records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the financial year commencing from 1st April, 2017 and ended 31st March, 2018, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made herein after:

1. We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st of March, 2018 according to the provisions of:
  - (i) The Companies Act, 2013 (the Act) and the rules made there under;
  - (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under;
  - (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
  - (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment (FDI), Overseas Direct Investment and External Commercial Borrowings;
2. Compliance status in respect of the provisions of the following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI ACT') is furnished hereunder for the financial year 2017-18:-
  - i. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011; Complied with yearly and event based disclosures.
  - ii. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015 Insider Trading Regulations; The Company has framed code of conduct for regulating & reporting trading by insiders and for fair disclosure and displayed the same on the Company's website i.e. [www.rajpack.com](http://www.rajpack.com)
  - iii. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; Not Applicable as the company has not issued any shares during the year under review.

- iv. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; Not Applicable as the Company has not issued any Employee Stock Options during the year under review.
- v. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008; Not Applicable as the Company has not issued any debt securities during the year under review.
- vi. 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; Not Applicable as the Company is not registered as Registrar to an Issue and Share Transfer Agent during the year under review. However the company has CIL Securities Limited as its Share Transfer Agent.
- vii. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; Not Applicable as the company has not delisted/ proposed to delist its equity shares during the year under review.
- viii. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; Not Applicable as the Company has not bought back/ proposed to buy-back any of its securities during the year under review.
- ix. Other applicable laws include the following:
  - \* The Payment of Gratuity Act, 1972
  - \* Employees Provident Fund and Miscellaneous Provisions Act, 1952
  - \* Employees State Insurance Act, 1948
  - \* Income Tax Act, 1961
  - \* Minimum Wages Act, 1948
  - \* Payment of Bonus Act, 1965
  - \* Payment of Wages Act, 1936
  - \* Shops and Establishments Act, 1948
  - \* Water (Prevention and control of Pollution) Act, 1974 and the rules made there under;
  - \* Air (Prevention and control of Pollution) Act, 1981 and the rules made there under;
  - \* Hazardous Wastes (Management, Handling and Transboundary Movement) Rules, 2008;
  - \* The Environment Protection Act, 1986;
  - \* The Factories Act, 1948

We 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 Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 were complied with to the extent applicable.

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

- a) During the year the Company has conducted 5 meetings of the Board of Directors, 4 meetings of the Audit committee, 2 Meeting of Stakeholder Relationship Committee and 1 meeting of



Independent Directors. We have also examined compliance with the applicable clauses of the Secretarial Standards issued by the Institute of Company secretaries of India.

b) As per the information and explanations provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we report that

(i) the provisions of the Foreign Exchange Management Act, 1999 and the Rules and Regulations made there under to the extent of:

- \* External Commercial Borrowings were not attracted to the Company under the financial year under report;
- \* Foreign Direct Investment (FDI) was not attracted to the company under the financial year under report;
- \* Overseas Direct Investment by Residents in Joint Venture/Wholly Owned Subsidiary abroad was not attracted to the company under the financial year under report.

(ii) As per the information and explanations provided by the company, its officers, agents and authorized representatives during the conduct of Secretarial Audit, we report that the Company has not made any GDRs/ADRs or any Commercial Instrument under the financial year under report.

We further report that:

- \* The Company has a CFO, Mr. M. Narsimha and a Company Secretary, Ms. Khushboo Joshi.
- \* The Company has internal auditors namely M/s. MGM & Co., Chartered Accountants.
- \* The website of the Company contains policies as specified by SEBI(Listing Obligation and Disclosure Requirements) Regulations, 2015 and the provisions of Companies Act, 2013
- \* The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There was no change in the composition of the Board of Directors during the period under review.
- \* Adequate notice of board meeting is given to all the directors along with agenda 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 meaningful participation at the meeting.
- \* As per the minutes of the meeting duly recorded and signed by the Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.
- \* We, further report that there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.
- \* We further report that during the year under report, the Company has not undertaken event/ action having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

Place: Hyderabad  
Date : 01.08.2018

For S.S. Reddy & Associates  
sd/-  
S. Sarveswar Reddy  
Proprietor  
C.P. No: 7478

Annexure A

To  
The Members of  
Raj Packaging Industries Limited

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

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have relied on the reports given by the concerned professionals in verifying the correctness and appropriateness of financial records and books of accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The secretarial Audit report is neither an assurance as to future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company.

Place: Hyderabad  
Date : 01.08.2018

For S.S. Reddy & Associates  
sd/-  
S. Sarveswar Reddy  
Proprietor  
C.P. No: 7478

**DISCLOSURE WITH RESPECT TO DEMAT SUSPENSE ACCOUNT/ UNCLAIMED SUSPENSE ACCOUNT**

As per Regulation 34(3) read with Schedule V of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the company hereby discloses the details of unpaid/unclaimed dividend and the respective share thereof as follows:

Aggregate No. of Shareholders and the outstanding shares in the suspense account at the beginning of the year.	No. of shareholders who approached the company for transfer of shares from suspense account during the year.	No. of shareholders to whom shares were transferred from suspense account during the year.	Aggregate No. of Shareholders and the outstanding shares in the suspense account at the end of the year.
NIL	NIL	NIL	NIL

**Voting Right on these shares shall remain frozen till the rightful owner of such shares claims the shares.**

**MGT 9**
**Extract of Annual Return**
**As on the Financial Year 31.03.2018**
**[Pursuant to section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]**
**I. REGISTRATION AND OTHER DETAILS:**

i.	CIN	L25209TG1987PLC007550
ii.	Registration Date	18/06/1987
iii.	Name of the Company	Raj Packaging 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	#6-3-1090/C-4, Opp. Kapadialane, Raj Bhavan Road, Hyderabad, Telangana - 500082 info@rajpack.com/ hyd2_rajpack@bsnl.in
vi.	Whether listed company Yes / No	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	CIL Securities Ltd. 214, Raghavaratna Towers, Chirag Ali Lane, Hyderabad 500 001. Ph.No. 040- 23202465/66612093, Fax. 040- 23203028

**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\ services	% to total turnover of the Company
1	Manufacture of Packaging products	99854	99.56

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:-**

Sl. No.	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associates	% of Shares Held	Applicable Section
	The Company does not have any subsidiaries.				

**IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i) Category-wise Share Holding:-**

CATEGORY OF SHARE HOLDERS	NO. OF SHARES HELD AT THE BEGINNING OF THE YEAR				NO. OF SHARES HELD AT THE END OF THE YEAR				% CHANGE DURING THE YEAR
	Demat	phy-sical	Total	% of Total shares	Demat	phy-sical	Total	% of Total shares	
<b>A. PROMOTERS &amp; Promoter Group</b>									
<b>1) Indian</b>									
Individual/ HUF	1218258	200	1218458	26.66	1169797	NIL	1169797	25.60	(1.6)
Central Govt.	--	--	--	--	--	--	--	--	--
State Govt .(s)	--	--	--	--	--	--	--	--	--
Bodies Corp.	384359	--	384359	8.41	384359	NIL	384359	8.41	NIL
Banks / FI	--	--	--	--	--	--	--	--	--
Any Other	--	--	--	--	--	--	--	--	--
<b>Sub-total (A) (1) :-</b>	<b>1602617</b>	<b>200</b>	<b>1602817</b>	<b>35.07</b>	<b>1554156</b>	<b>NIL</b>	<b>1554156</b>	<b>34.01</b>	<b>(1.06)</b>
<b>(2) Foreign</b>									
a) NRIs -Individuals	--	--	--	--	--	--	--	--	--
b) Other-Individuals	--	--	--	--	--	--	--	--	--
c) Bodies Corp.	--	--	--	--	--	--	--	--	--
d) Banks / FI	--	--	--	--	--	--	--	--	--
e) Any Other....	--	--	--	--	--	--	--	--	--
<b>Sub-total (A) (2):-</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>	<b>--</b>
<b>TOTAL SHARE HOLDING OF PROMOTER (A) =(A)(1)+(A)(2)</b>	<b>1602617</b>	<b>200</b>	<b>1602817</b>	<b>35.07</b>	<b>1554156</b>	<b>NIL</b>	<b>1554156</b>	<b>34.01</b>	<b>(1.06)</b>
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
a) Mutual Funds	--	--	--	--	--	--	--	--	--
b) Banks / FI	--	1000	1000	0.02	--	1000	1000	0.02	--
c) Central Govt	--	--	--	--	--	--	--	--	--
d) State Govt(s)	--	--	--	--	--	--	--	--	--



e) Venture Capital Funds	--	--	--	--	--	--	--	--	--
f) Insurance Companies	--	--	--	--	--	--	--	--	--
g) FIs	--	--	--	--	--	--	--	--	--
h) Foreign Venture Capital Fund	--	--	--	--	--	--	--	--	--
i) Others (specify)	--	--	--	--	--	--	--	--	--
<b>2. Non Institutions</b>									
a) Bodies Corp.									
i) Indian	169767	7700	177467	3.88	119698	5000	124698	2.73	(1.15)
ii) Overseas	--	--	--	--	--	--	--	--	--
b) Individuals									
i) Individual shareholders holding nominal share capital up to Rs. 1 lakh	970489	154366	1124855	24.62	1655726	NIL	1655726	36.23	11.61
ii) Individual shareholders holding nominal share capital in excess of Rs 1 lakh	1634422	--	1634422	35.77	1115703	107666	1223369	26.77	(9)
c) Others (specify)									
1. NRI	19750	4300	24050	0.53	6203	3300	9503	0.21	(0.32)
2. Clearing Members	5139	0	5139	0.11	1298	NIL	1298	0.03	(0.08)
<b>Sub-total (B)(2):-</b>									
<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>2799567</b>	<b>167366</b>	<b>2966933</b>	<b>64.93</b>	<b>2898628</b>	<b>115966</b>	<b>3014594</b>	<b>65.99</b>	<b>1.06</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	--	--	--	--	--	--	--	--	--
<b>Grand Total (A+B+C)</b>	<b>4402184</b>	<b>167566</b>	<b>4569750</b>	<b>100.00</b>	<b>4452784</b>	<b>116966</b>	<b>4569750</b>	<b>100.00</b>	<b>--</b>

**(ii) Shareholding of Promoters & Promoters Group**

SI. NO.	SHARE HOLDER'S NAME	SHARES HELD AT THE BEGINNING OF THR YEAR			SHARES HELD AT THE END OF THR YEAR			% Change during the year
		No. of shares	%of total shares of the company	% of Shares pledge/ encumb-ered to total shares	No. of shares	% of total shares of the company	% of Shares pledge/ encumb-ered to total shares	
1	Prem Chand Kankaria	532016	11.64	NIL	549066	12.02	NIL	0.38
2	Chetanya Securities Pvt Ltd	384359	8.41	NIL	384359	8.41	NIL	NIL
3	Shyama Kankaria	252503	5.53	NIL	246008	5.38	NIL	(0.15)
4	Ramesh Chandra Singhi	157403	3.44	NIL	157403	3.44	NIL	NIL
5	Neepa Kankaria	97650	2.14	NIL	97650	2.14	NIL	NIL
6	Rajendra Kankaria	41763	0.91	NIL	41700	0.91	NIL	NIL
7	Chandra Singhi	38010	0.83	NIL	38010	0.83	NIL	NIL
8	Neha Kankaria	37572	0.82	NIL	37572	0.82	NIL	NIL
9	Alka Kankaria	6736	0.15	NIL	2388	0.05	NIL	(0.01)
10	Bharat Bhandari	27771	0.61	NIL	NIL	NIL	NIL	(0.61)
11	Gaurav Kumar Bhandari	15034	0.33	NIL	NIL	NIL	NIL	(0.33)
12	Ramesh Chandra Singhi(HUF)	12000	0.26	NIL	NIL	NIL	NIL	(0.26)

**(iii) Change in Promoters' Shareholding ( please specify, if there is no change):**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative share holding during the year	
		No. of Shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Prem Chand Kankaria	TOTAL 532016 11-08-2017 7050 15-12-2017 10000	11.64		
			549066	12.02	
2.	Chetanya Securities Pvt Ltd	384359	8.41	384359	8.41
3	Alka Kankaria	6736	(0.07)		
		23-06-2017 (6636) 30-06-2017 (1200) 05-07-2017 (100) 07-07-2017 (800) 14-07-2017 (500) 21-07-2017 (500) 28-07-2017 (300) 04-08-2017 (348) 25-08-2017 (200) 01-09-2017 (400)			
				2388	0.05
4	Neepta Kankaria	97650	2.14	97650	2.14
5.	Ramesh Chandra Singhi	157403	3.45	157403	3.45
6.	Shyama Kankaria	252503 11-08-2017 (17000) 15-12-2017 505 22-12-2017 10000	5.53		
				246008	5.38
7.	Neha Kankaria .	37572	0.82	37572	0.82
8.	Rajendra Kankaria	41763	0.91		
		11-08-2017 (63)			
				41700	0.91
9.	Chandra Singhi	38010	0.83%	38010	0.83

10.	Bharat Bhandari	TOTAL	0.61%		
		27771			
		21-07-2017 1846			
		28-07-2017 (6192)			
		04-08-2017 (9765)			
		11-08-2017 (1200)			
		18-08-2017 (500)			
		15-09-2017 (1570)			
		22-09-2017 (963)			
		30-09-2017 (3001)			
		06-10-2017(01)			
		13-10-2017 (2600)			
		20-10-2017 (11)			
		31-10-2017 (500)			
		03-11-2017 (712)			
		10-11-2017 (480)		NIL	NIL
		17-11-2017 (50)			
		08-12-2017 (50)			
		15-12-2017(2022)			
11.	Gaurav Kumar Bhandari	TOTAL	0.33%		
		15034			
		21-07-2017(1100)			
		28-07-2017 (5161)			
		04-08-2017 (7456)			
		18-08-2017 (794)			
		25-08-2017 (250)			
		15-09-2017 (273)			
				NIL	NIL
12	Ramesh Chandra Singhi	TOTAL	0.26%		
		12000			
		08-09-2017(921)			
		15-09-2017 (4146)			
		22-09-2017 (6933)		NIL	NIL

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs): date wise increase & decrease

Sl. NO.	Shareholder Name	Shareholding at the beginning of the year (01.04.2017)		Cumulative Share holding during the year (31.03.2018)	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1	Madanchand Prasanchand	832805	18.2	763232	16.70
2	Kamal Kumar Keshwani	120587	2.64	120587	2.64
3	Prem Lata	106285	2.33	104709	2.29
4	Sangeetha S	88540	1.94	88540	1.94
5	Tribhuwan Raj Bhandari	43737	0.96	59857	1.31
6	P Vikas Jain	46521	1.02	47878	1.05
7	Investor Education And Protection Fund Authority Ministry Of Corporate Affairs	NIL	NIL	46653	1.02
8	Gita Devi Maheshwari	NIL	NIL	45200	0.99
9	Nataraj V Angadi	34934	0.76	39934	0.87
10	Enviro Control Associates(I) Pvt. Limited	36000	0.79	36000	0.79

(v) Shareholding of Directors and Key Managerial Personnel:

SL. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the Company	No. of shares	% of total shares of the Company
1.	<b>Prem Chand Kankaria</b>				
	At the beginning of the year	532016	11.64		
	Date wise Increase /Decrease in Promoters Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):	11-08-2017 7050 15-12-2017 10000			
	At the End of the year			549066	12.02%
2	<b>Neepa Kankaria</b>				
	At the beginning of the year	97650	2.14		



	Date wise Increase /Decrease in		NO CHANGE IN THE HOLDINGS	
	Promoters Share holding during the			
	year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus/sweat equity etc):			
	At the End of the year		97650	2.14

#### V. INDEBTEDNESS

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

Indebtedness at the beginning of the financial year	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
i) Principal Amount	511885	6500000	-	7011885
ii) Interest due but not paid	-	678196	-	678196
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>511885</b>	<b>7178196</b>	<b>-</b>	<b>7690081</b>
Change in Indebtedness during the financial year				
Addition		55693134	-	55693134
Reduction	(122087)	(55693134)	-	(55815221)
Net Change	(122087)	-	-	(122087)
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	389798	6500000	-	6889798
ii) Interest due but not paid	-	678196	-	678196
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>389798</b>	<b>7178196</b>	<b>-</b>	<b>7567994</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**
**A. Remuneration to Managing Director, Whole-time Directors and/or Manager:**

Sl.No	Particular of Remuneration	Prem Chand Kankaria Managing Director	Neepa Kankaria- Executive Director	TOTAL AMOUNT
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	36,00,000	14,40,000	50,40,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	6,00,000	—	6,00,000
	(c) Profits in lieu of salary under section 17(3) Income tax Act, 1961			
2.	Stock Option	—		—
3.	Sweat Equity	—		—
4.	Commission - as % of profit - Others, specify...	—		—
5.	Others, please specify	—		—
6.	Total (A)	42,00,000	14,40,000	56,40,000
7.	Ceiling as per the Act	—		—

**B. Remuneration to other directors:**

Sl. No	Particular of Remuneration	V S N Murthy	R R Pujari	Suresh Chandra Bapna	Pushp Raj Singhvi	TOTAL AMOUNT
1.	Independent Directors Fee for attending board / committee meetings · Commission · Others, please specify	50000	50000	40000	30,000	170000
	<b>Total (1)</b>	<b>50000</b>	<b>50000</b>	<b>40000</b>	<b>30,000</b>	<b>170000</b>
	Other Non-Executive Directors · Fee for attending board / committee meetings · commission · Others, please specify	--	--	--	--	--
	Total (2)	--	--	--	--	--
	Total (B)=(1+2)	50000	50000	40000	30000	170000

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

Sl.No	Particular of Remuneration	Key Managerial Personnel			Total
		CEO	Company Secretary	CFO Mr. M. Narsimha	
1.	<b>Gross salary</b> (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s17(2) Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	--	3,00,000	8,32,500	11,32500
2.	<b>Stock Option</b>	-			
3.	<b>Sweat Equity</b>	-			
4.	<b>Commission</b> - as % of profit - others, specify...	-			
5.	<b>Others, please Specify</b>				
6.	<b>Total</b>	-	3,00,000	8,32,500	11,32500

**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)
<b>A. COMPANY</b>					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
<b>B. DIRECTORS</b>					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—
<b>C. OTHER OFFICERS IN DEFAULT</b>					
Penalty	—	—	—	—	—
Punishment	—	—	—	—	—
Compounding	—	—	—	—	—

## 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 arms length transactions under third proviso there to

**1. Details of contracts or arrangements or transactions not at arm's length basis -Nil**

- (a) Name(s) of the related party and nature of relationship
- (b) Nature of contracts/arrangements/transactions
- (c) Duration of the contracts / arrangements/transactions
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any
- (e) Justification for entering into such contracts or arrangements or transactions
- (f) Date(s) of approval by the Board
- (g) Amount paid as advances, if any:
- (h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188

**2. Details of material contracts or arrangement or transactions at arm's length basis- Nil**

- (a) Name(s) of the related party and nature of relationship: Chetanya Securities Pvt. Limited
- (b) Nature of contracts/arrangements/transactions: Common Promoter Director
- (c) Duration of the contracts / arrangements/transactions: Unsecured Loan taken by Raj Packaging Industries Limited from Chetanya Securities Pvt. Limited
- (d) Salient terms of the contracts or arrangements or transactions including the value, if any: Loan amount ₹ 65,00,000/- procured at an interest rate of 12%
- (e) Date(s) of approval by the Board, if any: Approved by Audit Committee and Board Meeting in last Financial Year
- (f) Amount of Unsecured Loan: ₹ 65,00,000/-

**READ WITH RULE 5 (1), (2) and (3) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

**Rule 5 (1) Of The Companies (Appointment And Remuneration Of Managerial Personnel) Rules, 2014**

S.No.	Particulars	Details
1.	The ratio of remuneration to each director to the median remuneration of the employees of the company for the financial year.	Mr. Prem Chand Kankaria, Managing Director of the Company to the median remuneration of the employees is 19.42:1  Ms. Neepa Kankaria, Whole-Time director of the Company to the median remuneration of the employees is 7.77:1.
2.	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Ms. Neepa Kankaria, Director- 79% Mr. Narsimha, CFO - 9%
3.	The percentage increase in the median remuneration of employees in the financial year	NIL
4.	The number of employees on the rolls of the company	28
5.	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 details if there are any exceptional circumstances for increase in the managerial remuneration	Average percentile increase of Managerial Personnel: 44% Other Employees - 8.91% Reason: Taking into consideration her qualifications, technical expertise and commitment towards her duties, the Board had decided to increase her remuneration as per the market norms.
6.	Affirmation that the remuneration is as per the remuneration policy of the company.	I, Khushboo Joshi, Company Secretary of the Company hereby affirm that the Remuneration of the KMPs of the Company is as per the Remuneration Policy of the Company.



## INDEPENDENT AUDITORS' REPORT

To

The Members of

Raj Packaging Industries Limited

### Report on the Financial Statements

We have audited the accompanying financial statements of Raj Packaging Industries Limited ("the Company"), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

### Management's Responsibility for the Financial Statements

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ("the Act") with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards (Ind AS) specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding 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 mis-statement, whether due to fraud or error.

### Auditors' 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 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 the 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 31st March, 2018, its profit including other comprehensive

income, changes in equity and its cash flows for the year ended on that date.

**Other Matter**

Opening balances have been considered based on the audited financial statements prepared under previous Generally Accepted Accounting Practices (Previous GAAP) issued by the other auditor whose un-qualified report dated 25th May, 2017 has been furnished to us. The differences arising from previous GAAP to Ind AS have been derived from such audited financial statements.

**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" attached hereto our comments on the matters specified in paragraphs 3 and 4 of the said 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, the Statement of Changes in Equity 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 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act;
  - f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in "Annexure B"; and
  - g) With respect to the other matters to be included in the Auditors' 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 the aforesaid financial statements - Refer Note 33 to the financial statements.
    - ii) The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
    - iii) There has been no delay in transferring the amount, required to be transferred, to the Investor Education and Protection Fund by the Company.

For SVP & Associates  
FRN: 003838N  
Chartered Accountants

Sd/-  
Yogesh Kumar Singhania  
Partner  
Membership No. : 111473

Place : Mumbai  
Date : 25.05.2018

**“ANNEXURE A” REFERRED TO IN PARAGRAPH 1 UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULARITY REQUIREMENTS” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF RAJ PACKAGING INDUSTRIES LIMITED**

On the basis of our examination of the books and records of the Company carried out in accordance with the auditing standards generally accepted in India and according to the information and explanations given to us, we state that:

- (i) (a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) All the fixed assets have been physically verified by the management at regular intervals during the year, which in our opinion is reasonable having regard to the size of the Company and nature of its fixed assets. According to the information and explanations given to us, no discrepancy between the book records and physical inventory was noticed on such verification.
  - (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- (ii) According to the information and explanation given to us, the management has conducted physical verification of inventory at reasonable intervals during the year. Inventory lying with third parties and in-transit have been verified by the management with reference to the confirmations received from them and/or with reference to subsequent receipt of goods. The discrepancies noticed on verification between the physical stock and book records were not material in relation to the operations of the Company and have been properly dealt with in the books of account.
- (iii) According to the information and explanations given to us, during the year, 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. Accordingly, reporting requirements of paragraph 3(iii) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, during the year, the Company has not, given any loans, made investments, issued guarantees and security in terms of Section 185 and 186 of the Act. Accordingly, reporting requirements of paragraph 3(iv) of the Order are not applicable to the Company.
- (v) In our opinion and according to the information and explanations given to us and, no deposits within the meaning of directives issued by RBI (Reserve Bank of India) and Sections 73 to 76 or any other relevant provisions of the Act and rules framed thereunder have been accepted by the Company. Accordingly, reporting requirements of paragraph 3(v) of the Order are not applicable to the Company.
- (vi) We have broadly reviewed the books of account maintained by the Company pursuant to the Rules made by the Central Government for the maintenance of cost records under Section 148(1) of the Act in respect of Company's products and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. We are, however, not required to and have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of records of the Company, amounts deducted / accrued in the books of account in respect of 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 any other statutory dues applicable, have generally been regularly deposited with the appropriate authorities. According to the information and explanations given to us there were no outstanding statutory dues as on 31st March, 2018 for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax or sales tax or service tax or duty of customs or duty of excise or value added tax or goods and service tax which have not been deposited on account of any dispute except the following:

Name of the Statute	Nature of dues	Financial Year	Amount (Rs.)	Forum where the dispute is pending
Andhra Pradesh Value Added Tax Act, 2005	Sales Tax	2003-04	70,536	Sales Tax Appellate Tribunal
Andhra Pradesh Value Added Tax Act, 2005	Sales Tax	2004-05	2,03,991	Sales Tax Appellate Tribunal

- (viii) According to the records maintained by the Company and information and explanations given to us, the Company has not defaulted in repayment of dues to a bank. The Company does not have any dues to financial institution, Government or debenture holders.
- (ix) According to the information and explanations given to us, the Company has not raised any money by way of initial public offer or further public offer (including debt instruments) during the year. In our opinion, the term loans have been applied for the purpose for which they were raised.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by the Company or on the Company by its officers or employees nor have we been informed of such case by the management.
- (xi) According to the information and explanations 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 the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act.
- (xii) The Company is not a Nidhi Company and hence, reporting under clause 3(xii) of the Order is not applicable.
- (xiii) According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the 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. (Refer Note 34 to the financial statements).
- (xiv) According to the information and explanations given to us and based on our examination of the records of the Company, during the year under review, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures. Accordingly, reporting requirement under paragraph 3(xiv) of the Order are not applicable to the Company.
- (xv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them as per the provisions of Section 192 of the Act. Accordingly, reporting requirements under paragraph 3(xv) of the Order are not applicable to the Company.
- (xvi) The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934.

For SVP & Associates  
 FRN: 003838N  
 Chartered Accountants

Sd/-

Yogesh Kumar Singhania  
 Partner

Membership No. : 111473

Place : Mumbai  
 Date : 25.05.2018

**ANNEXURE B REFERRED TO IN PARAGRAPH 2(g) UNDER THE HEADING “REPORT ON OTHER LEGAL AND REGULARITY REQUIREMENTS” OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF RAJ PACKAGING INDUSTRIES LIMITED**

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

We have audited the internal financial controls over financial reporting of M/s. **Raj Packaging Industries Limited** (“the Company”) as of March 31, 2018 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 issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company’s policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**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 on Audit of Internal Financial Controls Over Financial Reporting (the “Guidance Note”) and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the 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 unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

**Inherent Limitations of Internal Financial Controls over Financial Reporting**

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

**Opinion**

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

Place : Mumbai  
Date : 25.05.2018

For SVP & Associates  
FRN: 003838N  
Chartered Accountants

Sd/-  
Yogesh Kumar Singhania  
Partner  
Membership No. : 111473


**RAJ**
**packaging industries Ltd.**
**BALANCE SHEET AS AT 31ST MARCH 2018**
**CIN: L25209TG1987PLC007550**  
**(Rs. In lacs)**

PARTICULARS	Note No.	As at 31st March, 2018		As at 31st March, 2017		As at 1 April, 2016	
<b>ASSETS</b>							
<b>(1) NON - CURRENT ASSETS</b>							
(a) Property, Plant & Equipment	2		501.33		527.44		606.16
(b) Capital work-in-progress	3		14.61		-		-
(c) Financial assets							
(i) Other investments	4	1.53		1.36		1.06	
(ii) Deposits	5	22.97	24.50	23.83	25.19	23.83	24.89
(d) Other non-current assets	7		70.29		-		-
<b>TOTAL NON - CURRENT ASSETS</b>			<b>610.73</b>		<b>552.63</b>		<b>631.05</b>
<b>(2) CURRENT ASSETS</b>							
(a) Inventories	8		359.67		303.47		303.25
(b) Financial assets							
(i) Trade receivables	9	923.91		1,041.90		981.80	
(ii) Cash & cash equivalents	10	203.46		101.64		1.10	
(iii) Other bank balances	11	5.80		14.63		3.52	
(iv) Deposits	5	0.86		-		-	
(v) Other financial assets	6	4.47	1,138.50	5.82	1,163.99	4.65	991.07
(c) Other current assets	7		221.80		255.28		235.36
<b>TOTAL CURRENT ASSETS</b>			<b>1,719.97</b>		<b>1,722.74</b>		<b>1,529.68</b>
<b>TOTAL ASSETS</b>			<b>2,330.70</b>		<b>2,275.37</b>		<b>2,160.73</b>
<b>EQUITY AND LIABILITIES</b>							
<b>EQUITY</b>							
Equity share capital	12		456.98		456.98		456.98
Other equity			702.76		608.40		533.71
<b>TOTAL EQUITY</b>			<b>1,159.74</b>		<b>1,065.38</b>		<b>990.69</b>

<b>LIABILITIES</b>								
<b>(1) NON - CURRENT LIABILITIES</b>								
(a) Financial liabilities	13							205.12
Borrowings								3.25
(b) Provisions	14							91.93
(c) Deferred tax liabilities (net)	27							
<b>TOTAL NON - CURRENT LIABILITIES</b>								<b>300.30</b>
<b>(2) CURRENT LIABILITIES</b>								
(a) Financial liabilities	15							
(i) Borrowings								518.41
(ii) Trade payables	16							280.30
(iii) Other financial liabilities	17							37.37
(b) Other current liabilities	18							836.08
(c) Provisions	14							27.50
<b>TOTAL CURRENT LIABILITIES</b>								<b>6.16</b>
<b>TOTAL EQUITY AND LIABILITIES</b>								<b>869.74</b>
								<b>2,160.73</b>

**Significant Accounting Policies**

The accompanying notes 2 to 38 are an integral part of the Standalone financial statements

As per our report of even date

**For SVP & Associates**

FRN: 003838N

Chartered Accountants

**sd/-**  
**Yogesh Kumar Singhania**  
 Partner

Membership No.: 111473

Place : Mumbai

Date : 25-05-2018

For and on behalf of the board

**sd/-**  
**Prem Chand Kankaria**  
 Managing Director

DIN: 00062584

**sd/-**  
**M. Narsimha**  
 Chief Financial Officer

Place : Hyderabad  
 Date : 25-05-2018

**sd/-**  
**S.C. Bapna**  
 Director

DIN: 00154834

**sd/-**  
**V.S.N. Murthy**  
 Director

DIN: 00021952

**sd/-**  
**Khushboo Joshi**  
 Company Secretary

Membership No.: 27992

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>st</sup> MARCH, 2018**
**CIN: L25209TG1987PLC007550**
**Rs. In lacs**

PARTICULARS	Note No.	2017-2018		2016-2017	
<b>INCOME</b>					
Revenue from operations	19	3,830.82	3,841.91	3,861.22	3,874.30
Other income	20	11.09		13.08	
<b>EXPENDITURE</b>					
Cost of materials consumed	21	3,000.67		3,060.07	
Changes in inventories of finished goods,	22	9.27		(1.43)	
Work-in-Progress and stock-in-trade	23	156.47		137.42	
Employee benefits expenses	24	88.00		105.12	
Finance costs	2	67.69		66.37	
Depreciation	25	371.36		349.60	
Other expenses			3,693.46		3,717.15
<b>PROFIT BEFORE TAX</b>			148.45		157.15
<b>TAX EXPENSES</b>					
Current tax	27	50.74		58.41	
Deferred tax	27	(23.17)	27.57	(4.78)	53.63
<b>PROFIT AFTER TAX</b>			120.88		103.52
<b>OTHER COMPREHENSIVE INCOME</b>					
Items that will not be reclassified to profit or loss					
Fair Valuation of Investments		0.17		0.30	
Remeasurements of Defined Benefit Plans		1.17	0.97	(2.27)	(1.32)
Income tax relating to above		(0.37)		0.65	
<b>TOTAL COMPREHENSIVE INCOME</b>			121.85		102.20

<b>EARNINGS PER SHARE</b> Basic & diluted earning per share Weighted average number of equity shares outstanding (Face value of Rs. 10 each)	32		<b>2.65</b> <b>4,569,750</b>		2.27 4,569,750
<b>Significant Accounting Policies</b> The accompanying notes 2 to 38 are an integral part of the Standalone financial statements					
As per our report of even date <b>For SVP &amp; Associates</b> FRN: 003838N Chartered Accountants	<b>sd/-</b> <b>Prem Chand Kankaria</b> Managing Director DIN: 00062584	For and on behalf of the board	<b>sd/-</b> <b>V.S.N. Murthy</b> Director DIN: 00021952	<b>sd/-</b> <b>S.C. Bapna</b> Director DIN: 00154834	
<b>sd/-</b> <b>Yogesh Kumar Singhania</b> Partner Membership No.: 111473 Place : Mumbai Date : 25-05-2018	<b>sd/-</b> <b>M. Narsimha</b> Chief Financial Officer Place : Hyderabad Date : 25-05-2018		<b>sd/-</b> <b>Khushboo Joshi</b> Company Secretary Membership No.: 27992		

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH 2018**
**CIN: L25209TG1987PLC007550**
**Rs. In lacs**

PARTICULARS	2017-2018		2016-2017	
<b>A. CASH FLOW ARISING FROM OPERATING ACTIVITIES</b>		<b>148.45</b>		<b>157.15</b>
Net profit before tax				
Adjustments to reconcile profit before to tax to cashflows :				
Add :				
Depreciation	67.69		66.37	
Provision for doubtful debts	7.56		11.61	
Interest Charged	88.00		105.12	
Gain on Foreign Exchange Fluctuation (Net)	(6.28)		(6.82)	
Interest Income	(3.38)		(1.97)	
Operating Profit before working capital changes		<b>153.59</b>		<b>174.31</b>
Adjustments for :		<b>302.04</b>		<b>331.46</b>
Change in working capital				
(Increase)/decrease in inventories	(56.19)		(0.22)	
(Increase)/decrease in trade receivable	117.99		(60.10)	
(Increase)/decrease in other bank balances	8.83		(11.10)	
(Increase)/decrease in other financial assets	1.35		(1.17)	
(Increase)/decrease in other assets	(36.91)		(19.92)	
Increase/(decrease) in trade payables	90.03		(15.36)	
Increase/(decrease) in other financial liabilities	9.97		(31.18)	
Increase/(decrease) in provisions	1.31		2.48	
Increase/(decrease) in other current liabilities	(3.88)		(4.75)	
Cash generated from operations		<b>132.50</b>		<b>(141.32)</b>
Direct taxes paid (net of refund)		<b>434.54</b>		<b>190.14</b>
<b>NET CASH FLOW FROM OPERATING ACTIVITIES (A)</b>		<b>(44.86)</b>		<b>(60.68)</b>
		<b>389.68</b>		<b>129.46</b>

<b>B. CASH FLOW FROM INVESTING ACTIVITIES</b> Purchase of property, plant & equipments Interest received	(56.19) 3.38	(4.53) 1.89
<b>NET CASH USED IN INVESTING ACTIVITIES (B)</b>	<b>(52.81)</b>	<b>(2.64)</b>
<b>C. CASH FLOW FROM FINANCING ACTIVITIES</b> Repayment of long term borrowings Increase/(Decrease) in short term borrowings Interest paid Dividend & corporate dividend tax paid	(1.22) (118.34) (88.00) (27.50)	(136.22) 235.02 (97.57) (27.50)
<b>NET CASH USED IN FINANCING ACTIVITIES (C)</b>	<b>(235.06)</b>	<b>(26.27)</b>
<b>NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS (A+B+C)</b> Opening balance at beginning of the year Closing balance at end of the year	101.82 101.64 203.46	100.55 1.10 101.64
<b>Significant Accounting Policies</b> <b>The accompanying notes 2 to 38 are an integral part of the Standalone financial statements</b>		
As per our report of even date <b>For SVP &amp; Associates</b> FRN: 003838N Chartered Accountants	<b>sd/-</b> <b>Yogesh Kumar Singhania</b> Partner Membership No.: 111473 Place : Mumbai Date : 25-05-2018	<b>sd/-</b> <b>Prem Chand Kankaria</b> Managing Director DIN: 00062584
For and on behalf of the board	<b>sd/-</b> <b>V.S.N. Murthy</b> Director DIN: 00021952	<b>sd/-</b> <b>S.C. Bapna</b> Director DIN: 00154834
For and on behalf of the board	<b>sd/-</b> <b>M. Narsimha</b> Chief Financial Officer Place : Hyderabad Date : 25-05-2018	<b>sd/-</b> <b>Khushboo Joshi</b> Company Secretary Membership No.: 27992



**Statement of Changes in Equity for the year ended 31st March' 2018**

CIN: L25209TG1987PLC007550

Rs. In lacs

EQUITY SHARE CAPITAL :	Balance 1st April' 2016	Changes in equity share capital during the year	Balance as at 31st March' 2017	Balance as at 1st April' 2017	Changes in equity share capital during the year	Balance as at 31st March' 2018
Paid up capital (Refer Note 12)	456.98	-	456.98	456.98	-	456.98

**OTHER EQUITY :**

Particulars	Securities premium reserve	General reserve	Retained earnings	Other Comprehensive Income	Total
<b>Balances as at 1st April' 2016</b>	99.00	3.36	431.35		533.71
Profit for the year			103.52		
<u>Other Comprehensive Income for the year :</u>					
Remeasurements of net defined benefit plans				(2.27)	
Remeasurements of Investments				0.30	
Deferred Tax on above				0.65	
Final dividend paid including corporate dividend tax for FY 2015-16			(27.50)		
<b>Balance as at 31st March' 2017</b>	<b>99.00</b>	<b>3.36</b>	<b>507.37</b>	<b>(1.32)</b>	<b>608.41</b>
Profit for the year			<b>120.88</b>		
<u>Other Comprehensive Income for the year :</u>					
Remeasurements of net defined benefit plans				<b>1.17</b>	
Remeasurements of Investments				<b>0.17</b>	
Deferred Tax on above				<b>(0.37)</b>	
Final dividend paid including corporate dividend tax for FY 2016-17			(27.50)		
<b>Balance as at 31st March' 2018</b>	<b>99.00</b>	<b>3.36</b>	<b>600.75</b>	<b>(0.35)</b>	<b>702.76</b>

**Significant Accounting Policies.**

The accompanying notes 2 to 38 are an integral part of the Standalone financial statements

As per our report of even date

**For SVP & Associates**

FRN: 003838N

Chartered Accountants

**sd/-**

**Yogesh Kumar Singhania**

Partner

Membership No.: 111473

Place : Mumbai

Date : 25-05-2018

For and on behalf of the board

**sd/-**

**Prem Chand Kankaria**

Managing Director

DIN: 00062584

**sd/-**

**V.S.N. Murthy**

Director

DIN: 00021952

**sd/-**

**S.C. Bapna**

Director

DIN: 00154834

**sd/-**

**M. Narsimha**

Chief Financial Officer

Place : Hyderabad

Date : 25-05-2018

**sd/-**

**Khushboo Joshi**

Company Secretary

Membership No.: 27992

**RAJ PACKAGING INDUSTRIES LIMITED****CIN: L25209TG1987PLC007550****Notes to Financial Statements for the year ended 31st March, 2018****NOTE 1: SIGNIFICANT ACCOUNTING POLICIES****1.1 COMPANY OVERVIEW**

The Raj Packaging Industries Limited (the "Company") is a public limited company incorporated and domiciles in India and has its registered office at 6-3-1090/C-4, Opp. Kapadia Lane, Raj Bhavan Road, Hyderabad 500 082. It is incorporated under the Companies Act, 1956 and its shares are listed on the Bombay Stock Exchange.

The Company has got its manufacturing facility at Bibinagar Mandal, Nalgonda District, Telangana and is engaged in the manufacture of multilayer co-extruded plastic film and flexible packaging material.

**1.2 BASIS OF ACCOUNTING**

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as notified by Ministry of Corporate Affairs pursuant to section 133 of the Companies Act, 2013 read with rule 4 of the Companies (Indian Accounting standards) Rules, 2015 (hereinafter referred to as the 'Ind AS') that are notified and effective as at 31st March, 2017.

The financial statements of the Company are prepared in accordance with the Indian Generally Accepted Accounting Principal (GAAP) on accrual basis and under the historical cost convention, except for the following material items that have been measured at fair value as required by the relevant Ind AS:

- ★ Certain financial assets and liabilities are measured at Fair value (refer accounting policy on financial instruments)
- ★ Defined Benefit and other Long-term Employee Benefits,

**1.3 USE OF ESTIMATES AND JUDGEMENTS**

The preparation of the financial statements requires that the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgements used in the preparation of the financial statements are continuously evaluated by the Company and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013.

#### **1.4 PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS**

##### **Property, Plant and Equipment**

Freehold land is carried at historical cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Costs include freight, import duties, non-refundable purchase taxes and other expenses directly attributable to the acquisition of the asset.

##### **Capital Work-in-progress**

Assets which are not ready for their intended use are disclosed as Capital Work-in-Progress.

##### **Depreciation/amortisation:**

Depreciation on Fixed Assets is provided to the extent of depreciable amount on the Straight Line Method (SLM). Depreciation is provided based on useful life of the assets as prescribed in Schedule II of the Companies Act, 2013.

Individual Assets costing less than Rs. 5,000 are fully depreciated in the year of purchase.

Depreciation on assets added/sold or discarded during the year is being provided on pro-rata basis up to the date on which such assets are added/sold or discarded.

Gains/Losses on disposals/de-recognition of property, plant and equipment are determined by comparing proceeds with carrying amount and these are recognized in statement of profit & Loss.

#### **1.5 IMPAIRMENT OF NON FINANCIAL ASSETS**

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indication exists, the Company estimates the amount of impairment loss. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows from other assets or groups of assets is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the individual asset/cash generating unit is made.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

#### **1.6 REVENUE RECOGNITION**

Revenue is recognized to the extent that it is probable that the economic benefit will flow to the Company and the revenue can be measured reliably.

##### **Sale of goods:**

Revenue from the sale of goods is recognised when the significant risks and rewards of ownership of the goods have been transferred to the buyer i.e. at the time of dispatch, delivery or when the risk of loss transfers. Export sales are recognized based on the shipped-on board date as per bill of lading, which is when substantial risks and rewards of ownership are passed to the customers.

Revenue from sale of goods is net of taxes and recovery of charges collected from customers like transport, packing etc. Provision is made for returns when appropriate. Revenue is measured at the fair value of consideration received or receivable and is net of price discounts, allowance for volume rebates and similar items.

The Company adopts the Mercantile method in the preparation of the accounts. Claims / Refunds not ascertainable with reasonable certainty are accounted for, on final settlement and are recognized as revenue on certainty of receipt on prudent basis.

#### **Other Income**

Dividend income on investments is recognised when the right to receive dividend is established.

Interest income is recognized on a time proportionate basis taking into account the amounts invested and the rate of interest. For all financial instruments measured at amortised cost, interest income is recorded using the Effective interest rate method to the net carrying amount of the financial assets.

### **1.7 GOVERNMENT GRANTS**

Government grants are recognised where there is reasonable assurance that the grant will be received and all attached conditions will be complied with.

Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When the grant relates to an asset, it is recognized as income over the expected useful life of the asset.

In case a non-monetary asset is given free of cost it is recognised at a fair value. When loan or similar assistance are provided by government or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is recognized as government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.

### **1.8 INVENTORIES**

Inventories includes Raw Material, Work-in-Progress, Finished goods, Stores & spares, Consumables and Packing Materials and are valued at lower of cost and net realizable value.

Costs incurred in bringing each product to its present location and condition are accounted for as follows:

**Raw Material and Components** – Cost include cost of purchases and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using First in first out (FIFO) basis.

**Finished/Semi-Finished Goods** –Cost includes cost of direct material, labor, other direct cost and a proportion of fixed manufacturing overheads allocated based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average cost basis

**Stores, Spare Parts, Consumables, Packing Materials etc.** – cost is determined on FIFO basis.

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

Adequate allowance is made for obsolete and slow moving items.

## 1.9 FINANCIAL INSTRUMENTS

### Financial assets - Initial recognition

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

### Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- (a) the entity's business model for managing the financial assets and
- (b) the contractual cash flow characteristics of the financial asset.

#### (a) Measured at amortised cost:

A financial asset is measured at amortised cost, if it is held under the hold to collect business model i.e. held with an objective of holding the assets to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest on the principal outstanding. Amortised cost is calculated using the effective interest rate ("EIR") method by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognised to Statement of Profit and Loss.

#### (b) Measured at fair value through other comprehensive income (FVOCI):

A financial asset is measured at FVOCI, if it is held under the hold to collect and sell business model i.e. held with an objective to collect contractual cash flows and selling such financial asset and the contractual cash flows are solely payments of principal and interest on the principal outstanding. It is subsequently measured at fair value with fair value movements recognised in the OCI, except for interest income which recognised using EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in the OCI is reclassified from the equity to Statement of Profit and Loss.

#### (c) Measured at fair value through profit or loss (FVTPL):

Investment in financial asset other than equity instrument, not measured at either amortised cost or FVOCI is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

### Equity Instruments:

All investments in equity instruments classified under financial assets are subsequently measured at fair value. Equity instruments which are held for trading are measured at FVTPL.

For all other equity instruments, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an

instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised in Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in the OCI. Amounts recognised in Other Comprehensive Income (OCI) are not subsequently transferred to Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised in Statement of Profit and Loss.

### **Impairment**

The Company recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward-looking.

The Company's trade receivables or contract revenue receivables do not contain significant financing component and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12-month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL.

The impairment losses and reversals are recognised in Statement of Profit and Loss. For equity instruments and financial assets measured at FVTPL, there is no requirement for impairment testing.

### **De-recognition**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement.



In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

### **Financial Liabilities**

#### **Initial Recognition and measurement**

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Company's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts and derivative instruments.

#### **Subsequent measurement**

Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

#### **Loans & Borrowings:**

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process.

#### **De-recognition**

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

#### **Derivative financial instruments**

The Company uses derivative financial instruments, such as forward foreign exchange contracts, to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in Statement of Profit and Loss.

#### **Offsetting of financial instruments**

Financial assets and financial liabilities are offset and the net amount is reported in the Balance Sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

### **1.10 FAIR VALUE MEASUREMENT:**

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

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

measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- ★ In the principal market for the asset or liability, or
- ★ In the absence of a principal market, in the most advantageous market for the asset or liability.

The principal or the most advantageous market must be accessible by the Group.

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

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

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

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

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

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

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

#### **1.11 EMPLOYEE BENEFITS**

The Company has provides following post-employment plans:

- (a) Defined benefit plans such a gratuity and
- (b) Defined contribution plans such as Provident fund & Superannuation fund

##### **a) Defined-benefit plan:**

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The defined benefit obligations is calculated annually by actuaries through actuarial valuation using the projected unit credit method.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

(a) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and

(b) Net interest expense or income

The net interest cost is calculated by applying the discount rate to the net balance of the defined benefit obligation and fair value of plan assets. This cost is included in employee benefit expenses in the statement of the profit & loss.

Re-measurement comprising of actuarial gains and losses arising from

(a) Re-measurement of Actuarial(gains)/losses

(b) Return on plan assets, excluding amount recognized in effect of asset ceiling

(c) Re-measurement arising because of change in effect of asset ceiling

are recognised in the period in which they occur directly in Other comprehensive income. Re-measurement are not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

**b) Defined-contribution plan:**

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government, superannuation fund and certain state plans like Employees' State Insurance and Employees' Pension Scheme. The Company's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

**c) Other employee benefits:**

(a) Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation.

(b) Undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employee renders the related services.

## 1.12 LEASES

A lease is classified at the inception date as a finance lease or an operating lease. Leases under which the Company assumes substantially all the risks and rewards of ownership are classified as finance leases. When acquired, such assets are capitalized at fair value or present value of the minimum lease payments at the inception of the lease, whichever is lower. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability.

Finance charges are recognised in finance costs in the statement of profit and loss

Other leases are treated as operating leases, with payments are recognised as expense in the statement of profit & loss on a straight-line basis over the lease term.

### **1.13 FOREIGN CURRENCY TRANSACTIONS**

#### **a) Initial Recognition**

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year.

#### **b) Measurement of Foreign Currency Items at the Balance Sheet Date**

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non-monetary items are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

### **1.14 TAXES ON INCOME**

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income.

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary differences between accounting and tax treatments, and due to items that are never taxable or tax deductible. Tax provisions are included in current liabilities. Interest and penalties on tax liabilities are provided for in the tax charge. The Company offsets, the current tax assets and liabilities (on a year on year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis.

Deferred income tax is recognized using the balance sheet approach. Deferred income tax assets and liabilities are recognized for deductible and taxable temporary differences arising between the tax base of assets and liabilities and their carrying amount in financial statements. Deferred income tax asset are recognized to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilized. Deferred tax assets are not recognised where it is more likely than not that the assets will not be realised in the future.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternative Tax ('MAT') credit is recognised 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. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence

to the effect that Company will pay normal income-tax during the specified period.

#### **1.15 PROVISIONS AND CONTINGENCIES**

A provision is recognised if, as a result of a past event, the group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

A disclosure for contingent liabilities is made where there is a possible obligation or a present obligation that may probably not require an outflow of resources or an obligation for which the future outcome cannot be ascertained with reasonable certainty. When there is a possible or a present obligation where the likelihood of outflow of resources is remote, no provision or disclosure is made.

#### **1.16 CASH AND CASH EQUIVALENTS**

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

#### **1.17 CASH FLOW STATEMENT**

Cash flows are reported using the indirect method where by the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

#### **1.18 BORROWING COST**

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

#### **1.19 EARNINGS PER SHARE**

Basic EPS is arrived at based on net profit after tax available to equity shareholders to the weighted average number of equity shares outstanding during the year.

The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive.

#### **1.20 OPERATING SEGMENT**

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM).

The Company has identified its Managing Director as CODM which assesses the operational performance and position of the Company and makes strategic decisions.

**Notes to the financial statements for the year ended March 31, 2018**

Rs. In lacs

**2 Property, Plant and Equipment**

	Land Freehold	Buildings	Plant and Machinery	Electrical Equipment	Computers	Office Equipment	Furniture and Fixtures	Vehicles	Total
<b>Gross carrying amount</b>									
Balance as at 1st April 2016	1.45	138.30	761.49	49.61	0.46	0.14	0.61	9.12	961.18
Additions	-	-	2.76	-	-	1.77	-	-	4.53
Deductions/ Adjustment	-	-	16.87	-	-	-	-	-	16.87
Balance as at 31st March 2017	1.45	138.30	747.38	49.61	0.46	1.91	0.61	9.12	948.84
<b>Accumulated Depreciation</b>									
Balance as at 1st April 2016	-	52.82	280.54	20.02	0.13	0.14	0.46	0.91	355.02
Additions	-	4.13	55.08	5.64	0.15	0.46	0.03	0.88	66.37
Deductions/ Adjustment	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2017	-	56.96	335.62	25.66	0.28	0.59	0.49	1.80	421.39
Net carrying amount as at 1st April 2016	1.45	85.48	480.95	29.59	0.33	0.01	0.15	8.21	606.16
Net carrying amount as at 31st March 2017	1.45	81.34	411.75	22.95	0.18	1.32	0.12	7.32	527.44
<b>Gross carrying amount</b>									
Balance as at 31st March 2017	1.45	138.30	747.38	49.61	0.46	1.91	0.61	9.12	948.84
Additions	-	0.87	0.46	38.87	1.13	0.24	-	-	41.58
Deductions/ Adjustment	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2018	1.45	139.17	747.84	88.48	1.59	2.15	0.61	9.12	990.41
<b>Accumulated Depreciation</b>									
Balance as at 31st March 2017	-	56.96	335.62	25.66	0.28	0.59	0.49	1.80	421.39
Additions	-	4.14	55.26	6.45	0.35	0.58	0.03	0.88	67.69
Deductions/ Adjustment	-	-	-	-	-	-	-	-	-
Balance as at 31st March 2018	-	61.10	390.88	32.10	0.63	1.17	0.52	2.68	489.08
Net carrying amount as at 31st March 2017	1.45	81.34	411.75	22.95	0.18	1.32	0.12	7.32	527.44
Net carrying amount as at 31st March 2018	1.45	78.08	356.95	56.38	0.96	0.98	0.09	6.44	501.33

**NOTE:**

Refer Note 36 for assets provided as security.

**3.Capital work-in-progress**

	Balance as at 31st March 2018	Balance as at 31st March 2017	Balance as at 1st April 2016
<b>Assets under installation</b>			
Buildings	0.22	-	-
Plant and Equipment	14.39	-	-
<b>TOTAL</b>	<b>14.61</b>	-	-

**Notes to the financial statements for the year ended March 31, 2018**

	Quantity		Amount		Rs. in lacs
	31-Mar-18	31-Mar-17	1-Apr-16	31-Mar-17	1-Apr-16
<b>4 NON CURRENT INVESTMENTS</b>					
<b>OTHER INVESTMENTS QUOTED</b>					
SBI Infrastructure Fund	10,000	10,000	10,000	1.36	1.06
<b>TOTAL NON CURRENT INVESTMENTS</b>				1.36	1.06
<b>5 DEPOSITS</b>		<b>Non-Current</b>	<b>Current</b>		
	31-Mar-18	31-Mar-17	31-Mar-17	31-Mar-18	1-Apr-16
Sundry deposits	22.97	23.83	23.83	0.86	-
<b>TOTAL DEPOSITS</b>	22.97	23.83	23.83	0.86	-
<b>6 OTHER FINANCIAL ASSETS</b>		<b>Non-Current</b>	<b>Current</b>		
	31-Mar-18	31-Mar-17	31-Mar-17	31-Mar-18	1-Apr-16
Interest accrued on deposits	-	-	-	1.51	1.62
Earnest Money Deposits	-	-	-	1.50	1.50
Loan to Employees	-	-	-	1.46	1.53
<b>TOTAL OTHER FINANCIAL ASSETS</b>	-	-	-	4.47	4.65
<b>7 OTHER ASSETS</b>		<b>Non-Current</b>	<b>Current</b>		
	31-Mar-18	31-Mar-17	31-Mar-17	31-Mar-18	1-Apr-16
Capital advances	70.29	-	-	-	-
Advance to suppliers	-	-	-	55.18	4.45
Prepaid expenses	-	-	-	3.71	3.36
Other Advances	-	-	-	9.91	10.20
Power Subsidy Receivable	-	-	-	2.16	12.40
Balance with GST/Excise Authorities	-	-	-	111.22	164.24
Sales Tax Reimbursement Receivable	-	-	-	39.62	40.70
<b>TOTAL OTHER ASSETS</b>	70.29	-	-	221.80	235.35



**Notes to the financial statements for the year ended March 31, 2018**      **Rs. In lacs**

<b>8 INVENTORIES</b>	<b>As at 31-Mar-18</b>	<b>As at 31-Mar-17</b>	<b>As at 1-Apr-16</b>
(Cost or Net realisable value whichever is lower)			
Raw materials and components	<b>278.93</b>	212.63	215.10
Finished Goods	<b>17.96</b>	10.33	40.86
Work-in -Progress	<b>47.14</b>	64.05	32.09
Printing Cylinders	<b>4.98</b>	5.09	5.56
Packing materials	<b>4.66</b>	3.92	3.42
Printing Inks & Chemicals	<b>5.99</b>	7.46	6.22
<b>TOTAL INVENTORIES</b>	<b>359.67</b>	303.47	303.25

<b>9 TRADE RECEIVABLES</b>	<b>As at 31-Mar-18</b>	<b>As at 31-Mar-17</b>	<b>As at 1-Apr-16</b>
Unsecured, considered good	<b>923.91</b>	1,041.90	981.80
Unsecured, considered doubtful	<b>14.92</b>	9.85	10.34
	<b>938.83</b>	1,051.75	992.14
Less: Provision for doubtful trade receivables	<b>14.92</b>	9.85	10.34
<b>TOTAL TRADE RECEIVABLES</b>	<b>923.91</b>	1,041.90	981.80

Note: Refer note 29 and 36

<b>10 CASH AND CASH EQUIVALENTS</b>	<b>As at 31-Mar-18</b>	<b>As at 31-Mar-17</b>	<b>As at 1-Apr-16</b>
Balance with banks in current accounts	<b>202.57</b>	100.80	0.80
Cash on hand	<b>0.88</b>	0.84	0.30
<b>TOTAL CASH AND CASH EQUIVALENTS</b>	<b>203.46</b>	101.64	1.10

<b>11 OTHER BANK BALANCES</b>	<b>As at 31-Mar-18</b>	<b>As at 31-Mar-17</b>	<b>As at 1-Apr-16</b>
In Margin Money deposits	<b>2.62</b>	11.64	-
Unclaimed dividend	<b>3.18</b>	2.99	3.52
<b>TOTAL OTHER BANK BALANCES</b>	<b>5.80</b>	14.63	3.52

### Notes to the financial statements for the year ended March 31, 2018

Rs. In lacs

<b>12 EQUITY SHARE CAPITAL</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>31-Mar-18</b>	<b>31-Mar-17</b>	<b>1-Apr-16</b>
<b>AUTHORISED</b>			
50,00,000 Equity Shares of Rs. 10 each	500.00	500.00	500.00
	<u>500.00</u>	<u>500.00</u>	<u>500.00</u>
<b>ISSUED, SUBSCRIBED AND PAID UP</b>			
45,69,750 Nos. Equity Shares of Rs. 10 each Fully Paid Up	456.98	456.98	456.98
<b>TOTAL SHARE CAPITAL</b>	<u>456.98</u>	<u>456.98</u>	<u>456.98</u>

The reconciliation of the number of equity shares outstanding	As at 31-Mar-18		As at 31-Mar-17		As at 1-Apr-16	
	Numbers	Amount	Numbers	Amount	Numbers	Amount
Equity Shares at the beginning of the year	4,569,750	456.98	4,569,750	456.98	4,569,750	456.98
Equity Shares at the end of the year	4,569,750	456.98	4,569,750	456.98	4,569,750	456.98

#### Terms/rights attached to Equity shares :

The Company has only one class of issued Equity Shares having a par value of Rs. 10 per share. Each Shareholder is eligible for one vote per share held.

In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

The details of Shareholders holding more than 5% shares:

Name of the Shareholders	31-Mar-18		31-Mar-17		1-Apr-16	
	No. of Equity Shares	% of Holding	No. of Equity Shares	% of Holding	No. of Equity Shares	% of Holding
Mr. Prem Chand Kankaria (Promoter)	549,066	12.02%	532,016	11.64%	490,516	10.73%
Smt. Shyama Kankaria (Promoter Group)	246,008	5.38%	252,503	5.53%	252,503	5.53%
Mr. Madhanchand Prasanchand(Public)	763,232	16.70%	832,805	18.22%	793,511	17.36%
M/s. Chetanya Securities Private Limited (Promoter Group)	384,359	8.41%	384,359	8.41%	337,359	7.38%

#### In the Period of five years immediately preceding March, 2018:

The Company has not allotted any equity shares as fully paid up without payment being received in cash or as Bonus Shares or Bought back any equity shares.

#### Proposed Dividend:

The Board of directors have recommended the payment of a final dividend of Rs 0.50 per fully paid up equity share (March 31, 2017 - Rs. 0.50). The proposed dividend is subject to the approval of shareholders in the ensuing annual general meeting.

**Notes to the financial statements for the year ended March 31, 2018**
**13 BORROWINGS**

Rs. In lacs

	31-Mar-18	Non-Current 31-Mar-17	1-Apr-16
<b>SECURED</b>			
Term loan from a bank (Repayable originally in 60 equal monthly installments) (Rate of Interest 9.75% p.a., Previous Year 9.75% p.a.) Less: Current Maturities (Note 17 )	3.90	5.12	6.22
<b>UNSECURED</b>			
Loan from a Related Party (Repayable within 36 months) (Rate of Interest 12% p.a., Previous Year 14% p.a.)	1.35	1.22	1.10
	65.00	65.00	200.00
<b>TOTAL BORROWINGS</b>	<b>67.55</b>	<b>68.90</b>	<b>205.12</b>

**14 PROVISIONS**

	31-Mar-18	Non-Current 31-Mar-17	1-Apr-16
Provision for Income Tax (Net of Advance Tax and TDS of Rs. 131.35 lacs; Previous Year Rs. 91.29 lacs) Gratuity (Refer Note 35)	-	-	-
	4.96	4.31	3.25
<b>TOTAL PROVISIONS</b>	<b>4.96</b>	<b>4.31</b>	<b>3.25</b>

**15 BORROWINGS**
**SECURED**
**Working Capital Loans:**

 From Banks (Cash credit account  
(Rate of Interest 10.40% p.a. - 12.40 % p.a.,  
Previous Year 13.05 % - 12.65% p.a.)  
(Refer Note 29, 30 and 36)

	31-Mar-18	Current 31-Mar-17	1-Apr-16
	8.52	2.63	2.19
	5.96	4.94	3.97
<b>TOTAL PROVISIONS</b>	<b>14.48</b>	<b>7.57</b>	<b>6.16</b>
<b>SECURED</b>			
<b>Working Capital Loans:</b>			
From Banks (Cash credit account (Rate of Interest 10.40% p.a. - 12.40 % p.a., Previous Year 13.05 % - 12.65% p.a.) (Refer Note 29, 30 and 36)	635.09	753.43	518.41
	635.09	753.43	518.41
<b>TOTAL TRADE PAYABLES</b>	<b>354.97</b>	<b>264.94</b>	<b>280.30</b>
	354.97	264.94	280.30

**16 TRADE PAYABLES**

 Micro, small and medium enterprises  
 Others

**TOTAL TRADE PAYABLES**
**Note:**

The Company does not have any dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act').

**Notes to the financial statements for the year ended March 31, 2018**
**Rs. In lacs**

<b>17 OTHER FINANCIAL LIABILITIES</b>	<b>As at 31-Mar-18</b>	<b>As at 31-Mar-17</b>	<b>As at 1-Apr-16</b>
Current maturities of long-term debt	1.35	1.22	1.10
Interest accrued but not due on borrowings	6.78	-	7.58
Payables towards property, plant & equipments	5.10	2.10	25.17
Unclaimed dividend	3.18	2.99	3.52
<b>TOTAL OTHER FINANCIALS LIABILITIES</b>	<b>16.41</b>	<b>6.30</b>	<b>37.37</b>
<b>18 OTHER CURRENT LIABILITIES</b>	<b>As at 31-Mar-18</b>	<b>As at 31-Mar-17</b>	<b>As at 1-Apr-16</b>
Advances from customers	5.64	0.81	3.41
Statutory dues	8.53	16.00	20.57
Printing Cylinder deposits	-	1.23	3.52
<b>TOTAL OTHER CURRENT LIABILITIES</b>	<b>14.17</b>	<b>18.04</b>	<b>27.50</b>

**Notes to the financial statements for the year ended March 31, 2018**
**Rs. In lacs**

19 REVENUE FROM OPERATIONS	2017 - 2018	2016 - 2017
<b>Sale of Products</b>		
Manufactured Products	3,830.82	3,859.29
<b>Other operating income</b>		
Duty Drawback	-	1.94
<b>TOTAL REVENUE FROM OPERATIONS</b>	<u>3,830.82</u>	<u>3,861.22</u>
20 OTHER INCOME	2017 - 2018	2016 - 2017
Interest Income	3.38	1.97
(Increase)/Decrease of Excise Duty on Finished Goods	1.43	4.29
Foreign currency exchange fluctuation (net)	6.28	6.82
<b>TOTAL OTHER INCOME</b>	<u>11.09</u>	<u>13.08</u>
21 COST OF MATERIALS CONSUMED	2017 - 2018	2016 - 2017
Cost of raw materials consumed	3,000.67	3,060.07
<b>TOTAL COST OF MATERIALS</b>	<u>3,000.67</u>	<u>3,060.07</u>
22 CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI FINISHED GOODS & STOCK-IN-TRADE	2017 - 2018	2016 - 2017
<b>Inventories at the beginning of the year</b>		
Finished goods	10.33	40.86
Work in Progress	64.05	32.09
	<u>74.38</u>	<u>72.95</u>
<b>Inventories at the end of the year</b>		
Finished goods	17.96	10.33
Work in Progress	47.14	64.05
	<u>65.10</u>	<u>74.38</u>
<b>Change in inventories</b>	9.27	(1.43)
<b>TOTAL CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS &amp; STOCK-IN-TRADE</b>	<u>9.27</u>	<u>(1.43)</u>
EMPLOYEE BENEFITS EXPENSES	2017 - 2018	2016 - 2017
Salaries and wages	129.53	119.67
Contribution to provident & other fund	16.53	9.06
Staff welfare expenses	10.41	8.70
<b>TOTAL EMPLOYEE BENEFITS EXPENSES</b>	<u>156.47</u>	<u>137.42</u>

Rs. In lacs

<b>24 FINANCE COSTS</b>	<b>2017 - 2018</b>	<b>2016 - 2017</b>
Interest Expenses on		
- Term Loan (Car Loan)	<b>0.46</b>	0.58
- Cash Credit	<b>48.12</b>	63.98
- Unsecured Loans	<b>25.35</b>	30.61
- Others	<b>0.62</b>	0.09
- Delayed payment of Income Tax	<b>0.05</b>	1.65
Other Borrowing Costs (Bank Charges)	<b>13.40</b>	8.21
	<b>88.00</b>	105.12
<b>TOTAL FINANCE COSTS</b>	<b>88.00</b>	105.12
<b>25 OTHER EXPENSES</b>	<b>2017 - 2018</b>	<b>2016 - 2017</b>
<u>Manufacturing Expenses</u>		
Packing Material Consumed	<b>34.61</b>	32.02
Inks & Chemicals Consumed	<b>54.58</b>	54.01
Stores & Spares Consumed	<b>27.56</b>	23.32
Power & Fuel	<b>153.50</b>	148.72
Job Work Charges	<b>7.11</b>	4.02
Repairs & Maintenance:		
-Plant & Machinery	<b>8.83</b>	10.24
-Others (Building)	<b>9.44</b>	1.68
Printing Cylinder Charges	<b>4.06</b>	5.72
<u>Administration and Other Expenses</u>		
Auditors' Remuneration	<b>1.25</b>	1.26
Legal & Professional Expenses	<b>3.49</b>	3.27
Directors' Sitting Fees	<b>1.70</b>	1.80
Insurance (Net)	<b>3.17</b>	2.98
Office Rent	<b>2.16</b>	2.16
Rates & Taxes	<b>2.22</b>	1.79
Telephone, Postage & Telegram	<b>2.18</b>	2.52
Provision for Bad Debts	<b>5.07</b>	7.88
Provision for Loans & Advances	<b>2.49</b>	-
Freight & Forwarding Expenses	<b>28.26</b>	26.21
Discount, Rebate & Rejections (Net)	<b>5.40</b>	3.73
Misc. Expenses	<b>14.29</b>	16.27
<b>TOTAL OTHER EXPENSES</b>	<b>371.36</b>	349.60

## Notes to the financial statements for the year ended March 31, 2018

### 26 FIRST-TIME ADOPTION OF IND AS

The Company has adopted Indian Accounting Standards (Ind AS) as notified by the Ministry of Corporate Affairs with effect from April 1st, 2017, with a transition date of April 1st, 2016. The adoption of Ind AS has been carried out in accordance with Ind AS 101, First-time Adoption of Indian Accounting Standards. Ind AS 101 requires that all Ind AS standards and interpretations that are issued and effective for the first Ind AS financial statements for the year ended 31st March, 2018, be applied retrospectively and consistently for all financial years presented. However, in preparing these Ind AS financial statements, the Company has availed of certain exemptions and exceptions in accordance with Ind AS 101, as explained below. The resulting difference between the carrying values of the assets and liabilities in the financial statements as at the transition date under Ind AS and Previous GAAP have been recognised directly in equity (retained earnings or another appropriate category of equity).

Set out below are the applicable Ind AS 101 optional exemptions and mandatory exceptions applied in the transition from previous GAAP to Ind AS.

#### **A. Optional Exemptions**

##### **(a) Deemed Cost**

Ind AS 101 permits to measure all its property, plant & equipment at their previous GAAP carrying value i.e. being deemed cost represented by Gross Block reduced by accumulated depreciation on April 1st, 2016.

#### **B. Mandatory Exceptions**

##### **(a) Estimates**

An entity's estimates in accordance with Ind AS at the date of transition to Ind AS shall be consistent with estimates made for the same date in accordance with previous GAAP (after adjustments to reflect any difference in accounting policies).

IND AS estimates as at April 1st, 2016 are consistent with the estimates as at the same date made in conformity with previous GAAP. The Company made estimates for following items in accordance with Ind AS at the date of transition as these were not required under previous GAAP:-

Investment in equity instruments carried at FVTPL or FVOCI; and  
 Impairment of financial assets based on expected credit loss model.

##### **(b) Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification and measurement of financial assets on the basis of the facts and circumstances that exist at the date of transition to Ind AS.

#### **C. Transition to Ind AS - Reconciliations**

The following reconciliations provide a quantification of the effect of significant differences arising from the transition from previous GAAP to Ind AS in accordance with Ind AS 101:



- I. Reconciliation of Balance sheet as at April 1st, 2016 and March 31, 2017
- II. Reconciliation of Statement of Profit and Loss for the year ended March 31, 2017
- III. Reconciliation of Equity as at April 1st, 2016 and March 31, 2017
- The presentation requirements under Previous GAAP differs from Ind AS and hence Previous GAAP information has been regrouped for ease of reconciliation with Ind AS. The Regrouped Previous GAAP information is derived from the Financial Statements of the Company prepared in accordance with Previous GAAP.
- I Reconciliation of Balance sheet as at April 1st, 2016 and March 31, 2017** Rs. In lacs

Refer note below	As At 31-Mar-17 (Previous GAAP)	Ind AS Adjustments	As At 31-Mar-17 (IND AS)	As At 1-Apr-16 (Previous GAAP)	Ind AS Adjustments 1-Apr-16	As At 1-Apr-16 (IND AS)
<b>ASSETS</b>						
<b>(1) NON - CURRENT ASSETS</b>						
(a) Property, Plant & Equipment	527.44	-	527.44	606.16	-	606.16
(b) Financial assets						
(i) Other investments	1.00	0.36	1.36	1.00	0.06	1.06
(ii) Deposits	23.83	-	23.83	23.83	-	23.83
<b>TOTAL NON - CURRENT ASSETS</b>	<b>552.27</b>	<b>0.36</b>	<b>553</b>	<b>630.99</b>	<b>0.06</b>	<b>631.05</b>
<b>(2) CURRENT ASSETS</b>						
(a) Inventories	303.47	-	303.47	303.25	-	303.25
(b) Financial assets						
(i) Trade receivables	1,041.90	-	1,041.90	981.80	-	981.80
(ii) Cash & cash equivalents	101.64	-	101.64	1.10	-	1.10
(iii) Other bank balances	14.63	-	14.63	3.52	-	3.52
(iv) Other financial assets	5.82	-	5.82	4.65	-	4.65
(c) Other current assets	255.28	-	255.28	235.36	-	235.36
<b>TOTAL CURRENT ASSETS</b>	<b>1,722.74</b>	<b>-</b>	<b>1,722.74</b>	<b>1,529.68</b>	<b>-</b>	<b>1,529.68</b>
<b>TOTAL ASSETS</b>	<b>2,275.01</b>	<b>0.36</b>	<b>2,275.37</b>	<b>2,160.67</b>	<b>0.06</b>	<b>2,160.73</b>

<b>EQUITY AND LIABILITIES</b>						
<b>EQUITY</b>						
Equity share capital	456.98	-	456.98	456.98	-	456.98
Other equity	581.43	26.97	608.40	508.33	25.38	533.71
<b>TOTAL EQUITY</b>	<b>1,038.41</b>	<b>26.97</b>	<b>1,065.38</b>	<b>965.31</b>	<b>25.38</b>	<b>990.69</b>
<b>LIABILITIES</b>						
<b>(1) NON - CURRENT LIABILITIES</b>						
(a) Financial liabilities						
(i) Borrowings	68.90	-	68.90	205.12	-	205.12
(b) Provisions	4.31	-	4.31	3.25	-	3.25
(c) Deferred tax liabilities (net)	88.59	(2.10)	86.49	94.82	(2.89)	91.93
<b>TOTAL NON - CURRENT LIABILITIES</b>	<b>161.80</b>	<b>(2.10)</b>	<b>159.70</b>	<b>303.19</b>	<b>(2.89)</b>	<b>300.30</b>
<b>(2) CURRENT LIABILITIES</b>						
(a) Financial liabilities						
(i) Borrowings	753.43	-	753.43	518.41	-	518.41
(ii) Trade payables	264.94	-	264.94	280.30	-	280.30
(iii) Other financial liabilities	6.30	-	6.30	37.37	-	37.37
(b) Other current liabilities	18.05	-	18.05	27.50	-	27.50
(c) Provisions	32.09	(24.51)	7.56	28.59	(22.43)	6.16
(d) Income tax liabilities (net)						
<b>TOTAL CURRENT LIABILITIES</b>	<b>1,074.81</b>	<b>(24.51)</b>	<b>1,050.29</b>	<b>892.17</b>	<b>(22.43)</b>	<b>869.74</b>
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>2,275.01</b>	<b>0.36</b>	<b>2,275.37</b>	<b>2,160.67</b>	<b>0.06</b>	<b>2,160.73</b>

<b>II Reconciliation of Statement of Profit and Loss for the year ended March 31, 2017</b>		Rs. In lacs
	Refer note below	Ind AS (Previous GAAP) Adjustments (IND AS)
<b>INCOME</b>		
Revenue from operations		3,861.22
Other income		13.08
<b>TOTAL INCOME</b>		<b>3,874.30</b>
<b>EXPENDITURE</b>		
Cost of materials consumed		3,060.07
Changes in inventories of finished goods, work-in-progress and traded goods		(1.43)
Employee benefits expenses	<b>2</b>	141.79
Finance costs		105.12
Depreciation and amortisation expense		66.37
Other expenses		349.60
<b>TOTAL EXPENSES</b>		<b>3,721.52</b>
<b>PROFIT BEFORE TAX</b>		<b>152.79</b>
<b>TAX EXPENSES</b>		
Current tax		58.41
Deferred tax		(6.23)
<b>PROFIT AFTER TAX</b>		<b>100.61</b>
<b>OTHER COMPREHENSIVE INCOME</b>		
Items that will not be reclassified to profit or loss		
Fair Valuation of Investments		-
Remeasurements of net defined benefit plans	<b>2</b>	(2.27)
Income tax on above	<b>4</b>	0.65
<b>TOTAL COMPREHENSIVE INCOME</b>		<b>100.61</b>
		<b>1.60</b>
		<b>102.21</b>

III <u>Reconciliation of Equity</u>	As At 31-Mar-17	As At 1-Apr-16
<b>Total equity under previous GAAP</b>	<b>1,038</b>	<b>965</b>
<b>Adjustments impact: Gain/ (Loss)</b>		
Reversal of proposed ordinary dividends payable	1      27.50	27.50
Deferred Tax	4      1.23	1.23
Fair Valuation of Investments recognised through OCI	3      0.36	0.06
Actuarial gain/(loss) in Employee defined benefit plans recognized in OCI	2      (2.98)	(3.40)
Tax impact on above adjustments	4      0.86	(0.02)
<b>Total IND AS adjustment</b>	<b>26.98</b>	<b>25.38</b>
<b>Total equity under Ind AS</b>	<b>1,065.38</b>	<b>990.69</b>

**Notes to first time adoption**

**Note 1: Proposed Dividend**

Under the previous GAAP, dividend proposed by the board of directors after the balance sheet date but before the approval of the financial statements were considered as subsequent events. Accordingly, provision for proposed dividend including dividend distribution tax was recognised as liability. Under Ind AS, such dividends are recognised when the same is approved by the shareholders in the general meeting.

**Note 2: Remeasurements of post employment benefit obligations**

Under the previous GAAP, cost relating to post employment benefit obligations including actuarial gain/losses were recognised in Profit & Loss. Under Ind AS, actuarial gain/losses on the net defined benefit liability are recognised in other comprehensive income instead of profit & loss.

**Note 3: Fair Valuation of Investments**

Under previous GAAP, investment in equity instruments were classified into long term and current investments. Long term investments were carried at cost less provision other than temporary in nature. Current investments were carried at lower of cost or fair value. Under Ind AS, these investments are required to be measured at fair value either through OCI (FVTOCI) or through Profit & loss (FVTPL). The company has opted to fair value these investments through OCI (FVTOCI). Accordingly, resulting fair value change of these investments have been recognised in retained earnings as at the date of transition and subsequently in OCI for the year ended March 31, 2017.

**Note 4: Deferred taxes**

Under previous GAAP, deferred taxes were recognised based on Profit & loss approach i.e. tax impact on difference between the accounting income and taxable income. Under Ind AS, deferred tax is recognised by following balance sheet approach i.e. tax impact on temporary difference between the carrying value of asset and liabilities in the books and their respective tax base.

Rs. In lacs

**Notes to the financial statements for the year ended March 31, 2018**
**27 INCOME TAXES**
**a) Tax expense recognised in the statement of Profit and Loss:**

	2017-18	2016-17
<b>Current tax</b>		
Current year	50.74	58.41
<b>Total current tax</b>	<u>50.74</u>	<u>58.41</u>
<b>Deferred tax</b>		
Origination and reversal of temporary differences	(23.17)	(4.78)
<b>Total deferred income tax expense/(credit)</b>	<u>(23.17)</u>	<u>(4.78)</u>
<b>Total income tax expense/(credit)</b>	<u>27.57</u>	<u>53.63</u>

**b) A reconciliation of the income tax amount between the enacted income tax rate and the effective income tax of the Company is as follows :**

	2017-18	2016-17
Enacted income tax rate in India	27.55	33.06
Profit before tax	148.45	157.15
Income tax as per above rate	40.90	51.96
Adjustments:		
Expenses not deductible for tax purposes	-	0.32
Tax due to change in tax rate	(13.33)	-
Others	-	1.34
<b>Income tax as per profit and loss statement</b>	<u>27.57</u>	<u>53.63</u>

**c) The movement in deferred tax assets and liabilities during the year ended March 31, 2017 and March 31, 2018: Movement during the year ended March 31, 2016 and March 31, 2017**

	As at 1st April, 2016	(Credit)/charge in statement of Profit and Loss	As at 31st March, 2017	(Credit)/charge in statement of Profit and Loss	As at 31st March, 2018
<b>Deferred tax (assets)/liabilities</b>					
Depreciation	99.85	(5.03)	94.83	(22.08)	72.75
Provision for Bad and doubtful Debts	(3.29)	(1.20)	(4.49)	(1.33)	(5.82)
Disallowances under Income Tax Act, 1961	(4.64)	0.79	(3.85)	0.24	(3.60)
<b>Total</b>	<u>91.93</u>	<u>(5.44)</u>	<u>86.49</u>	<u>(23.17)</u>	<u>63.32</u>

**Notes to the financial statements for the year ended March 31, 2018**
**Rs. In lacs**
**28 FINANCIAL INSTRUMENTS**

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

- Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.
- Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.
- Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

**The carrying amounts and fair values of financial instruments by category are as follows:**

	Instruments carried at fair value		Instruments carried at amortized cost				
	At Cost	FVTOCI	Carrying amount	Total carrying amount (A+B) <sup>ii</sup>			
	Note			Total fair value			
<b>As at 1st April, 2016</b>							
Other investments	4	-	1.06	-	1.06	Level1	1.06
Deposits	5	-	-	23.83	23.83		23.83
Trade receivables	9	-	-	981.80	981.80		981.80
Cash & cash equivalents	10	-	-	1.10	1.10		1.10
Other bank balances	11	-	-	3.52	3.52		3.52
Other financial assets	6	-	-	4.65	4.65		4.65
<b>Total</b>		-	<b>1.06</b>	<b>1,014.90</b>	<b>1,015.96</b>		<b>1,015.96</b>
<b>As at 31st March, 2017</b>							
Other investments	4	-	1.36	-	1.36		1.36
Deposits	5	-	-	23.83	23.83		23.83
Trade receivables	9	-	-	1,041.90	1,041.90		1,041.90
Cash & cash equivalents	10	-	-	101.64	101.64		101.64
Other bank balances	11	-	-	14.63	14.63		14.63
Other financial assets	6	-	-	5.82	5.82		5.82
<b>Total</b>		-	<b>1.36</b>	<b>1,187.82</b>	<b>1,189.18</b>		<b>1,189.18</b>

		Rs. In lacs			
<b>As at 31st March, 2018</b>					
Other investments	4	-	1.53	-	1.53
Deposits	5	-	-	23.83	23.83
Trade receivables	9	-	-	923.91	923.91
Cash & cash equivalents	10	-	-	203.46	203.46
Other bank balances	11	-	-	5.80	5.80
Other financial assets	6	-	-	4.47	4.47
<b>Total</b>		-	<b>1.53</b>	<b>1,161.47</b>	<b>1,163.00</b>
<b>b. Financial liabilities</b>					
	<b>Note</b>	<b>FVTPL</b>	<b>Instruments carried at fair value Total carrying amount and fair value</b>	<b>Carrying amount</b>	<b>Instruments carried at amortized cost Total carrying amount Fair value</b>
<b>As at 1st April, 2016</b>					
Borrowings	13, 15	-	-	723.53	723.53
Trade payables	16	-	-	280.30	280.30
Other financial liabilities	17	-	-	37.37	37.37
<b>Total</b>		-	-	<b>1,041.20</b>	<b>1,041.20</b>
<b>As at 31st March, 2017</b>					
Borrowings	13, 15	-	-	822.33	822.33
Trade payables	16	-	-	264.94	264.94
Other financial liabilities	17	-	-	6.30	6.30
<b>Total</b>		-	-	<b>1,093.57</b>	<b>1,093.57</b>
<b>As at 31st March, 2018</b>					
Borrowings	13, 15	-	-	702.63	702.63
Trade payables	16	-	-	354.97	354.97
Other financial liabilities	17	-	-	16.41	16.41
<b>Total</b>		-	-	<b>1,074.01</b>	<b>1,074.01</b>



**Notes to the financial statements for the year ended March 31, 2018**

**Rs. In lacs**

**29 RISKMANAGEMENT**

**Financial risk management objectives and policies**

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's activity expose it to market risk, liquidity risk , commodity risk and credit risk. In order to minimise any adverse effects on the financial performance of the Company, the Company evaluates various options and may enter into derivative financial instruments like foreign exchange forward contracts, foreign currency option contracts in order to hedge certain foreign currency risk exposures and interest rate swaps to hedge variable interest rate exposures. Derivatives, if entered into, are used exclusively for hedging purposes and not as trading or speculative instruments. The Company's financial risk management policy is set by the Managing Director and governed by overall direction of Board of Directors of the Company.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits , foreign currency receivables, payables and loans and borrowings.

<b>S.No.</b>	<b>Risk</b>	<b>Exposure arising from</b>	<b>Measurement</b>	<b>Management Steps</b>
A	Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	Ageing analysis Credit ratings	Credit limits and letters of credit and Performance guarantees.
B	Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
C	Market risk – foreign exchange	Future commercial transactions recognised financial assets and liabilities not denominated in INR.	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts
D	Commodity risk	Purchase of Raw Material	Fluctuation of Crude Price, Plastic Polymers and Currency rates	Procurement and inventory strategy

#### **A. CREDIT RISK**

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forward-looking information such as:

- i) Actual or expected significant adverse changes in business
- ii) Actual or expected significant changes in the operating results of the counterparty
- iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations
- iv) Significant increase in credit risk on other financial instruments of the same counterparty

The company categorises financial assets based on the assumptions, inputs and factors specific to the class of financial assets into High-quality assets, negligible credit risk; Quality assets, low credit risk; Standard assets, moderate credit risk; Substandard assets, relatively high credit risk; Low quality assets, very high credit risk; Doubtful assets, credit-impaired.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than one year past due. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

**Provision for expected credit losses:**

		Basis for recognition of expected credit loss provision		
		Category	Investments	Loans and deposits
Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	High-quality assets, negligible credit risk	12 month expected credit losses	12 month expected credit losses	Life time expected credit losses (simplified approach)
	Quality assets, low credit risk			
Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past	Standard assets, moderate credit risk	Life-time expected credit losses	Life-time expected credit losses	Asset is written off
	Substandard assets, relatively high credit risk			
Assets where there has been a significant increase in credit risk since initial recognition. Assets where the payments are more than 365 days past due	Low quality assets, very high credit risk			Asset is written off
	Doubtful assets, credit-impaired			
Assets where there is a high probability of default. In general, assets where contractual payments are more than 730 days past due are categorised as low quality assets. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 730 days past due				
Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the company. Where loans or receivables have been written off, the company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.				

**Expected credit loss for security deposits and investments:** Rs. In lacs

**As at 31st March' 2018**

Particulars	Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Security deposits	23.83	-	-	23.83
Loss allowance measured at life-time expected credit losses	NA	-	-	-	-

**As at 31st March' 2017**

Particulars	Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Security deposits	23.83	-	-	23.83
Loss allowance measured at life-time expected credit losses	NA	-	-	-	-

As at 1st April' 2016 Rs. In lacs

Particulars	Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Security deposits	23.83	-	-	23.83
Loss allowance measured at life-time expected credit losses	NA	-	-	-	-

**a. Expected credit loss for trade receivables under simplified approach**

Due from the date of invoice	As at 31st March'18	As at 31st March'17	As at 1st April'16
0-12 months	884.33	1,009.06	945.33
12-24 months	8.76	9.22	14.32
beyond 24 months	30.82	23.62	22.15
<b>Total</b>	<b>923.91</b>	<b>1,041.90</b>	<b>981.80</b>

**b. Reconciliation of loss allowance provision - Trade receivables**

	As at 31st March'18	As at 31st March'17	As at 1st April'16
<b>Opening provision</b>	<b>9.85</b>	<b>10.34</b>	<b>12.89</b>
Additional provision made / (utilised)	5.07	(0.50)	(2.55)
<b>Closing provisions</b>	<b>14.92</b>	<b>9.85</b>	<b>10.34</b>

**LIQUIDITY RISK**

**B.** Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

**Financing arrangements**
**Rs. In lacs**

The Company had access to following undrawn Borrowing facilities at end of reporting period which could be used by the Management to mitigate its Liquidity Risk:

Particulars	As at 31st March '18	As at 31st March '17	As at 1st April '16
Drawing Power	853.39	855.19	647.48
Amount utilised	624.66	738.20	495.79
<b>Undrawn Limits available</b>	<b>228.73</b>	<b>117.00</b>	<b>151.69</b>

**Contractual maturity patterns of borrowings**

	As at 31st March '18		
	0-1 years	1-5 years	Total
Long term borrowings (Including current maturity of long term debt)	1.35	67.55	68.90
Short term borrowings	635.09	-	635.09
<b>Total</b>	<b>636.43</b>	<b>67.55</b>	<b>703.98</b>

	As at 31st March '17		
	0-1 years	1-5 years	Total
Long term borrowings (Including current maturity of long term debt)	1.22	68.90	70.12
Short term borrowings	753.43	-	753.43
<b>Total</b>	<b>754.65</b>	<b>68.90</b>	<b>823.55</b>

	As at 1st April '16		
	0-1 years	1-5 years	Total
Long term borrowings (Including current maturity of long term debt)	1.10	205.12	206.22
Short term borrowings	518.41	-	518.41
<b>Total</b>	<b>519.51</b>	<b>205.12</b>	<b>724.63</b>

**Contractual maturity patterns of Financial Liabilities**

As at 31st March '18	As at 31st March '17		As at 1st April '16		Rs. In lacs
	0-12 Months		0-12 Months		
Trade Payables	354.97		264.94		280.30
Payable related to Capital goods	5.10		2.10		25.17
Other Financial liabilities including derivative financial liabilities	9.95		2.99		11.10
<b>Total</b>	<b>370.03</b>		<b>270.03</b>		<b>316.57</b>

**C. MARKET RISK-FOREIGN CURRENCY RISK.**

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales and services in overseas and purchases from overseas suppliers in various foreign currencies. Exports of the company are significantly lower in comparison to its imports. Foreign currency exchange rate exposure is partly balanced by exports of goods and prudent hedging policy.

**Foreign Currency Exposure**

Name of the Instrument	2017 - 2018		2016 - 2017	
	In US\$	Rs.	In US\$	Rs.
Open Foreign Exchange Exposures - Payable	3.81	247.95	2.34	151.64

**Foreign Currency Risk Sensitivity**

A change of 1% in Foreign currency would have following Impact on profit before tax:

Particulars of Currency	2017 - 2018		2016 - 2017	
	1% Increase	1% decrease	1% Increase	1% decrease
USD	2.48	(2.48)	(1.52)	1.52
Increase / (decrease) in profit or loss	2.48	(2.48)	(1.52)	1.52



The Company enjoys natural hedge to the extent of: a) Exports effected and b) Inventory held (being sensitive to exchange rate fluctuations). Although the Company believes that these derivatives constitute hedges from a economic prospective, they might not qualify for hedge accounting under Ind AS 109.

**E** COMMODITY RISK

Principal Raw Material for Company's products is variety of plastic polymers which are primarily Derivatives of Crude Oil. Company sources its raw material requirement from across the globe. Domestic market prices are also generally remains in sync with international market price scenario.

Volatility in Crude Oil prices, Currency fluctuation of Rupee vis-à-vis other prominent currencies coupled with demand-supply scenario in the world market affect the effective price and availability of polymers for the Company. Company effectively manages deals with availability of material as well as price volatility through:

1. Widening its sourcing base
2. Appropriate contracts and commitments
3. Well planned procurement & inventory strategy and
4. Prudent hedging policy on foreign currency exposure

Risk committee of the Company comprising members from Board of Directors and operations has developed and enacted a risk management strategy regarding commodity Price risk and its mitigation.

**30 Capital risk management**

A The Company's objectives when managing capital are to

- ★ safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders
- ★ maintain an optimal capital structure to reduce the cost of capital

The Company monitors capital on the basis of the following debt equity ratio:

	31 March, 2018	31 March, 2017	1 April, 2016
Net Debt	67.55	68.90	205.12
Total Equity	1,159.73	1,065.38	990.69
<b>Net Debt to Total Equity</b>	<b>0.06</b>	0.06	0.21

Company believes in conservative leverage policy. Its debt equity ratio is significantly lower than the industry average.

Company's moderate capex plan over the medium term shall be largely funded through internal accruals and term loans from banks

**Loan covenants**

In respect of term loan, the Company is required to comply with the following financial covenants:

Particulars	Covenants
Current Ratio	1.39x
Total Debt Gearing Ratio	1.54x
Interest Coverage Ratio	3.20x

The Company has complied with these covenants throughout the reporting period.

B The Company follows the policy of Dividend for every financial year as may be decided by Board considering financial performance of the company and other internal and external factors enumerated in the Company dividend policy. As per the dividend policy, generally the Company maintains a dividend pay-out ratio (including present Dividend Distribution tax) in the range of 20%-25% of net profit (PAT) and 5%-10% of Equity Share Capital.

**Notes to the financial statements for the year ended March 31, 2018**
**31 DISCLOSURE PURSUANT TO IND AS - 19 “EMPLOYEE BENEFITS”**

i) **Gratuity:** In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan (“The Gratuity Plan”) covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Company makes annual contribution to the gratuity fund administered by life Insurance Companies under their respective Group Gratuity Schemes.

The disclosure in respect of the defined Gratuity Plan are given below:

Rs. In lacs

**A. Balance Sheet**
**Defined benefit plans**

	<b>As at 31st March, 2018</b>	<b>As at 31st March, 2017</b>	<b>Asat 1st April, 2016</b>
Present value of plan liabilities	<b>34.65</b>	24.41	17.93
Fair value of plan assets	<b>23.73</b>	15.15	10.71
<b>Asset/(Liability) recognised</b>	<b>(10.92)</b>	(9.26)	(7.22)

**B. Movements in plan assets and plan liabilities**

	<u>Present value of obligations</u>	<u>Fair Value of Plan assets</u>
<b>As at 1st April 2017</b>	<b>24.41</b>	<b>15.15</b>
Current service cost	<b>8.36</b>	-
Past service cost	<b>1.81</b>	-
OB Difference	-	<b>0.97</b>
Investment Income	-	<b>1.19</b>
Return on plan assets excluding amounts included in net finance income/cost	-	<b>0.28</b>
Actuarial (gain)/loss arising from Others	<b>0.07</b>	-
Employer contributions	-	<b>6.20</b>
Expenses	-	<b>(0.06)</b>
<b>As at 31st March 2018</b>	<b>34.45</b>	<b>23.73</b>

	<u>Present value of obligations</u>	<u>Rs. In lacs Fair Value of Plan assets</u>
<b>As at 1st April 2016</b>	<b>17.93</b>	<b>10.71</b>
Current service cost	2.65	-
Past service cost	1.42	-
Investment Income	-	0.85
Return on plan assets excluding amounts included in net finance income/cost	-	0.14
Actuarial (gain)/loss arising from Others	2.41	-
Employer contributions	-	3.46
<b>As at 31st March 2017</b>	<b>24.41</b>	<b>15.15</b>

The Company expects to contribute Rs. 5.13 to the funded plans in financial year 2018-19. The Plan assets have been invested in Insurance managed funds.

#### C. Statement of Profit and Loss

	<u>2017 - 2018</u>	<u>2016 - 2017</u>
<b>Employee Benefit Expenses:</b>		
Current service cost	8.36	2.65
Interest cost/(income)	0.61	0.57
<b>Total amount recognised in Statement of profit &amp; loss</b>	<b>8.97</b>	<b>3.42</b>
<b>Remeasurement of the net defined benefit liability:</b>		
Return on plan assets excluding amounts included in net finance income/(cost)	(0.28)	(0.14)
Experience gains/(losses)	0.07	2.41
OB Difference	(0.97)	-
<b>Total amount recognised in Other Comprehensive Income</b>	<b>(1.18)</b>	<b>2.28</b>

#### D. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

	<u>As at 31st March, 2018</u>	<u>As at 31st March, 2017</u>	<u>As at 1st April, 2016</u>
<b>Financial Assumptions</b>			
Discount rate	7.73%	7.41%	7.90%
Salary Escalation Rate	6.00%	6.00%	6.00%
Attrition Rate	3.00%	3.00%	3.00%

Rs. In lacs

**Demographic Assumptions**

Mortality in Service : Indian Assured Lives Mortality (2006-08)

**E. Sensitivity**

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

	As at 31st March, 2018	As at 31st March, 2017
Impact on defined benefit obligation	Increase / (Decrease) in liability	Increase / (Decrease) in liability
+1% Change in rate of discounting	(22.39)	(32.07)
-1% Change in rate of discounting	26.77	37.63
+1% Change in rate of salary increase	26.50	39.31
-1% Change in rate of salary increase	(22.61)	(30.07)
+0.50% Change in Attrition rate	26.41	37.13
-0.50% Change in Attrition rate	(22.19)	(31.91)

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous period.

**F. The defined benefit obligations shall mature as follows:**

	As at 31st March, 2018	As at 31st March, 2017
<b>Particulars</b>		
1 year	4.85	4.16
2-5 years	0.69	0.57
6-10 years	4.06	3.55
More than 10 Years	25.05	16.12

ii) **Compensated Absences:** The Company permits encashment of compensated absence accumulated by their employees on retirement, separation and during the course of service. The liability in respect of the Company, for outstanding balance of leave at the balance sheet date is determined and provided as at the Balance Sheet date. The Company is of the opinion that compensated absences are payable within 12 months of their accrual and thus, are not required to be actuarially valued.

Rs. In lacs

Notes to the financial statements for the year ended March 31, 2018

32 EARNINGS PER SHARE (EPS)	2017 - 2018	2016 - 2017
Profit after tax(PAT) available for equity shareholders	120.88	103.52
Weighted average number of equity Shares	4,569,750	4,569,750
Nominal value of equity Shares (In nos.)	10	10
Basic & diluted earning per share	2.65	2.27

### 33 CONTINGENT LIABILITIES AND COMMITMENTS

(a) Contingent Liabilities: Nil

(b) Commitments:

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) is Rs. 448.05 lacs (Previous year Rs. Nil).

### 34 DISCLOSURE ON RELATED PARTY TRANSACTIONS

Names of related parties with whom the Company has entered into transactions during the year and description of relationship:

(i) Enterprises having Common Key Managerial Personnel ('KMP')

M/s. Chetanya Securities Private Limited

(ii) Key Managerial Personnel:

Mr. Prem Chand Kankaria, Managing Director

Ms. Neepa Kankaria, Whole Time Director

Mr. M. Narsimha, Chief Financial Officer

Ms. Khushboo Joshi, Company Secretary

Rs. In lacs			
Nature of Transactions	Associates	Key Management April, 2016	Enterprises in which Directors have significant influence
<b>Unsecured Loan Repaid</b>			
			-
Chetanya Securities Private Limited			(170.13)
<b>Interest Expense</b>			
Chetanya Securities Private Limited			7.54
			(30.62)
<b>Managerial Remuneration</b>			
Mr. Prem Chand Kankaria		42.00	
		(42.00)	
Ms. Neepa Kankaria		14.40	
		(11.40)	
Mr. M. Narasimha		8.33	
		(7.84)	
Ms. Khushboo Joshi		3.00	
		(0.18)	
<b>Outstanding at year-end - Payable</b>			
<b>Term Borrowings - Note 13</b>			
Chetanya Securities Private Limited			65.00
			(65.00)
<b>Current Liabilities - Trade Payables - Note 16</b>			
Ms. Neepa Kankaria		0.81	
		(0.90)	
Mr. Prem Chand Kankaria		1.88	
		(2.19)	
Mr. M. Narsimha		0.66	
		(0.56)	
Ms. Khushboo Joshi		0.25	
		(0.18)	
<b>Other Financial Liabilities - Note 17</b>			
Interest accrued but not due - Chetanya Securities Private Limited		6.78	
		(-)	
<b>Guarantee for Cash Credit given by</b>		635.09	
Mr. Prem Chand Kankaria		(753.43)	
Figures in brackets relate to previous year.			



Notes:

- a) Related party relationship is as identified by the management and relied upon by the auditors.  
 b) No amounts in respect of related parties have been written off/ written back during the year or has not made any provision been made for doubtful debts/ receivable.

35. Based on the "Management Approach" as defined in Ind AS 108 – Operating Segments, the Company is primarily engaged in the business of Plastic Films which the management recognizes as the sole business segment. Hence, disclosure of segment-wise information is not required and accordingly, not provided.

36 Assets provided as security

The carrying amounts of assets provided as security (First Charge) for current and non-current borrowings are: Rs. In lacs

	<b>As at 31st March,2018</b>	<b>As at 31st March,2017</b>	<b>As at 1st April,2016</b>
			-
<b>Current Assets</b>			
<b>Financial Assets</b>	923.91	1041.90	981.80
Trade Receivables			
<b>Non Financial Assets</b>	359.67	303.47	303.25
Inventories			
<b>Total Current Assets Provided as Security</b>	<b>1283.58</b>	<b>1345.38</b>	<b>1285.05</b>
<b>Non Current Assets</b>			
Plant and Equipment	413.33	434.71	510.54
Land and Building	79.52	82.79	86.92
Other Assets	8.48	8.95	8.69
<b>Total Non-Current Assets Provided as Security</b>	<b>501.33</b>	<b>526.44</b>	<b>606.15</b>
<b>Total Assets Provided as Security</b>	<b>1784.91</b>	<b>1871.82</b>	<b>1891.21</b>

Note:

1. Term Loan from a bank is secured by way of hypothecation of vehicle purchases thereagainst.
2. Cash Credit loan is secured by way of hypothecation of all chargeable assets of the Company i.e., Plant and Machinery, Inventories and Trade receivables. It is further secured by mortgage of the factory land of the Company situated at Kondamadugu Village, Bibinagar Mandal alongwith building situated thereon.

Rs. In lacs		
	2017-18	2016-17
<b>37. PAYMENT TO AUDITORS</b>		
Audit Fees	1.00	1.00
Tax Audit Fees	0.15	0.15
Limited Review and Certification Fees	0.10	0.10
<b>TOTAL PAYMENT AUDITORS</b>	<b>1.25</b>	<b>1.25</b>
<p>38 The previous year's figures have been re-grouped / re-classified wherever required to conform to current year's classification. All figures of financials has been rounded off to nearest lacs rupees.</p>		
<p>As per our report of even date</p> <p><b>For SVP &amp; Associates</b>            FRN: 003838N            Chartered Accountants</p> <p><b>sd/-</b>  <b>Yogesh Kumar Singhania</b>            Partner            Membership No.: 111473            Place : Mumbai            Date : 25-05-2018</p>	<p style="text-align: center;">For and on behalf of the board</p> <p><b>sd/-</b>  <b>Prem Chand Kankaria</b>            Managing Director            DIN: 00062584</p> <p><b>sd/-</b>  <b>M. Narsimha</b>            Chief Financial Officer            Place : Hyderabad            Date : 25-05-2018</p>	<p><b>sd/-</b>  <b>V.S.N. Murthy</b>            Director            DIN: 00021952</p> <p><b>sd/-</b>  <b>Khushboo Joshi</b>            Company Secretary            Membership No.: 27992</p> <p><b>sd/-</b>  <b>S.C. Bapna</b>            Director            DIN: 00154834</p>

**ELECTRONIC CLEARING SERVICE (CREDIT CLEARING) MANDATE FORM**

Shareholder's authorization to receive dividends through Electronic Credit Clearing Mechanism

1. Name of the first/sole shareholder : \_\_\_\_\_
2. Folio No./ Client ID No. : \_\_\_\_\_
3. Particulars of Bank account of first/sole shareholder : \_\_\_\_\_
  - a) Name of the Bank : \_\_\_\_\_
  - b) Branch, Address, Telephone No. of the Branch : \_\_\_\_\_
  - c) 9 digit code number of the Bank and Branch appearing on the MICR cheque issued by the Bank :
  - d) Account Number : \_\_\_\_\_  
(as appearing on the cheque book/passbook)
  - e) Account type : \_\_\_\_\_  
(S.B. account/current account or cash credit)  
with code 10/11/13 : \_\_\_\_\_
  - f) Ledger No. Ledger folio no. : \_\_\_\_\_  
(If approving on the cheque book/pass book)

(In lieu of the bank certificate to be obtained as under, please attach a blank cancelled cheque, or photocopy of a cheque or the front page of the savings bank passbook issued by your bank, for verification of the above particulars). I hereby declare that the particulars given above are correct and complete. If the transaction is delayed or not effected at all for reasons of incomplete or incorrect information, I will not hold Raj Packaging Industries Ltd., responsible. I agree to discharge the responsibility expected of me as a participant under the scheme.

Place: Date: \_\_\_\_\_ Signature of the Shareholder

Certified that the particulars furnished above are correct as per our records

Banks Stamp

Date: \_\_\_\_\_ Signature of Authorized Official of the Bank

Note:

1. Please fill in the attached Mandate Form and send it to:
  - i) The Depository Participant who is maintaining your Demat account in case your shares are held in electronic form.
  - ii) The Address of our Registrar & Transfer Agent, CIL Securities Ltd., 214, Raghavaratna Tower's, Chirag Ali Lane, Abids, Hyderabad - 500 001 in case your shares are held in physical form.
2. Kindly note that the information provided by you should be accurate and complete in all respects and duly certified by your bank. In lieu of the bank certificate, you may attach a blank cancelled cheque or photocopy of a cheque or the front page of the savings bank pass book issued to you by your bank. for verification of the above particulars.
3. In case of more than one folio please complete details on separate sheets
4. The information provided by you will be treated confidential and would be utilized only for the purpose of effecting the payments meant for you. You also have the right to withdraw from this mode of payment by providing the company with an advance notice of 3 weeks.



Form No. MGT-11

Proxy form

[Pursuant to section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

CIN: L25209TG1987PLC007550  
 Name of the company: RAJ PACKAGING INDUSTRIES LIMITED  
 Registered office: 6-3-1090/C-4, OPP. KAPADIA LANE, RAJ BHAVAN ROAD, HYDERABAD, 500082, TELANGANA

Name of the member(s): Registered Address:  E-mail Id: Folio No./Client Id: DP ID:
---

I/We, being the member (s) of ..... shares of the above named company, hereby appoint

1. Name : .....  
 Address : .....  
 E-mail Id : .....  
 Signature: ....., or failing him
2. Name : .....  
 Address: .....  
 E-mail Id : .....  
 Signature: ....., or failing him
3. Name : .....  
 Address: .....  
 E-mail Id: .....  
 Signature: .....

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 31st Annual General Meeting of the Company, to be held on Thursday, 27th day of 2018, at 11:00 a.m at Hotel Inner Circle, Lane Beside Saboo Motors, Raj Bhavan Road, Hyderabad, Telangana - 500082, and at any adjourned meeting thereof in respect of such resolutions as are indicated below:

Resolution Nos.

1. Approval of financial statements for the year ended 31.03.2018.
2. Declaration of dividend on the equity shares of the Company
2. Appointment of Ms.. Neepa Kankaria as Director of the Company who retires by rotation.
4. Increase in Authorized Share Capital of the Company.

Signed this ..... day of..... 2018

Signature of shareholder

Signature of Proxy holder(s)

**Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.**

Re 1/-  
 Revenue  
 Stamp

**RAJ PACKAGING INDUSTRIES LIMITED**  
 6-3-1090/C-4, Opp. Kapadia Lane, Raj Bhavan Road, Hyderabad-500 082, Telangana, India

**ATTENDANCE SLIP**

(Please present this slip at the Meeting venue)

I hereby record my presence for the 31st Annual General Meeting of the members to be held on Thursday, 27th day of September, 2018 at 11:00 A.M at Hotel Inner Circle, Somajiguda, Hyderabad, Telangana, India and at any adjourned meeting thereof.

Shareholders/Proxy's Signature \_\_\_\_\_

Shareholders/Proxy's full name \_\_\_\_\_

(In block letters)

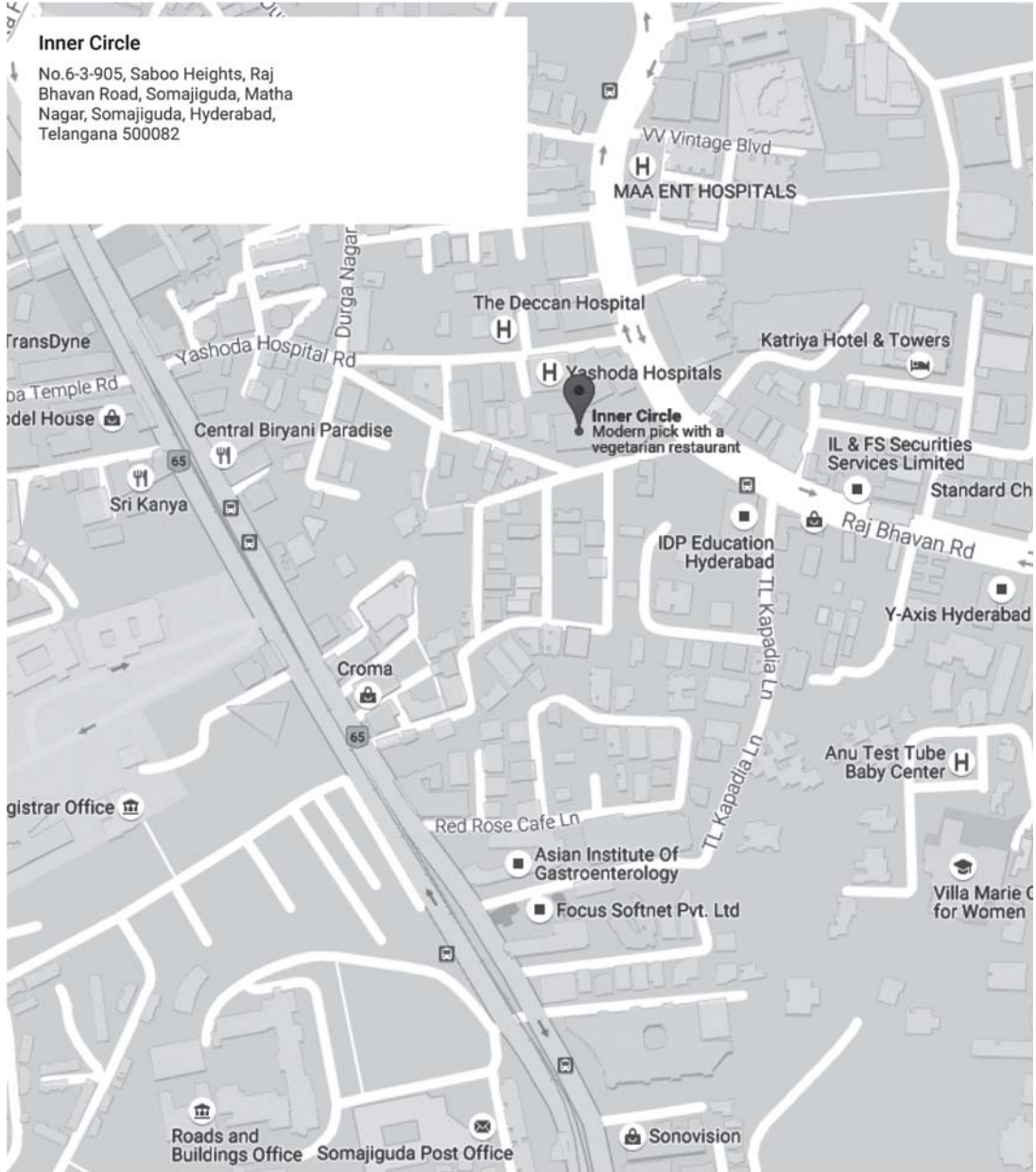
Folio No. / Client ID \_\_\_\_\_

No. of shares held \_\_\_\_\_

Note:

Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.

## AGM ROUTE MAP







**PRINTED MATTER  
BOOK - POST**

If Undelivered Please Return to :

**RAJ PACKAGING INDUSTRIES LIMITED**

6-3-1090/C-4, Opp. Kapadia Lane Raj Bhavan Road,  
Hyderabad - 500 082. Telangana, INDIA.

Ph. 040-23392024/25

Email: [hyd2\\_rajpack@bsnl.in](mailto:hyd2_rajpack@bsnl.in)  
[info@rajpack.com](mailto:info@rajpack.com)

Website: [www.rajpack.com](http://www.rajpack.com)