



TEXEAL

WINNER OF INDIASTAR 2015 AWARD



Oriental Containers Ltd.

ELEVENTH ANNUAL REPORT
2015-2016

**Contents****Page No.**

Notice of AGM	2
Directors' Report	3-15
Auditors' Report	16-19
Balance Sheet	20
Statement of Profit and Loss	21
Cash Flow Statement	22
Notes to the Financial Statements	23-43



BOARD OF DIRECTORS

MR. V. N. KHANNA	:	DIRECTOR
MRS. MAMTA BIYANI	:	DIRECTOR
MR. SUDEEP SINGH	:	EXECUTIVE DIRECTOR
MR. SHRIKANT MALPANI	:	EXECUTIVE DIRECTOR
MR. B.K. TOSHNIWAL	:	EXECUTIVE DIRECTOR & COMPANY SECRETARY
MR. RAJENDRA SOMANI	:	MANAGING DIRECTOR

BANKERS

CENTRAL BANK OF INDIA
PUNJAB NATIONAL BANK
KOTAK MAHINDRA BANK

AUDITORS

B S R & ASSOCIATES LLP
MUMBAI

REGISTERED OFFICE

1076, DR. E. MOSES ROAD
WORLI MUMBAI

WORKS

M.I.D.C. MURBAD
DIST. THANE MAHARASHTRA

KUNDIAM INDUSTRIAL ESTATE
KUNDIAM GOA

**NOTICE**

Notice is hereby given that the Eleventh Annual General Meeting of the Company will be held on **Friday 12th August, 2016 at 11.00 a.m.** at Registered Office of the Company at 1076, Dr E Moses Road, Worli, Mumbai to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Financial Statements for the year ended 31st March, 2016 together with the Reports of Board of Directors and the Auditors thereon.
2. To confirm the payment of Interim Dividend(s) on Equity Shares for the financial year ended 31st March, 2016.
3. To appoint a Director in place of Mr. Rajendra Somani (DIN 00332465), who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Mr. B K Toshniwal (DIN 00048019), who retires by rotation and being eligible, offers himself for re-appointment.
5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution :

“**RESOLVED THAT** pursuant to Section 139, 142 and other applicable provisions, if any of the Companies Act, 2013 read with Companies (Audit and Auditors), Rules, 2014 (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), M/s. BSR & Associates LLP., Chartered Accountant (FRN No. 116231W/W-100024), be and are hereby re-appointed as the Auditors of the Company, to hold office from the conclusion of this Annual General Meeting till the conclusion of the next Annual General Meeting of the Company at such remuneration as may be fixed by the Board of Directors of the Company.”

Notes:

1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10% (ten percent) of the total share capital of the company carrying voting rights. A member holding more than 10% (ten percent) of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person cannot act as a proxy for any other person or shareholder.

The instrument of proxy in order to be effective should be deposited at the registered office of the Company, duly completed and signed, not less than 48 hours before the commencement of the Meeting. A proxy form is sent herewith. Proxies submitted on behalf of the Company(ies), Societies, etc must be supported by an appropriate resolution or authority as applicable.

2. Members are requested to intimate change in their address, if any, to the Company.

By Order of the Board

Sd/-
B K Toshniwal
Executive Director & Company Secretary
(DIN – 00048019)

Date : 26th May, 2016
Place: Mumbai

Registered Office :
1076, Dr. E Moses Road
Worli, Mumbai – 400018
CIN-U28992MH2006PLC159687
E-mail: oclcont@vsnl.com
Website: www.orientalcontainers.com



DIRECTORS' REPORT

To

The Members

Your Directors have pleasure in presenting the **ELEVENTH ANNUAL REPORT** of the Company with the Audited Statement of Accounts for the year ended March 31, 2016.

FINANCIAL RESULTS	Rupees In Lacs	
	2015-2016	2014-2015
Gross Profit	5914.67	4964.68
Deduction there from:		
Finance cost	773.94	778.64
Depreciation & amortization expenses	2384.21	2204.60
Profit (Loss) before tax	2756.52	1981.44
TAXATION		
Current Tax	912.00	781.00
Current tax and Wealth tax for earlier years	11.99	24.15
Deferred Tax Charge	(45.79)	(172.70)
Profit(Loss) after tax	1878.32	1348.99
Profit b/f from last year	4854.44	3505.45
Less: Appropriations		
Interim Dividend	443.65	----
Tax on Equity Dividend	90.32	----
Investment Allowance reserve	390.00	----
Balance carried to balance-sheet	5808.79	4854.44

FINANCIAL PERFORMANCE

The Net Sales and other Income for the year under review were Rs. 409.37 crores as against Rs. 394.19 crores in the previous financial year. The Net Profit for the year under review is Rs. 18.78 crores as against Rs. 13.49 crores in the previous financial year.

OPERATIONS:

The products of the company are technology driven. Therefore, the company always moves forward by investing in the machines with the latest technology. During the year, the company has invested in adding capacities and upgrading technology in Plastic Closure, Printing and ROPP divisions.

To meet the growth in the Plastic Closure division, the company has embarked upon to create new capacities at its Murbad plant at an estimated cost of Rs. 40 cr. in 2016-17.

The R&D division of the company designed a new closure- TEXEAL during the year which won the INDIASTAR award followed by ASIASTAR award and the WORLDSTAR award which is the highest recognition for excellence. The TEXEAL is designed to deter counterfeiting which is a big menace in our country and the company expects good response from its customers.

DIVIDEND

During the year under review the Board of Directors of the Company had declared and paid 1st Interim Dividend, in their Board Meeting held on 26th June, 2015 @ 23% i.e. Rs. 2.30/- per share and 2nd Interim Dividend in their Board Meeting held on 15th March, 2016 @

18% i.e. Rs. 1.80/- per share to the Shareholders of the Company for the financial year 2015-16. The total outgo for the year under review amount to Rs. 5.34 crores.

Your Directors now recommend that it is prudent not to declare any further dividend, and the Interim Dividend(s) declared shall be total Dividend for the year ended 31st March, 2016.

TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no dividend amount was unpaid / lying in the dividend account, no amount was transferred to Investor Education and Protection Fund account.

FIXED DEPOSITS

During the year under review, the Company has not taken any fixed deposits from Public or Shareholders.

SHARE CAPITAL

The Paid-up Capital as on 31st March, 2015 was Rs. 10.82 Crores. During the year under review, the Company has not issued any new Equity Shares or Shares with differential Voting Rights. It has neither issued Employee Stock Options nor Sweat Equity Shares.

RATING

As per the requirement for availment of Working Capital Facilities from banks your Company has obtained Credit Rating from CRISIL and has been awarded CRISIL A- Stable for Long Term and CRISIL A2+ for Short Term.

HOLDING / SUBSIDIARY COMPANY

The Company is Wholly Owned Subsidiary Company of Oricon Enterprises Limited, holding 10,820,836 i.e. 100% number of Equity Shares of Oriental Containers Limited.

AUDIT COMMITTEE

In terms of the Section 177 of the Companies Act, 2013, Company has in place Audit Committee of Board of Directors of the Company. The Committee comprises of three Directors, two are Independent / Non-Executive Director and one is Executive/ Not Independent Director.

The Committee has adequate powers and detailed terms of reference to play an effective role as required under Section 177 of the Companies Act, 2013, which inter-alia include overseeing financial reporting processes, reviewing periodic financial results, financial statements and adequacy of internal control systems with the Management, review of Related Party Transaction, appointment and remuneration of Statutory Auditors and CFO.

Mr. V N Khanna, Non executive/ Independent Director is the Chairman of the Audit committee.

The Members of the Committee are:

- i) Mr. V N Khanna - Chairman
- ii) Mrs. Mamta Biyani - Member
- iii) Mr. Rajendra Somani - Member

During the Year ended 31st March, 2016 four Meetings of the Audit



Committee were held on the following dates:

- (i) 26th May, 2015
- (ii) 13th August, 2015
- (iii) 4th November, 2015
- (iv) 11th February, 2016

NOMINATION AND REMUNERATION COMMITTEE

The Committee's roles and powers shall be to review and to discharge the Board's responsibilities related to remuneration of the Managing Director, KMP, and Senior Management. The Committee has the overall responsibility formulation of criteria for evaluation of Independent Director, identifying persons who are qualified to become a Director and appointment of Senior Management People.

The Nomination and Remuneration Committee comprises of three Directors:

1. Mr. V N Khanna - Chairman
2. Mrs. Mamta Biyani - Member
3. Mr. Rajendra Somani - Member

During the Year ended 31st March, 2016, two Meetings of the Nomination and Remuneration Committee were held on the following dates:

- (i) 26th May, 2015
- (ii) 04th November, 2015

Nomination & Remuneration Policy

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person is sufficient / satisfactory for the concerned position.

CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Company has in place CSR Committee as required under Section 135 of the Companies Act, 2013. The Committee comprises of three directors of which two Directors are Executive Directors and one Director is Independent / Non-Executive Director.

No Meeting of CSR Committee was held during the year ended 31st March, 2016.

Shri Rajendra Somani is the Chairman of the Committee.

The Other Members of the Committee are:

1. Mr. V N Khanna - Member
2. Mr. B K Toshniwal - Member

The terms of reference of the Committee are as follow:

1. To formulate and recommend to the Board, a CSR policy which shall indicate the activities to be undertaken by the Company as per the Companies Act, 2013;
2. To review and recommend the amount of expenditure to be incurred on the activities to be undertaken by the Company
3. To monitor the Corporate Social Responsibility policy of the Company from time to time.

EXPENDITURE FOR CORPORATE SOCIAL RESPONSIBILITY

During the year Company has not spent money on Corporate Social Responsibility as the Company is in process to finalize the project / object for the purpose.

The Annual report on CSR activities in accordance with the Companies (Corporate Social Responsibility policy) Rules, 2014 is set out as **Annexure I** to this report.

VIGIL MECHANISM / WHISTLE BLOWER POLICY

With rapid expansion in compliances under various Acts, Laws and Regulations and liability of high penalty in default, the Audit Committee is committed to ensure fraud free work environment, the Committee has laid down a Whistle Blower Policy / Vigil Mechanism for its Directors, Employees and Customers to report the fraud, abuse of authority, breach of Company's Code of Conduct, employee misconduct, illegality and other reportable matters through any of the following manners:

- E-mail : vnkhanha@ocl-india.com
- Phone No. : 022-24964656-60
- Written Communication : Chairman of Audit Committee, C/o Oriental Containers Ltd, 1076 Dr E Moses Road, Worli, Mumbai - 400018

This policy is applicable to all the Directors, Employees, and Customers of the Company. Adequate safeguards have been provided to prevent victimization of anyone under this policy by direct access to the Chairman of the Audit Committee in exceptional cases.

The policy is available at the Company's website www.orientalcontainers.com

POLICY ON PREVENTION, PROHIBITION AND REDRESSAL OF SEXUAL HARASSMENT AT WORKPLACE

The Company is committed to provide a healthy environment to all employees and thus does not tolerate any sexual harassment at workplace. The Company has in place Policy on Prevention, Prohibition and Redressal of Sexual Harassment. The policy aims to provide protection to employees at the workplace and prevent and redress complaints of sexual harassment and for matters connected or incidental thereto.

The Company has not received any complaint of sexual harassment during the financial year 2015-2016.



RISK MANAGEMENT POLICY

The Company has adopted a Risk Management Policy in accordance with the provisions of the Act which led down the framework to identify, evaluate business risks and opportunities. The Company has ensured the powers to the Audit Committee in assistance with the Internal auditor to regulate the risk identification, assessment, analysis and mitigation. The Company has laid down procedures to inform the Board of Directors about risk assessment and management procedures.

CODE OF CONDUCT

During the year under review, the Company has adopted Code of Conduct applicable to Board of Directors, Senior Managers and Employees of the Company.

The Board Members, Senior Managers and Employees shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgment.

The said code has been communicated to all the Board Members, Senior Managers and Employees and the compliance of the same has been affirmed by them. The code of conduct is posted on the website of the Company www.orientalcontainers.com.

EXTRACT OF ANNUAL RETURN

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

NO. OF BOARD MEETING

During the year ended 31st March, 2016 six Meetings of the Board were held on the following dates:

- (i) 26th May, 2015
- (ii) 26th June, 2015
- (iii) 13th August, 2015
- (iv) 4th November, 2015
- (v) 11th February, 2016
- (vi) 15th March, 2016

PARTICULARS OF LOAN, GUARANTEES AND INVESTMENTS UNDER SECTION 186

The details of loans, guarantees and Investment as required under Section 186 of the Companies Act, 2013 read with the Companies (Meeting of Board and its Powers) Rules, 2014 are as follows :

During the year under review, the Company has not given any guarantees or provided any security to any person or other body Corporate nor made any investments in the securities of any other body corporate.

Details of loans given by the Company are as follows:

(Rs in crores)

Name of Entity	Amount as at 31st March, 2016
Shinrai Auto Services Limited*	2.14
Oricon Properties Pvt Ltd*	37.15

* Fellow subsidiary Company of Holding Company

DIRECTORS RESPONSIBILITY STATEMENT

The Board of Directors of the Company Confirms:

- (I) that in the preparation of the accounts for the financial year ended 31st March 2016, the applicable accounting standards have been followed.
- (II) that the Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were 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 or loss of the Company for the year under review.
- (III) that the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 and Companies Act, 2013 to the extent applicable for safeguard of the assets of the Company and for preventing and detecting fraud and other irregularities;
- (IV) that the directors have prepared the accounts for the financial year ended 31st March, 2016 on a 'going concern' basis.
- (V) that the directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

RELATED PARTY DISCLOSURE

All the related party transactions are entered on arm's length basis and are in compliance with the applicable provisions of the Act. There are no materially significant related party transactions made by the Company with Promoters, Directors and Key Managerial Personnel etc. which may have potential conflict with the interest of the Company at large.

All related party transactions are presented to the Audit Committee and the Board. The details of the transactions with Related Party as required under Accounting Standard -18 are set out in Note No. 33 in the accompanying financial statements.

The Form AOC-2 pursuant to Section 134 (3)(h) of the Companies Act, 2013 read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as **Annexure III** to this report.

ADEQUACY OF INTERNAL FINANCIAL CONTROLS WITH REFERENCE TO THE FINANCIAL STATEMENTS

The Company has implemented and evaluated the Internal Financial Controls which provide a reasonable assurance in respect of providing financial and operational information, complying with applicable statutes and policies, safeguarding of assets, prevention and detection of frauds, accuracy and completeness of accounting records. The Company has appointed the Internal Auditor. The Internal Audit Reports were reviewed periodically by Audit Committee. Further, the Board annually reviews the effectiveness of the Company's internal control system. The Directors and Management confirm that the Internal Financial Controls (IFC) are adequate with respect to the operations of the Company. A report of Auditors pursuant to Section 143(3) (i) of the Companies Act, 2013 certifying the adequacy of Internal Financial Controls is annexed with the Auditors report.



PARTICULARS OF EMPLOYEES:

Particulars of employees as required under Section 197 of the Companies Act, 2013 read with rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules 2014 as amended are set out below

Name of Employee	Designation	Qualification	Age	Experience	Date of Joining	Gross Remuneration ₹	Previous Employment and Designation*
Mr. Rajendra Somani	Managing Director	Mechanical Engineer	68 years	47 years	1 st May 2006	115.00 lakhs	Oricon Enterprises Ltd. (Managing Director)

* Mr. Somani continues to be Managing Director of Oricon Enterprises Ltd. also.

DISCLOSURE OF PARTICULARS

Particulars as per the provision of Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules 2014, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are given in **Annexure IV** forming part of this report.

DIRECTORS

Mr. Rajendra Somani and Mr. B K Toshniwal, Directors of the Company retire by rotation at the forthcoming Annual General Meeting and being eligible offer themselves for re-appointment as Director liable to retire by rotation.

DECLARATION BY INDEPENDENT DIRECTORS

The Board has Mr. V N Khanna and Mrs. Mamta Biyani as Independent Directors of the Company under Section 149 of the Companies Act, 2013.

The Independent Directors have submitted their disclosures to the Board that they fulfill all the requirements as stipulated in Section 149(6) of the Companies Act, 2013 so as to qualify themselves to be appointed as Independent Directors under the provisions of the Companies Act, 2013 and the relevant rules.

AUDITORS

It is proposed to re-appoint M/s. BSR & Associates LLP, Chartered Accountants (FRN No. 116231W/W-100024) as Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting till the conclusion of next Annual General Meeting. Certificate from the Auditors has been received to the effect that their appointment, if made, would be within the limits prescribed under Section 141(3) (g) of the Companies Act, 2013.

Necessary Resolution(s) for appointment of BSR & Associates LLP is incorporated in Notice of 11th Annual General Meeting.

SECRETARIAL AUDITOR AND SECRETARIAL AUDIT REPORT

The Board had appointed M/s. GMJ & Associates, Company Secretaries in whole time practice, to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial year ended 2015- 2016. The report of Secretarial Auditor is annexed to this report as **Annexure V**. The report does not contain any qualification.

PERSONNEL

The Board of Directors wishes to express its appreciation for the outstanding contribution made by the employees to the operations of the company during the year.

ACKNOWLEDGEMENT

The Board of Directors thanks the Financial Institutions, Bankers and all the Stakeholders, for their continued co-operation and support to the Company.

For & on behalf of the Board

Mr. Rajendra Somani
Managing Director
(DIN -00332465)

Mr. V N Khanna
Director
(DIN – 00064502)

Mr. B K Toshniwal
Executive Director and
Company Secretary
(DIN – 00048019)

Date : 26th May, 2016

Place : Mumbai



ANNEXURE - I TO DIRECTORS' REPORT

ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY (CSR) ACTIVITIES

Sr. No.	Particulars	Details
1	A brief outline of the Company's CSR Policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs	Company is in process of framing the CSR policy and identifying the activities to be undertaken under the Corporate Social Responsibility.
2	The Composition of the CSR Committee	Mr. Rajendra Somani – Chairman Mr. B K Toshniwal - Member Mr. V N Khanna - Member
3	Average net profit of the Company for last three financial years	Rs. 10,06,10,230/-
4	Prescribed CSR Expenditure (two percent of the amount as in item 3 above)	Rs. 20,12,205/-
5	Details of CSR spent during the financial year a) total amount to be spent for the financial year b) Amount unspent, if any c) Manner in which the amount spent during the financial year is detailed below:	Company is in process of framing the CSR policy and identifying the activities to be undertaken under the Corporate Social Responsibility.
6	In case the company has failed to spend the two percent of the average net profit of last three financial years or any part thereof, the reason for not spending the amount:	Company is in process of framing the CSR policy and identifying the activities to be undertaken under the Corporate Social Responsibility.
7	A responsibility statement of the CSR Committee that the implementation and monitoring of CSR policy, is in compliance with CSR objective and policy of the Company.	Company is in process of framing the CSR policy and identifying the activities to be undertaken under the Corporate Social Responsibility.
<div style="display: flex; justify-content: space-between;"> <div style="width: 45%;"> <p>Place : Mumbai</p> <p>Date: 26th May, 2016</p> </div> <div style="width: 45%; text-align: right;"> <p>Rajendra Somani</p> <p>Managing Director & Chairman of CSR Committee</p> </div> </div>		



ANNEXURE - II TO DIRECTORS' REPORT

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on the Financial Year ended on March 31, 2016.

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

I. REGISTRATION AND OTHER DETAILS:

1.	CIN	U28992MH2006PLC159687
2.	Registration Date	13/02/2006
3.	Name of the Company	Oriental Containers Limited
4.	Category/ Sub- Category of the Company	Public Company Limited by Shares
5.	Address of the Registered office and contact details	1076, Dr E Moses Road, Worli, Mumbai-400018 Tel. No. 022-24964656-60 Fax No. 022-24963055
6.	Whether Listed Company	Unlisted
7.	Name, Address and Contact details of Registrar and Transfer Agent, if any	NA

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:-

Sr. No.	Name and Description of the main products/ Services	NIC Services of the Product/ services	% to total turnover of the company
1	Closures	82920	96.05

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANY

Sr. No.	Name and Address of the Company	CIN	Holdings/ Subsidiary/ Associate	% of Shares held	Applicable Section
1	Oricon Enterprise Ltd. 1076, Dr E Moses Road, Worli, Mumbai-400018	L28100MH1968PLC014156	Holding	100	2(87) (ii)



IV. SHAREHOLDING PATTERN (Equity Shares Capital Breakup as Percentage of Total Equity)

(i) Category-wise Share Holding

Category of Shareholder	No. of Share held at the beginning of the Year				No. of Share held at the end of the year				% Change during the Year
	Demat	Physical	Total	% of Total Share	Demat	Physical	Total	% of Total Share	
A Promoters									
Indian									
Bodies Corporate	---	10820836	10820836	100	---	10820836	10820836	100	---
Sub Total(A)	---	10820836	10820836	100	---	10820836	10820836	100	---
Total Shareholding of Promoter and Promoter Group (A)	---	10820836	10820836	100	---	10820836	10820836	100	---
B. Public shareholding									
Institutions									
Foreign Institutional Investors	---	---	---	---	---	---	---	---	---
Sub-Total (B)	---	---	---	---	---	---	---	---	---
Total Public Shareholding (B)	---	---	---	---	---	---	---	---	---
TOTAL (A)+(B)		10820836	10820836	100	---	10820836	10820836	100	---

(ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the begning of the Year			Shareholding at the end of the Year			% change in share holding during the Year
		No. of Shares	%of total shares of the Company	% of Shares Pledged/ encumbered to total Shares	No. of Shares	%of total shares of the Company	% of Shares Pledged/ encumbered to total Shares	
1	Oricon Enterprise Ltd	10820836	100	---	10820836	100	---	---
	TOTAL	10820836	100	---	10820836	100	---	---



(iii) Change in Promoter's Shareholding

Sr. No.		Shareholding at the begning of the Year		Cumulative Shareholding during the Year	
		No. of Shares	%of total sharesof the Company	No. of Shares	%of total shares of the Company
	At the Beginning of the Year	10820836	100	10820836	100
	Acquisition of Shares	---	---	---	---
	At the end of the year	10820836	100	10820836	100

(iv) Shareholding Pattern of top ten Shareholders (Other Than Directors, Promoters and Holders of GDRs and ADRs)

Sr. No.		Shareholding at the begning of the Year		Shareholding at the end of the Year	
		No. of Shares	%of total shares of the Company	No. of Shares	%of total shares of the Company
	For Each of Top 10 Shareholders				
1	NIL	---	---	---	---

(v) Shareholding of Directors and Key Managerial Personnel (* Holding on behalf of Oricon Enterprises Limited)

Sr. No.		Shareholding at the begning 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
	For Each of Top 10 Shareholders				
1	*Rajendra Somani	1	0.00	1	0.00
2	*V N Khanna	1	0.00	1	0.00
3	*B.K. Toshniwal	1	0.00	1	0.00
4	Sudeep Singh	Nil	Nil	Nil	Nil
5	Shrikant Malpani	Nil	Nil	Nil	Nil
6	Mamta Biyani	Nil	Nil	Nil	Nil
7	*B M Gaggar	1	0.00	1	0.00



V INDEBTEDNESS

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

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the Beginning of the Financial Year				
(i) Principal Amount	90,41,14,113	13,99,35,329	12,56,616	1,04,53,06,058
(ii) Interest due but not paid	---	---	---	
(iii) Interest accrued but not due	10,12,751	---	---	10,12,751
Total (i+ii+iii)	90,51,26,864	13,99,35,329	12,56,616	1,04,63,18,809
Change in Indebtedness during the Financial Year				
• Addition (+)	8,98,27,36,715	24,69,03,075	3,16,140	9,22,99,55,930
• Reduction (-)	8,68,20,25,522	24,31,51,131	9,70,467	8,92,61,47,120
Net Change				
Indebtedness at the end of the Financial Year				
(i) Principal Amount	1,20,48,25,306	14,36,87,273	6,02,289	1,34,91,14,868
(ii) Interest due but not paid	---	---	---	---
(iii) Interest accrued but not due	15,07,203	---	---	15,07,203
Total (i+ii+iii)	1,20,63,32,509	14,36,87,273	6,02,289	1,35,06,22,071

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

	Particulars of Remuneration	Name of MD/WTD/Manager				Total Amount
		Rajendra Somani	B K Toshniwal	Sudeep Singh	Shrikant Malpani	
1.	GROSS SALARY					
	a) Salary as per provisions contained in Sec.17(1) of the Income Tax Act, 1961	78,40,800	40,07,520	32,28,000	32,82,000	1,83,58,320
	b) Value of perquisites u/s17(2) of Income Tax Act,1961	---	4,17,450	2,69,600	3,12,000	9,99,050
	c) Profits in lieu of salary under Sec.17(3) of Income Tax Act,1961	---	---	---	---	-
2.	Stock Option	---	---	---	---	-
3.	Sweat Equity	---	---	---	---	-
4.	Commission					
	- As % of profit	---	---	---	---	-
	- Others, specify					
5	Others, please Specify:-					
	(i) Provident Fund	6,27,264	3,00,564	2,08,512	2,37,600	13,73,940
	(ii) Guaranteed Bonus	25,00,000	---	---	---	25,00,000
	(iii) other perquisites	5,32,295	---	3,68,024	6,69,011	15,69,330
	Total	1,15,00,359	47,25,534	40,74,136	45,00,611	2,48,00,640
	Ceiling as per the Act	1,20,00,000	1,20,00,000	1,20,00,000	1,20,00,000	---



B. Remuneration to Other Director

Particulars of Remuneration	Name of Director		Total
	V N Khanna	Mamta Biyani	
Fee for attending Board Committee Meeting	30,000	20,000	50,000
Commission	---	---	---
Others	---	---	---
Total	30,000	20,000	50,000

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD.

	Particulars of Remuneration	Balmukand Gagar
1	GROSS SALARY	
	a) Salary as per provisions contained in Sec.17(1) of the Income Tax Act, 1961	20,13,000
	b) Value of perquisites u/s17(2) of Income Tax Act,1961	1,62,300
	c) Profits in lieu of salary under Sec. 17(3) of Income Tax Act,1961	---
2	Stock Option	---
3	Sweat Equity	---
4	Commission - As % of profit - Others, specify.	---
5	Others, please Specify	
	i. Provident Fund	1,19,880
	ii. Other perquisites	1,23,030
	Total	24,18,210

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES (under the Companies Act, 2013) : NIL

FOR AND ON BEHALF OF THE BOARD

Mr. Rajendra Somani
Managing Director
(DIN -00332465)

Mr. V N Khanna
Director
(DIN – 00064502)

Mr. B K Toshniwal
Executive Director and Company Secretary
(DIN – 00048019)

Place : Mumbai
Date: 26th May, 2016



**ANNEXURE - III
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 transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.

a)	Name(s) of the related party and nature of relationship	NA
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the Contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Justification for entering into such contracts or arrangements or transactions'	
f)	Date 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	
i)	Amount paid as advances, if any	
j)	Date on which (a) the special resolution was passed in general meeting as required under first proviso to section 188 of the Companies Act, 2013	

2. Details of contracts or arrangements or transactions at Arm's length basis.

a)	Name (s) of the related party & nature of relationship	Refer the note No. 33 of the accompanying Financial Statements.
b)	Nature of contracts/arrangements/transaction	
c)	Duration of the contracts/arrangements/transaction	
d)	Salient terms of the contracts or arrangements or transaction including the value, if any	
e)	Date of approval by the Board	
f)	Amount paid as advances, if any	

FOR AND ON BEHALF OF THE BOARD

Mr. Rajendra Somani
Managing Director
(DIN -00332465)

Mr. V N Khanna
Director
(DIN – 00064502)

Mr. B K Toshniwal
Executive Director and Company Secretary
(DIN – 00048019)

Place : Mumbai
Date: 26th May, 2016



ANNEXURE - IV TO DIRECTORS' REPORT

DISCLOSURE OF PARTICULARS

Particulars as per the provision of Section 134(3)(m) of the Companies Act, 2013 read with rule 8(3) of the Companies (Accounts) Rules 2014, relating to Conservation of Energy, Technology Absorption, Foreign Exchange Earnings and Outgo are as below:

A. Conservation of Energy :

The manufacturing units of the Company continued their efforts to reduce energy consumption.

B. Technology Absorption :

The Company continuously upgraded and optimize its products to explore new markets.

C. Foreign Exchange Earnings and Outgo:

The particulars of the foreign exchange earnings and outgo has been given in the notes forming part of the accounts for the year ended 31st March 2016.



ANNEXURE - V TO DIRECTORS' REPORT

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2016

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

**To,
The Members,
Oriental Containers Limited**
1076, Dr. E. Moses Road,
Worli, Mumbai - 400 018.

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Oriental Containers Limited** (hereinafter called "the company"). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

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

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

- i. The Companies Act, 2013 (the Act) and the rules made thereunder;
- ii. Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment and Overseas Direct Investment.

We further report that the Company has a compliance system in place and we have examined the relevant documents and records with respect to other Acts as applicable which are as under:

- iii. Other applicable acts:
 - a. The Factories Act, 1948
 - b. The Industrial Dispute Act, 1947 (ID Act)
 - c. The Equal Remuneration Act, 1976
 - d. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
 - e. The Maternity Benefit Act, 1961.
 - f. The Minimum Wages Act, 1948.
 - g. The Payment of Bonus Act, 1965.
 - h. The Payment of Gratuity Act, 1972.
 - i. The Payment of Wages Act, 1936.
 - j. The Child Labour (Prohibition and Regulation) Act, 1986.
 - k. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
 - l. The Environment (Protection) Act, 1986.
 - m. The Water (Prevention and Control of Pollution) Act, 1974.
 - n. The Trade Marks Act, 1991.
 - o. The Bombay Shops & Establishment Act, 1948.
 - p. The Central Sales Tax Act, 1956 & other applicable state Sales Tax Acts
 - q. The Professional Tax Act, 1975.
 - r. The Income Tax Act, 1961.
 - s. The Service Tax (Finance Act, 1994).

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

- (i) Secretarial Standards with respect to Board and General Meetings (SS-1 and SS-2) specified by The Institute of Company Secretaries of India;

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

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors.

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

All decisions are carried out unanimously at Board Meetings and Committee Meetings and recorded in the minutes of the meeting of the Board of Directors or Committees of the Board, as the case may be.

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, etc. referred to above.

For **GMJ & ASSOCIATES**
Company Secretaries

[CS P. MAHESHWARI]
PARTNER
FCS No.:2405
COP No.:1432

Place: Mumbai
Date: 26th May, 2016

Note: This report is to be read with our letter of even date that is annexed as **Annexure I** and forms an integral part of this report.

ANNEXURE I

**To,
The Members,
Oriental Containers Limited**
1076, Dr. E. Moses Road,
Worli, Mumbai - 400 018.

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

1. Maintenance of secretarial records is the responsibility of management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Wherever required, we have obtained the Management Representation about the compliance of laws, rules and regulations and happening of events, etc.
5. The compliance of the provisions of corporate and other applicable laws, rules and regulations, standards is the responsibility of the management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit Report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

For **GMJ & ASSOCIATES**
Company Secretaries

[CS P. MAHESHWARI]
PARTNER
FCS No.:2405
COP No.:1432

Place: Mumbai
Date: 26th May, 2016



Independent Auditor's Report

To the Members of
Oriental Containers Limited

Report on the Financial Statements

We have audited the accompanying financial statements of Oriental Containers Limited ('the Company') which comprise the Balance sheet as at 31 March 2016, the Statement of profit and loss and the Cash flow statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

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

Auditor's Responsibility

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

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

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

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

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

Opinion

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of Section 143 of the Act, we give in the Annexure A, a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143 (3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (b) In our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - (c) The Balance sheet, the Statement of profit and loss and the Cash flow statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014;
 - (e) On the basis of the written representations received from the directors as on 31 March 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2016 from being appointed as a director in terms of Section 164 (2) of the Act;
 - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in Annexure B; and
 - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 25(b) 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; and
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No: 116231W/ W-100024

Shabbir Readymadewala

Partner

Membership No: 100060

Mumbai
26 May 2016



Annexure A to Independent Auditor's Report – 31 March 2016
(Referred to in our report of even date)

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in phased manner, over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its business. In accordance with said programme, certain fixed assets were physically verified by the management and no material discrepancies were noticed upon 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, except for residential flats as disclosed under note 11 having gross block value of Rs 25,173,087 and net block value of Rs 21,104,068, the title deeds of immovable properties are held in the name of the Company.
- (ii) The inventory, except goods-in-transit and stock lying with the third parties, have been physically verified by the management during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with the third parties at the year end, written confirmations have been obtained. The discrepancies noticed on verification between the physical stock and the book records were not material and these have been dealt with in the books of account.
- (iii) The Company has granted unsecured loans to two companies covered in the register required to be maintained under Section 189 of the Companies Act, 2013 ('the Act'). The Company has not granted any loans, secured or unsecured, to firms, limited liability partnership or other parties covered in the register maintained under Section 189 of the Act.
- (a) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that the rate of interest and other terms and conditions of unsecured loans granted by the company to two companies covered in the register maintained under Section 189 of the Act, (total loan amount granted Rs 385,200,000 and balance outstanding as at balance sheet date Rs 375,200,000) are not prejudicial to the interest of the Company.
- (b) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that there is no stipulation of schedule of repayment of principal and payment of interest for the aforementioned loans and in absence thereof, we are unable to make comments on regularity of the repayment of principal and payment of interest. However, according to the information and explanations given to us and based on the audit procedures conducted by us, the loans to the extent demanded have been recovered during the year.
- (c) According to the information and explanations given to us and based on the audit procedures conducted by us, we are of the opinion that there are no overdue amounts in respect of the loans granted to the two companies listed in the register maintained under Section 189 of the Act.
- (iv) In our opinion and according to the information and explanations given to us and based on the audit procedures conducted by us, the Company has complied with provisions of Section 185 and 186 of the Act, with respect to loans granted.
- (v) The Company has not accepted any deposits from the public.
- (vi) As informed to us by the management, the Central Government has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Act, for any of the goods manufactured by the Company.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues including provident fund, employees' state insurance, service tax, sales-tax, duty of custom, duty of excise, value added tax, cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities. According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/ accrued in the books of account in respect of undisputed statutory dues of income tax have generally been regularly deposited with the appropriate authorities though there have been slight delays in few cases.
- According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, employees' state insurance, income tax, sales tax, value added tax, service tax, duty of custom, duty of excise and cess were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duties of excise, value added tax and other statutory dues which have not been deposited by the Company on account of dispute except as mentioned in Exhibit I to this Annexure.
- (viii) According to the information and explanations given to us, the Company has not defaulted during the year in repayment of dues to bank, financial institution and government. The Company did not have any outstanding debentures during the year.
- (ix) The Company did not raise any money by way of initial public offer or further public offer (including debt instruments) and term loans during the year. Accordingly, paragraph 3 (ix) of the Order is not applicable.
- (x) According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- (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 to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (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.



(xiv) According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.

(xv) According to the information and 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 him. Accordingly, paragraph 3(xv) of the Order is 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 **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/ W-100024

Mumbai
26 May 2016

Shabbir Readymadewala
Partner
Membership No: 100060

Exhibit I to Annexure A to the Independent Auditor's Report – 31 March 2016

(Referred to in our report of even date)

Name of the Statute	Nature of the dues	Demand (Rs)	Amount paid under protest (Rs)	Financial Year	Forum where dispute is pending
Central Excise Act, 1944	Cenvat Credit Availied	238,572	---	April 1985 to March 1986	Tribunal Mumbai (CESTAT)
Central Excise Act, 1944	Cenvat Credit Availied	538,122	---	April 2004 to March 2005	Tribunal Mumbai (CESTAT)
Central Excise Act, 1944	Cenvat Credit Availied	1,267,426	---	May 2007 to February 2008	Tribunal Mumbai (CESTAT)
Goa Value Added Tax	VAT	538,752	---	FY 2008-09	Assistant Commissioner of commercial Taxes-Panji
Goa Value Added Tax	VAT	792,313	333,660	FY 2010 -11	Assistant Commissioner of commercial Taxes-Panji
Goa Value Added Tax	VAT	1,483,392	14,666	FY 2008-09 FY 2009-10	Assistant Commissioner of commercial Taxes-Panji
Central Excise Act, 1944	Excise Duty	1,430,060	---	April 2005 to March 2015	Asst. Commissioner of Central Excise & Service Tax



Annexure B to Independent Auditor's Report – 31 March 2016
(Referred to in our report of even date)

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 Oriental Containers Limited ('the Company') as of 31 March 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditor's Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, 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 included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls over Financial Reporting

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

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

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

For B S R & Associates LLP
Chartered Accountants

Firm's Registration No: 116231W/ W-100024

Shabbir Readymadewala
Partner
Membership No: 100060

Mumbai
26 May 2016



Balance Sheet

as at 31 March 2016

(Currency: Indian Rupees)

	Note	31 March 2016	31 March 2015
EQUITY AND LIABILITIES			
Shareholders' funds			
Share capital	3	10,82,08,360	10,82,08,360
Reserves and surplus	4	1,56,29,20,840	1,42,84,86,865
		<u>1,67,11,29,200</u>	<u>1,53,66,95,225</u>
Non-current liabilities			
Long-term borrowings	5	38,28,75,698	32,50,93,828
Deferred tax liabilities (net)	6	12,60,48,047	13,06,27,084
Long-term provisions	7	9,66,28,476	7,96,69,717
		<u>60,55,52,221</u>	<u>53,53,90,629</u>
Current liabilities			
Short-term borrowings	8	95,22,01,370	70,63,81,822
Trade payables	9	51,22,64,387	71,74,81,846
Other current liabilities	10	5,89,68,511	5,66,99,416
Short-term provisions	7	2,33,51,375	2,49,81,757
		<u>1,54,67,85,643</u>	<u>1,50,55,44,841</u>
TOTAL		<u><u>3,82,34,67,064</u></u>	<u><u>3,57,76,30,695</u></u>
ASSETS			
Non-current assets			
Fixed assets			
Tangible assets	11A	1,70,89,78,149	1,63,78,19,496
Intangible assets	11B	16,51,598	35,53,286
Capital work in progress		1,88,976	74,59,313
Long-term loans and advances	12	2,80,96,732	4,43,43,705
Other non-current assets	13	-	-
		<u>1,73,89,15,455</u>	<u>1,69,31,75,800</u>
Current assets			
Inventories	14	76,59,03,515	79,95,78,421
Trade receivables	15	76,99,28,581	89,03,63,627
Cash and bank balances	16	38,41,154	38,83,264
Short-term loans and advances	12	52,69,47,226	19,05,44,506
Other current assets	17	1,79,31,133	85,077
		<u>2,08,45,51,609</u>	<u>1,88,44,54,895</u>
TOTAL		<u><u>3,82,34,67,064</u></u>	<u><u>3,57,76,30,695</u></u>

Significant accounting policies

2

The notes referred to above form an integral part of the financial statements

As per our report of even date attached.

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No: 116231W/W-100024

For and on behalf of the Board of Directors of
Oriental Containers Limited

CIN:U28992MH2006PLC159687

Shabbir Readymadewala

Partner

Membership No: 100060

Mr. Rajendra Somani

Managing Director

DIN: 00332465

Mr. B.K.Toshniwal

Executive Director & Company secretary

DIN: 00048019

Mr. V.N.Khanna

Director

DIN: 00064502

Mr. B.M.Gaggar

Chief Financial Officer

DIN: 02324428

26 May 2016

Mumbai

26 May 2016

Mumbai



Statement of Profit and Loss for the year ended 31 March 2016

(Currency: Indian Rupees)

	Note	31 March 2016	31 March 2015
Revenue from operations			
Sale of products			
Finished products		4,37,96,62,138	4,17,63,99,793
Traded goods		-	1,29,50,805
Sale of products (gross)		4,37,96,62,138	4,18,93,50,598
Less : Excise duty		38,87,08,055	39,13,38,624
Sale of products (net)		3,99,09,54,083	3,79,80,11,974
Other operating revenue	18	7,09,40,251	10,52,21,965
Total		4,06,18,94,334	3,90,32,33,939
Other income	19	3,18,28,649	3,86,47,284
Total Revenue		4,09,37,22,983	3,94,18,81,223
Expenses			
Cost of material consumed	20	2,45,41,94,453	2,59,10,64,054
Purchase of traded goods		-	1,15,31,131
Changes in inventories of finished goods and work in progress	21	5,95,96,966	(6,81,92,748)
Employee benefit expenses	22	31,63,08,525	29,45,26,248
Other expenses	23	67,21,55,293	61,64,83,775
Total Expenses		3,50,22,55,237	3,44,54,12,460
Earnings before interest, tax, depreciation and exceptional item (EBITDAE)		59,14,67,746	49,64,68,763
Finance costs	24	7,73,94,318	7,78,64,485
Depreciation and amortisation	11	23,84,21,362	17,66,81,739
Profit before tax and exceptional items		27,56,52,066	24,19,22,539
Exceptional item (refer note 2.4 and 11)		-	4,37,78,135
Profit before tax		27,56,52,066	19,81,44,404
Tax expense:			
Current tax		9,12,00,000	7,81,00,000
Current tax and wealth tax paid for earlier years		11,99,942	24,15,325
Deferred tax charges		(45,79,037)	(1,72,69,738)
Profit after tax		18,78,31,161	13,48,98,817
Earnings per equity share [nominal value of share INR 10 (previous year: INR 10)]			
Basic and diluted	30	17.36	12.47
Significant accounting policies	2		

The notes referred to above form an integral part of the financial statements

As per our report of even date attached.

For **B S R & Associates LLP**
Chartered Accountants
Firm's Registration No: 116231W/W-100024

Shabbir Readymadewala
Partner
Membership No: 100060

26 May 2016
Mumbai

For and on behalf of the Board of Directors of
Oriental Containers Limited
CIN:U28992MH2006PLC159687

Mr. Rajendra Somani
Managing Director
DIN: 00332465

Mr. B.K.Toshniwal
Executive Director & Company secretary
DIN: 00048019

Mr. V.N.Khanna
Director
DIN: 00064502

Mr. B.M.Gaggar
Chief Financial Officer
DIN: 02324428

26 May 2016
Mumbai



Cash flow statement

for the year ended 31 March 2016

(Currency: Indian Rupees)

Particulars	31 March 2016	31 March 2015
A. Cash flow from operating activities:		
Profit before tax	27,56,52,066	19,81,44,404
Adjustment for:		
Unrealised foreign exchange (gain)/ loss (net)	(66,21,981)	(80,12,616)
(Profit)/Loss on sale of Fixed Assets	(3,00,321)	26,02,334
Depreciation and amortisation (including exceptional item)	23,84,21,362	22,04,59,874
Sundry balance written back	(73,04,019)	(40,32,565)
Sundry balance written off	2,49,02,776	71,53,807
Interest expenses	4,95,41,157	4,22,37,143
Interest income	(2,26,66,050)	(32,24,118)
Operating profit before working capital changes	55,16,24,990	45,53,28,263
Changes in working capital:		
Decrease/ (Increase) in Inventories	3,36,74,906	(14,46,41,712)
Decrease /(Increase) in Trade receivables	9,57,54,045	(27,19,04,198)
Increase / (Decrease) in Provisions	1,95,02,781	(2,08,60,131)
Decrease /(Increase) in Loans and advances	1,35,22,565	(85,21,703)
Decrease /(Increase) in Other current and non current assets	85,077	(16,29,092)
Decrease /(Increase) in Current liabilities	(20,82,88,120)	20,11,44,302
Cash generated from operations	50,58,76,244	20,89,15,729
Taxes paid (including tax deducted at source)	(6,83,87,106)	(3,44,07,160)
Net cash flows generated from operating activities	43,74,89,138	17,45,08,569
B. Cash flow from investing activities:		
Purchase of fixed assets including Capital work in progress and capital advances	(26,92,62,785)	(10,86,55,975)
Sale of fixed assets	3,63,652	5,05,554
Interest income	46,49,840	32,24,118
Net cash flows (used in) investing activities	(26,42,49,293)	(10,49,26,303)
C. Cash flow from financing activities:		
Proceeds from secured loans	35,42,19,897	11,64,10,384
Repayment of secured loans	(5,35,08,704)	(12,62,81,866)
Proceeds from unsecured loans	1,16,69,065	59,09,472
Repayment of unsecured loans	(79,17,123)	(1,32,15,533)
Loans given to related parties	(39,52,00,000)	(5,00,00,000)
Loans recovered from related parties	2,00,00,000	5,00,00,000
Dividend and dividend distribution tax paid	(5,33,97,186)	-
Increase / (decrease) in deferred sales tax liability	-	(90,08,793)
Interest paid	(4,92,32,981)	(4,31,86,274)
Net cash flow from / (used in) financing activities	(17,33,67,032)	(6,93,72,610)
Net increase in cash and cash equivalent (A+B+C)	(1,27,187)	2,09,655
Cash and cash equivalents - opening balance (refer note no.16)	11,55,244	9,45,589
Cash and cash equivalents - closing balance (refer note no.16)	10,28,057	11,55,244

Notes :

- 1 The above Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 on Cash Flow Statements issued by Central Government in consultation with NACAS.
- 2 Significant accounting policies (Refer note 2)
- 3 The notes referred to above form an integral part of the financial statements

As per our report of even date attached.

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No: 116231W/W-100024

Shabbir Readymadewala

Partner

Membership No: 100060

Mr. Rajendra Somani

Managing Director

DIN: 00332465

Mr. V.N.Khanna

Director

DIN: 00064502

26 May 2016

Mumbai

For and on behalf of the Board of Directors of

Oriental Containers Limited

CIN:U28992MH2006PLC159687

Mr. B.K.Toshniwal

Executive Director & Company secretary

DIN: 00048019

Mr. B.M.Gaggar

Chief Financial Officer

DIN: 02324428

26 May 2016

Mumbai



Notes to the financial statements

for the year ended 31 March 2016

(Currency: Indian Rupees)

1 Background

Oriental Containers Limited ('the Company') was incorporated on 13 February 2006. Pursuant to a business transfer agreement dated 25 February 2006, the Company acquired the "packaging division" of Oricon Enterprises Limited (erstwhile Oriental Containers Limited) ('the Promoter') consisting of the business of manufacturing of plastic closures, aluminium pilfer proof caps, collapsible tubes, swage seals and crown seals on a slump sale basis. The Company has its manufacturing facilities in Murbad and Goa.

Pursuant to the Share Subscription Agreement dated 1 September 2006 the Company issued 100 equity shares of Rs 10 each and 40,000,000 preference shares of INR 10 each to Navigate Mauritius Limited ('the Investor'). On 17 October 2008, the Company issued further shares to OC Holding Limited an affiliate of the Investor and to the Promoter in accordance with the Supplemental Agreement to the Share Subscription Agreement dated 1 September 2006 and the Shareholders' Agreement dated 27 September 2006. The 40,000,000 preference shares of INR 10 each were transferred from Navigate Mauritius Limited to OC Holdings Limited on 9 September 2009 and were converted into 3,063,725 equity shares of INR 10 each.

As per the Shareholders' Agreement dated 27 September 2006 between the Promoter and the Investor, the Promoter shall vote and shall cause the promoter directors to vote in the manner as required by the Investor. Accordingly, the Investor did controlled the composition of the Board of Directors of the Company and hence was the holding company of the Company.

With effect from 27 March 2015, Pursuant to the purchase of the entire stake of 7,574,644 equity shares of Rs 10 each held by OC Holding Limited, the Company has become the wholly owned subsidiary of Oricon Enterprises Limited (OEL) with effect from that date.

2. Significant accounting policies

2.1 Basis of preparation of financial statements

The financial statements have been prepared and presented under the historical cost convention, on the accrual basis of accounting in accordance with the accounting principles generally accepted in India ('Indian GAAP') and comply with the Accounting standards prescribed in the Companies (Accounting Standards) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013, ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014 and other relevant provisions of the Companies Act, 1956, to the extent applicable. The financial statements are presented in Indian rupees.

2.2 Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires management to make estimates and assumptions that affect the reported amount of assets and liabilities, income and expenses and disclosure of contingent liabilities on the date of the financial statements. Actual results may differ from these estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

2.3 Current-non current classification

All the assets are classified into current and non-current.

Assets

- it is expected to be realised in, or is intended for sale or consumption in, the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is expected to be realised within 12 months after the reporting date; or
- it is cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least 12 months after the reporting date."

Current assets include the current portion of non-current financial assets

All other assets are classified as non-current

Liabilities

A liability is classified as current when it satisfies any of the following criteria

- it is expected to be settled in the Company's normal operating cycle;
- it is held primarily for the purpose of being traded;
- it is due to be settled within 12 months after the reporting date; or
- the Company does not have an unconditional right to defer settlement of the liability for at least 12 months after the reporting date. Terms of a liability that could, at the option of the counterparty, result in its settlement by the issue of equity instruments do not affect its classification."

Operating cycle

Based on the nature of services and the time between the acquisition of assets for processing and their realisation in cash and cash equivalents, the Company has ascertained its operating cycle as twelve months for the purpose of current – non-current classification of assets and liabilities.

2.4 Tangible assets and depreciation

Tangible assets are carried at cost less accumulated depreciation and impairment losses. Cost includes inward freight, duties, taxes and incidental expenses related to the acquisition, construction and installation of the tangible assets. Custom duty obligation on import of capital goods which is discharged through duty credit available under DEPB, SHIS (Status Holder Incentive Scrip) and other licenses purchased from third parties/other exporters is capitalized at the amounts paid to such parties for acquisition/transfer of the said licenses. Borrowing costs directly attributable to acquisition or construction of those tangible assets which necessarily take a substantial period of time to get ready for their intended use are capitalised.

The Company provides depreciation on its tangible assets on the straight-line method ('SLM'), pro-rata to the period of use based on the useful life of the assets as estimated by the management and is charged to the Statement of Profit and Loss as per the requirement of Schedule II of the Companies Act, 2013 except for the plant and machinery acquired on the purchase of the "packaging division" of Oricon Enterprises Limited wherein depreciation is provided based on the estimated useful lives of the plant and machinery so acquired, determined by the Company's management based on the technical evaluation by a certified valuer conducted at the



Notes to the financial statements (continued)

for the year ended 31 March 2016

(Currency: Indian Rupees)

2 Significant accounting policies (continued)

2.4 Tangible assets and depreciation (continued)

time of the business purchase. The estimated useful life of acquired plant and machinery ranges from 2 to 18 years.

"Change in estimate of useful life.

During the previous year, the Company has revised the estimated useful life of tangible assets based on the useful life of the assets as estimated by the management as per the requirements of Schedule II of the Companies Act, 2013 since the management believes that these revised useful lives more appropriately reflect, the period of economic benefit to be derived from the use of assets and would hence result in a more appropriate preparation of the financial statements.

The revision in useful life has resulted in incremental depreciation charge in the previous year aggregating to Rs 43,778,135 and same is disclosed as an exceptional item in the statement of profit and loss."

Premium on leasehold land is amortised over the unexpired period of the lease.

Advances paid towards the acquisition of fixed assets, outstanding at each balance sheet date and the cost of the fixed asset not ready for its intended use on such date, are disclosed under capital advances (Long-term advances) and capital work-in-progress.

2.5 Intangible assets and amortisation

Intangible assets comprises of license fees and goodwill. Intangible assets are recognised when the asset is identifiable, is within the control of the Company, it is probable that the future economic benefits that are attributable to the asset will flow to the Company and cost of the asset can be reliably measured. Acquired intangible assets are recorded at the consideration paid for acquisition. These intangible assets are amortised on straight-line basis based on the following useful lives, which in management's estimate represents the period during which economic benefits will be derived from their use:

Assets	Period (in Years)
License fees (paid for acquisition of the licenses for the manufacture of metal twist – off closures)	10
Goodwill	5

2.6 Impairment of assets

The Company assesses at each balance sheet date whether there is any indication that an asset or a group of assets (cash generating unit) may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset or group of assets. If such recoverable amount of the asset or the recoverable amount of the cash generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that a previously assessed impairment

loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount subject to a maximum of depreciable historical cost.

2.7 Operating leases

Lease rentals in respect of assets acquired under operating leases are recognised in the statement of profit and loss on a straight line basis over the lease term.

2.8 Borrowing costs

Borrowing costs other than those attributable to acquisition or construction of those fixed assets which necessarily take a substantial period of time to get ready for their intended use are charged to the statement of profit and loss as incurred.

2.9 Inventories

Inventory includes raw materials and components, work-in-progress and manufactured finished goods. Inventory is valued at the lower of cost and net realizable value.

In determining the cost of raw materials, first in first out method is used. The cost of stores and spares is determined on the basis of weighted average method. Fixed production overheads are allocated on the basis of normal capacity of production facilities.

The comparison of cost and net realisable value is made on an item-by-item basis. The net realisable value of work-in-progress and raw materials is determined with reference to the selling prices of the related finished goods. Raw materials and other supplies held for use in production of inventories are not written down below cost except in cases where material prices have declined and it is estimated that the cost the finished products will exceed their net realisable value.

2.10 Employee benefits

(a) Short term benefits

All employee benefits payable wholly within twelve months of rendering the service are classified as short-term employee benefits. These benefits include compensated absences such as privilege leave and sickness leave. The undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees is recognized as an expense as the related service is rendered by employees.

(b) Post employment benefits

(i) Defined contribution plan

The Company's contributions towards provident fund, employee state insurance and superannuation fund are defined contribution schemes. The Company's contribution paid/payable under the schemes is recognised as expense in the statement of profit and loss during the period in which the employee renders the related service.

(ii) Defined benefit plan

The Company's gratuity benefit scheme is a defined benefit plan. The Company's net obligation in respect of the gratuity benefit scheme is calculated by estimating the amount of future benefit that employees have earned in return for their service in the current and prior periods; that benefit is discounted to determine its present value.

The present value of the obligation under such defined benefit plan is determined based on actuarial valuation using the Projected Unit Credit Method, which recognizes each period of service as giving rise to additional unit of employee



Notes to the financial statements (continued)

for the year ended 31 March 2016

(Currency: Indian Rupees)

2 Significant accounting policies (continued)

benefit entitlement and measures each unit separately to build up the final obligation.

The obligation is measured at the present value of the estimated future cash flows. The discount rates used for determining the present value of the obligation under defined benefit plan, are based on the market yields on Government securities as at the Balance Sheet date.

Actuarial gains and losses are recognized immediately in the statement of profit and loss.

(c) Other long term employment benefits

Long term employee benefits comprise of compensated absences. These are measured based on an actuarial valuation carried out by an independent actuary at each Balance sheet date unless they are insignificant. Actuarial gains and losses and past service costs are recognised immediately in the statement of profit and loss.

2.11 Revenue recognition

Revenue from sale of products is recognised when the risk and rewards of ownership of products are passed on to the customers. Revenue is recorded exclusive of sales returns, sales tax and net of trade and quantity discounts and rebates granted.

Revenue from services is recognized on rendering of services to the customers. Revenue is recorded exclusive of service tax.

Interest income is recognised on the time proportion basis.

2.12 Export incentives

Export incentives receivable are accrued for when the right to receive the credit is established and there is no significant uncertainty regarding the ultimate collection of export proceeds. The export incentives are disclosed as other operating income in the financial statements.

2.13 Foreign currency transactions

Foreign exchange transactions are recorded using the exchange rates prevailing at the date of transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognised in the statement of profit and loss for the year.

Monetary assets and liabilities outstanding at the balance sheet date are translated at the exchange rates prevailing on that date and the net gain or loss is recognised in the statement of profit and loss.

For forward foreign exchange contracts relating to highly probable forecast transactions (not intended for trading or speculation purpose), the Company follows the guidance in the Announcement of the Institute of Chartered Accountants of India ('ICAI') dated 29 March 2008 whereby for each category of derivatives, the Company records any net mark-to-market losses. Net mark-to-market gains are not recorded for such derivatives.

2.14 Provisions and contingent liabilities

The Company creates a provision where there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure or a contingent liability is made when there is a possible or a present obligation that may but probably will not require an outflow of resources. When there is a possible obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

2.15 Taxation

Income tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the Income tax Act, 1961) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the period).

The deferred tax charge or credit and the corresponding deferred tax liabilities or assets are recognised using the rates and laws that have been enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognised only to the extent there is reasonable certainty the assets can be realised in future; however, where there is unabsorbed depreciation and carry forward loss under taxation laws, deferred tax assets are recognised only if there is a virtual certainty of realisation of such assets. Deferred tax assets are reviewed at each balance sheet date and written down or written up to reflect the amount that is reasonably /virtually certain (as the case may be) to be realised.

Minimum Alternate Tax (MAT) obligation in accordance with the tax laws, which gives rise to future economic benefits in the form of adjustment of future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal tax during the specified period. Accordingly, it is recognized as an asset in the balance sheet when it is probable that the future economic benefit associated with it will flow to the Company and the asset can be measured reliably.

2.16 Earnings Per Share ('EPS')

Basic EPS is computed using the weighted average number of equity shares outstanding during the period. Diluted EPS is computed using the weighted average number of equity and dilutive equity equivalent shares outstanding during the year-end, except where the results would be anti dilutive.

2.17 All long term foreign currency monetary items consisting of liabilities which relate to acquisition of depreciable capital assets at the end of the period/ year have been restated at the rate prevailing at the Balance Sheet date. The exchange difference, arising as a result has been added or deducted from the cost of the assets as per the notifications issued by the Ministry of Corporate Affairs (MCA) dated 29 December 2011 and 9 August 2012.

2.18 Measurement of EBITDAE

The Company has elected to present earning before interest, tax, depreciation and amortisation and exceptional item (EBITDAE) as a separate line item on the face of statement of profit and loss. The Company measures EBITDAE on the basis of profit/(loss) from continuing operations. In its measurement, the Company does not include depreciation and amortisation expenses, finance costs and tax expenses.



Notes to the financial statements (Continued)

as at 31 March 2016

(Currency: Indian Rupees)

	31 March 2016	31 March 2015
3 Share capital		
Authorised:		
25,000,000 (31 March 2015: 25,000,000) Equity shares of INR 10 each	25,00,00,000	25,00,00,000
75,000,000 (31 March 2015: 75,000,000) 0.000001% redeemable non-cumulative preference shares of INR 10 each	<u>75,00,00,000</u>	<u>75,00,00,000</u>
	1,00,00,00,000	1,00,00,00,000
Issued, subscribed and paid up:		
10,820,836 (31 March 2015: 10,820,836) Equity shares of INR 10 each, fully paid-up	<u>10,82,08,360</u>	<u>10,82,08,360</u>
	10,82,08,360	10,82,08,360

a. Reconciliation of shares outstanding at the beginning and at the end of the reporting year

	31 March 2016		31 March 2015	
	Shares	Amount	Shares	Amount
At the commencement and end of the year	1,08,20,836	10,82,08,360	1,08,20,836	10,82,08,360

b. Rights, preference and restrictions attached to the shares

The Company has only one class of shares referred to as equity shares having a par value of INR 10 each. Each holder of the equity shares is entitled to one vote per share.

In the event of winding up of the Company, subject to the rights of any other shares entitled by the terms of issue to preferential repayment over the equity shares, all surplus assets thereafter shall belong to the holders of the equity shares. Equity shareholders shall be entitled to be repaid the amount of capital paid up or credited as paid up on such equity shares and all surplus assets in proportion to the amount paid up or credited as paid up on such equity shares respectively at the commencement of the winding up.

All equity shares rank equally with regard to dividend and are entitled to receive dividend declared from time to time.

The Board of Directors, in their meeting held on 26 June 2015 and 15 March 2016, declared an interim dividend of INR 2.30 and INR 1.80 per equity share respectively. The total dividend appropriation for the year ended 31 March 2016 aggregates to INR 53,397,186 (previous year : NIL) including corporate dividend tax of INR 9,031,758 (previous year : NIL).

c. Particulars of shareholders held by holding company and shareholders holding more than 5% shares of a class of shares

	31 March 2016		31 March 2015	
	Number	% of total shares in the class	Number	% of total shares in the class
Equity shares of INR 10 each fully paid-up held by Oricon Enterprises Limited (Including shares of nominee holders)	1,08,20,836	100	1,08,20,836	100
	1,08,20,836	100	1,08,20,836	100



Notes to the financial statements (Continued) as at 31 March 2016

(Currency: Indian Rupees)

	31 March 2016	31 March 2015
4 Reserves and surplus		
Capital reserve		
At the commencement and at the end of the year	<u>1,70,000</u>	<u>1,70,000</u>
Securities premium account		
At the commencement and at the end of the year	<u>94,28,72,968</u>	<u>94,28,72,968</u>
Surplus (Profit and loss balance)		
At the commencement of the year	48,54,43,897	35,05,45,080
Profit for the year	18,78,31,161	13,48,98,817
Less: Appropriations		
Interim dividend [Rs 4.10 per share (previous year : Nil per share)] (refer note 33)	4,43,65,428	-
Tax on equity dividend	90,31,758	-
Investment allowance reserve *	3,90,00,000	-
	<u>58,08,77,872</u>	<u>48,54,43,897</u>
Investment Allowance Reserve*		
At the commencement of the year	-	-
Add: Transfer from surplus in profit and loss balance	3,90,00,000	-
	<u>3,90,00,000</u>	-
	<u>1,56,29,20,840</u>	<u>1,42,84,86,865</u>

* During the year, as investments made by the Company in new plant and machinery exceed INR 25,00,00,000, the Company is eligible to claim deduction under Section 32 AC (1A) of Income-tax Act 1961 by way of investment allowance. Accordingly, the Company has transferred a sum of INR 3,90,00,000 from Surplus (Profit and loss balance) to Investment Allowance Reserve.

5 Long-term borrowings

	Non current portion		Current portion	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
Vehicle loan (secured)				
from banks (refer note a)	4,87,642	2,91,656	3,59,383	2,94,028
from other parties (refer note b)	55,32,872	21,24,765	42,68,900	43,62,640
Foreign currency buyers credit (secured) (refer note c)	28,98,20,274	22,77,25,374	-	-
Deferred payment liabilities				
Deferred sales tax (unsecured)(refer note d)	8,70,34,910	8,70,34,910	-	-
Deferred payment for acquisition of fixed assets (unsecured) (refer note e)	-	79,17,123	88,07,228	79,17,123
	<u>38,28,75,698</u>	<u>32,50,93,828</u>	<u>1,34,35,511</u>	<u>1,25,73,791</u>

Terms of repayment

- Vehicle loans taken from bank carry interest in the range of 9.85% to 11.75%, are payable in 36 equal monthly instalments. These loans have been secured against vehicles.
- Vehicle loans taken from other parties carry interest in the range of 9.75% to 10.11%, are payable in 36 equal monthly instalments. These loans have been secured against vehicles.



Notes to the financial statements (Continued)

as at 31 March 2016

(Currency: Indian Rupees)

5 Long-term borrowings (continued)

c Foreign currency buyers credit availed from banks amounting to INR 289,820,274 (31 March 2015: INR 227,725,374) is secured by hypothecation of inventory and trade receivables (present and future) and also has first pari-passu charge on movable and immovable property located at Murbad and Goa plant of the Company. The facility carries interest rate in a range of Euribor plus 40 to 60 basis points and duration of the buyers credit is for 180 days and is available for rollover for further 2 and half years from the date of first borrowing.

d Deferred sales tax

The Company is deferring its sales tax obligation under the 3 incentive schemes (EC3052-1988, EC3636-1993 and EC4633-1993) of which the deferral period in respect of 2 schemes had lapsed (EC3052-1988 and EC3636-1993) prior to the business transfer from Oricon Enterprises Limited ('Oricon') to the Company. Oricon had filed a writ petition with Honorable High Court of Mumbai, for extending the time limit till the full utilization of deferment benefit, stating that pattern of utilisation of the benefit had suffered due to change in regulations pertaining to purchase tax levy. While the writ petition is pending disposal, Oricon has received an ad interim order allowing deferment till the quantum of incentive is exhausted. In the event of an adverse decision from the Honorable High Court of Mumbai and the Directorate of Industries, there will be immediate cash outflows of the amount aggregating to INR 13,118,652 (previous year: INR 15,021,675).

e Deferred payment for acquisition for fixed assets as at the end of the year denotes Suppliers' Credit obtained in March 2014 and repayable by March 2017 in 6 equated half yearly instalments commencing from September 2014. The rate of interest is 3.75% p.a.

6 Deferred tax liabilities (net)

Deferred tax liabilities	31 March 2016	31 March 2015
Timing difference on account of:		
Difference between book depreciation and depreciation under Income Tax Act, 1961	16,42,99,266	16,12,24,094
Total deferred tax liabilities	16,42,99,266	16,12,24,094
Deferred tax assets		
Timing difference on account of:		
Provision for gratuity	2,86,14,240	2,31,74,953
Provision for compensated absences	81,42,543	67,91,592
Provision for doubtful debts	-	1,36,551
Provision for bonus	14,94,436	4,93,914
Total deferred tax assets	3,82,51,219	3,05,97,010
Deferred tax liability (net)	12,60,48,047	13,06,27,084

7 Provisions

	Long Term		Short Term	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
Provision for employee benefits				
Gratuity (refer note no. 34)	7,65,30,957	6,35,62,054	61,45,264	46,19,625
Compensated absences	2,00,97,519	1,61,07,663	34,29,044	38,73,483
Other provisions				
Provision for current tax (net of advance tax: INR 51,703,940, 31 March 15 : INR 48,528,649)	-	-	1,37,77,067	1,64,88,649
	9,66,28,476	7,96,69,717	2,33,51,375	2,49,81,757



Notes to the financial statements (Continued)

as at 31 March 2016

(Currency: Indian Rupees)

	31 March 2016	31 March 2015
8 Short-term borrowings		
Loans repayable on demand (secured)		
Cash credit facility from banks (refer note f)	32,52,08,278	18,37,71,121
Packing credit (refer note g)	8,89,30,167	14,24,38,871
Foreign currency buyers credit (refer note h)	49,02,17,790	34,31,05,658
Unsecured loan		
Purchase bill discounting (refer note i)	4,78,45,135	3,70,66,172
	95,22,01,370	70,63,81,822
Terms of repayment		
f Cash credit facility is availed from various banks which is secured by first pari-passu charge on inventories and trade receivables (present and future) and also has first pari-passu charge on movable and immovable property of the Company located at Murbad and Goa plant. The facility carries interest rate at base rate +1.25% to 2.25% and is repayable on demand.		
g Packing credit facility is availed from bank which is secured by first pari-passu charge on inventories and trade receivables (present and future) and also has first pari-passu charge on movable and immovable property of the Company located at Murbad and Goa plant. The facility carries interest rate at base rate +0.75% minus 3 % under Interest Equalisation Scheme* and is repayable on demand.		
*During the current year, Government of India (Ministry of Commerce & Industry, DGFT) has approved the interest equalisation scheme for pre and post shipment on rupee export packing credit with effect from 1 April 2015 for five years. The Company has availed the benefit under the said scheme and benefit received of INR 2,063,647 under the scheme has been credited to Interest expenses (refer note 24).		
h Buyers credit availed from various banks is secured by first pari-passu charge on inventory and trade receivables (present and future) and also has first pari-passu charge on movable and immovable property of the Company located at Murbad and Goa plant. The facility carries interest rate in a range of Libor plus 50 to 60 basis points and duration of these buyers credit ranges from 60 days to 180 days.		
i Purchase bill discounting from bank is unsecured borrowing. The period of finance is 60 days from the date of bill discounted. The facility carries interest rate at 10.75% to 12% p.a.		
9 Trade payables		
Due to		
- Total outstanding dues of Micro and small enterprises (refer note 35)	1,77,41,747	54,52,539
- Total outstanding dues of trade payable other than Micro and small enterprises	49,45,22,640	71,20,29,307
	51,22,64,387	71,74,81,846
10 Other current liabilities		
Current maturity of long term debt*		
- deferred payment for acquisition for fixed assets	88,07,228	79,17,123
Vehicle loan*		
- from banks	3,59,383	2,94,028
- from other parties	42,68,900	43,62,640
Interest accrued but not due on borrowings	15,07,203	10,12,751
Interest payable to micro, small and medium enterprises (refer note 35)	37,98,537	39,84,813
Advance from customers	1,71,74,013	2,10,65,474
Statutory dues payable		
- TDS payable	47,55,408	42,87,187
- TCS payable	27,185	30,908
- Provident fund payable	12,11,035	10,94,360
- ESIC payable	17,846	18,663
- CST payable	61,88,944	49,38,702
- VAT payable	1,30,011	-
- Professional tax payable	1,10,600	1,12,875
- Service tax payable	7,98,951	6,39,727
Other liabilities	98,13,267	69,40,165
	5,89,68,511	5,66,99,416

*For details refer note 5



Notes to the financial statements (Continued)

as at 31st March 2016

(Currency: Indian Rupees)

11 Fixed assets

Sr. No.	Description	Gross Block				Depreciation/amortisation			Net block		
		Balance as at April 2015	Additions	Deductions/ adjustments	Exchange difference	Balance as at 1 April 2015	For the year	Deletions	Balance as at 31 March 2016	As at 31 March 2016	As at 31 March 2015
11A	Tangible assets										
1	Leasehold land	4,16,19,402	-	-	-	43,93,062	5,21,049	-	49,14,111	3,67,05,291	3,72,26,340
2	Factory buildings	27,66,04,595	27,60,510	-	-	4,63,59,641	1,03,53,382	-	5,67,13,023	22,26,52,082	23,02,44,954
3	Residential flats (refer notes 1 and 2 below)	2,51,73,087	-	-	-	36,58,698	4,10,321	-	40,69,019	2,11,04,068	2,15,14,389
4	Plant and machinery	2,28,26,31,709	26,05,01,456	2,33,333	2,53,11,755	98,59,81,235	21,25,39,474	1,70,002	1,19,83,50,707	1,36,98,60,880	1,29,66,50,474
5	Electric installations	3,59,82,738	23,78,735	-	-	1,56,91,083	47,94,008	-	2,04,85,091	1,78,76,384	2,02,91,655
6	Office equipments	24,84,507	20,15,919	1,37,981	-	16,86,589	4,62,742	1,37,981	20,11,350	23,51,095	7,97,918
7	Computers	79,61,712	6,62,473	-	-	67,28,914	8,30,907	-	75,59,821	10,64,364	12,32,798
8	Furniture and fixtures	1,63,35,460	29,76,760	-	-	77,35,419	17,32,923	-	94,68,342	98,43,878	86,00,041
9	Vehicles (refer note 2 below)	3,13,52,153	1,09,68,608	12,96,082	-	1,19,15,262	44,83,146	12,96,082	1,51,02,326	2,59,22,353	1,94,36,891
10	Fire fighting equipments	7,79,733	-	-	-	5,17,430	57,131	-	5,74,561	2,05,172	2,62,303
11	Laboratory equipments	39,76,786	1,30,762	-	-	24,17,036	3,32,199	-	27,49,236	13,58,312	15,59,750
12	Weighing machines	1,42,440	34,680	-	-	1,40,456	2,394	-	1,42,850	34,270	1,984
	Sub total - A	2,72,50,44,322	28,24,29,905	16,67,396	2,53,11,755	1,08,72,24,826	23,65,19,674	16,04,065	1,32,21,40,437	1,70,89,78,149	1,63,78,19,496
11B	Intangible assets										
1	Goodwill	27,79,811	-	-	-	27,79,811	-	-	27,79,811	-	-
2	License fee	1,90,16,875	-	-	-	1,54,63,589	19,01,688	-	1,73,65,277	16,51,598	35,53,286
	Sub total - B	2,17,96,686	-	-	-	1,82,43,400	19,01,688	-	2,01,45,088	16,51,598	35,53,286
	Total (A+B)	2,74,68,41,008	28,24,29,905	16,67,396	2,53,11,755	1,10,54,68,226	23,84,21,362	16,04,065	1,34,22,85,525	1,71,06,29,747	1,64,13,72,782
	Capital work in progress	74,59,313	25,17,93,913	25,90,64,250	-	-	-	-	-	1,88,976	74,59,313

Notes:

- Including amount paid for acquisition of shares of co-operative societies INR 16,250.
- Residential flats at Murbad and some of vehicles are pending registration in the name of the Company.
- As per paragraph 46A of AS 11, exchange loss of long term monetary liabilities at 31 March 2016 aggregating to Rs 25,311,755 (previous year: exchange gain of Rs 44,522,882) has been capitalised by adjusting the historical cost of the specifically identifiable asset. The exchange fluctuation during the year is presumed to occur evenly throughout the reporting period.



Notes to the financial statements (Continued)

as at 31st March 2016

(Currency: Indian Rupees)

11 Fixed assets (Continued)

Sr. No.	Description	Gross Block				Depreciation/amortisation				Net block	
		Balance as at 1 April 2014	Additions	Deductions/ Adjustments	Exchange difference 31 March 2015	Balance as at 1 April 2014	For the year (refer note no.3 below)	Deletions	Balance as at 31 March 2015	As at 31 March 2015	As at 31 March 2014
11A	Tangible assets										
1	Leasehold land	4,15,52,002	67,400	-	4,16,19,402	38,72,013	5,21,049	-	43,93,062	3,72,26,340	3,76,79,989
2	Factory buildings	26,47,35,253	1,18,69,342	-	27,66,04,595	3,76,29,619	87,30,022	-	4,63,59,641	23,02,44,954	22,71,05,634
3	Residential flats (refer notes 1 and 2 below)	2,51,73,087	-	-	2,51,73,087	32,48,377	4,10,321	-	36,58,698	2,15,14,389	2,19,24,710
4	Plant and machinery	2,13,34,83,312	19,93,13,066	56,41,787	(4,45,22,882)	2,28,26,31,709	19,57,19,231	23,25,133	98,59,81,236	1,29,66,50,473	1,34,08,96,175
5	Electric installations	3,46,37,434	13,45,304	-	3,59,82,738	1,14,53,478	42,37,605	-	1,56,91,083	2,02,91,655	2,31,83,956
6	Office equipments	22,30,749	2,53,758	-	24,84,507	8,98,109	8,09,105	20,625	16,86,589	7,97,918	13,32,640
7	Computers	76,03,184	3,58,528	-	79,61,712	48,40,402	19,05,412	16,900	67,28,914	12,32,798	27,62,782
8	Furniture and fixtures	1,45,27,969	18,07,491	-	1,63,35,460	63,62,435	13,72,984	-	77,35,419	86,00,041	81,65,534
9	Vehicles (refer note 2 below)	2,69,17,369	62,62,820	18,28,036	3,13,52,153	93,69,865	37,73,467	12,28,070	1,19,15,262	1,94,36,891	1,75,47,504
10	Fire fighting equipments	7,79,733	-	-	7,79,733	3,75,722	1,54,944	13,235	5,17,430	2,62,303	4,04,011
11	Laboratory equipments	33,92,189	5,84,597	-	39,76,786	15,37,721	8,79,316	-	24,17,036	15,59,750	18,54,468
12	Weighing machines	1,42,440	-	-	1,42,440	95,726	44,730	-	1,40,456	1,984	46,714
	Sub total - A	2,55,51,74,721	22,18,62,306	74,69,823	(4,45,22,882)	2,72,50,44,322	21,85,58,186	36,03,963	1,08,72,24,826	1,63,78,19,496	1,68,29,04,117
11B	Intangible assets										
1	Goodwill	27,79,811	-	-	27,79,811	27,79,811	-	-	27,79,811	-	-
2	License fee	1,90,16,875	-	-	1,90,16,875	1,35,61,901	19,01,688	-	1,54,63,589	35,53,286	54,54,974
	Sub total - B	2,17,96,686	-	-	2,17,96,686	1,63,41,712	19,01,688	-	1,82,43,400	35,53,286	54,54,974
	Total (A+B)	2,57,69,71,407	22,18,62,306	74,69,823	(4,45,22,882)	2,74,68,41,008	22,04,59,874	36,03,963	1,10,54,68,226	1,64,13,72,782	1,68,83,59,091
	Capital work in progress	7,61,42,760	14,46,87,303	21,33,70,750	74,59,313	-	-	-	-	74,59,313	7,61,42,760

Notes:

1. Including amount paid for acquisition of shares of co-operative societies INR 16,250.
2. Residential flats at Murbad and some of vehicles are pending registration in the name of the Company.
3. Depreciation/amortisation for the previous year of Rs 220,459,873 includes incremental charge of Rs. 43,778,135 on account of change in estimate of useful life of tangible assets and same has been reduced from depreciation/amortisation charged for the year and disclosed separately as an exceptional item in the statement of profit and loss (Refer note. 2.4 of notes to the financial statements)
4. As per paragraph 46A of AS 11, exchange gain of long term monetary liabilities at 31 March 2015 aggregating to Rs 44,522,882 (previous year: exchange loss of Rs 44,747,786) has been capitalised by adjusting the historical cost of the specifically identifiable asset. The exchange fluctuation during the year is presumed to occur evenly throughout the reporting period.



Notes to the financial statements (Continued) as at 31 March 2016

(Currency: Indian Rupees)

12 Loans and advances (Unsecured, considered good)

	Long Term		Short Term	
	31 March 2016	31 March 2015	31 March 2016	31 March 2015
To parties other than related parties				
Capital advances	71,54,028	2,04,88,478	-	-
Security deposits	85,08,672	79,78,853	72,62,429	74,60,686
Other loans and advances				
Advances to vendors for supply of goods and rendering of services	-	-	1,08,20,096	50,78,548
Advances recoverable in cash or in kind	-	-	1,47,58,144	2,39,94,208
Prepaid expenses	23,15,540	4,65,606	57,71,529	61,62,516
Advance to employees	49,62,948	69,92,653	25,29,497	12,31,075
Balances with government authorities	-	-	11,06,05,531	12,16,93,270
Minimum alternate tax credit entitlement	-	32,63,037	-	2,49,24,203
Balances with income tax authorities (net of provision for income tax INR 64,985,654, 31 March 2015 : INR 21,696,799)	51,55,544	51,55,078	-	-
To related parties				
Short term loans (refer note 33 and 37)	-	-	37,52,00,000	-
	2,80,96,732	4,43,43,705	52,69,47,226	19,05,44,506

	31 March 2016	31 March 2015
13 Other non-current assets		
Long term trade receivable (unsecured)	-	4,01,739
Less: Provision for doubtful debts	-	(4,01,739)
	<u>-</u>	<u>-</u>
14 Inventories (valued at lower of cost and net realisable value)		
Raw material	24,77,98,257	18,74,76,307
Work-in-progress	5,83,75,124	7,48,70,361
Finished goods	30,15,90,938	34,46,92,666
Goods in transit		
Raw material	8,39,84,320	11,48,12,014
Stores and spares	-	29,30,992
Stores and spares and consumables	7,41,54,876	7,47,96,081
	<u>76,59,03,515</u>	<u>79,95,78,421</u>
15 Trade receivables		
Receivables outstanding for a period exceeding six months from the date they are due for payment		
unsecured, considered good	7,95,83,599	8,65,38,369
	<u>7,95,83,599</u>	<u>8,65,38,369</u>
Others		
secured, considered good	2,87,61,975	3,56,41,336
unsecured, considered good	66,15,83,007	76,81,83,922
	<u>69,03,44,982</u>	<u>80,38,25,258</u>
	<u>76,99,28,581</u>	<u>89,03,63,627</u>



Notes to the financial statements (Continued)

as at 31st March 2016

(Currency: Indian Rupees)

	31 March 2016	31 March 2015
16 Cash and bank balances		
Cash and cash equivalents		
Cash on hand	1,78,218	1,25,284
Balances with banks:		
On current accounts	<u>8,49,839</u>	<u>10,29,960</u>
	10,28,057	11,55,244
Other bank balances		
On deposit accounts	<u>28,13,097</u>	<u>27,28,020</u>
	<u>38,41,154</u>	<u>38,83,264</u>
 Details of bank balances/deposits		
Bank balances available on demand and deposits with original maturity of three months or less is included under cash and cash equivalents	8,49,839	10,29,960
Bank deposits due to mature within 12 months of the reporting date is included under other bank balances *	28,13,097	27,28,020
	<u>36,62,936</u>	<u>37,57,980</u>
* Fixed deposits have been pledged with the banks as a margin money for guarantees and letters of credit issued by the bank on behalf of the Company.		
17 Other operating revenue		
Interest receivable from related parties (refer note 33)	1,77,30,337	-
Interest accrued on fixed deposits	2,00,796	85,077
	<u>1,79,31,133</u>	<u>85,077</u>



Notes to the financial statements (Continued)
for the year ended 31 March 2016

(Currency: Indian Rupees)

	31 March 2016	31 March 2015
18 Other operating revenue		
Scrap sales	4,40,95,267	4,82,63,489
Service income	56,21,916	3,14,65,21
Sundry balances written back	73,04,019	40,32,565
Export Incentives	1,39,19,049	2,14,60,693
	<u>7,09,40,251</u>	<u>10,52,21,965</u>
19 Other income		
Interest received	2,26,66,050	32,24,118
Rental income	1,63,950	1,45,300
Discount received (net)	36,85,794	95,76,734
Foreign exchange gain (net)	-	1,88,52,474
Insurance claim	44,24,555	39,61,549
Miscellaneous income	5,87,979	28,87,109
Profit on sale of fixed assets (net)	3,00,321	-
	<u>3,18,28,649</u>	<u>3,86,47,284</u>
20 Cost of material consumed		
Raw material at the beginning of the year	18,74,76,307	18,59,04,872
Add: Purchases	2,11,23,76,916	2,20,14,49,023
Less: Raw material at the end of the year	24,77,98,257	18,74,76,307
Cost of raw material consumed	<u>2,05,20,54,966</u>	<u>2,19,98,77,588</u>
Cost of stores and spares consumed	<u>40,21,39,487</u>	<u>39,11,86,466</u>
	<u>2,45,41,94,453</u>	<u>2,59,10,64,054</u>
Details of raw material & components consumed		
Tin free steel/Tin plate	63,19,60,112	61,40,99,700
Aluminium sheet/Slug/Ingots	28,98,07,737	34,64,90,533
Polymers	1,13,02,87,117	1,23,92,87,355
Other including components	40,21,39,487	39,11,86,466
	<u>2,45,41,94,453</u>	<u>2,59,10,64,054</u>
Break up of inventory - Raw material		
Tin free steel/Tin plate	7,29,34,730	5,91,17,347
Aluminium Sheet/Slug/Ingots	3,59,74,755	1,79,31,629
Polymers	13,88,88,772	11,04,27,331
	<u>24,77,98,257</u>	<u>18,74,76,307</u>
21 Change in inventory of finished goods and work in progress		
Stock at close		
Finished goods		
Closures	28,76,70,456	33,41,01,471
Collapsible Tubes	53,02,912	50,77,772
Others	86,17,569	55,13,423
Work in progress - Closures	5,83,75,124	7,48,70,361
	<u>35,99,66,061</u>	<u>41,95,63,027</u>
Stock at commencement		
Finished goods		
Closures	33,41,01,471	28,65,51,075
Collapsible Tubes	50,77,772	30,34,597
Others	55,13,423	13,54,444
Work in progress - Closures	7,48,70,361	6,04,30,163
	<u>41,95,63,027</u>	<u>35,13,70,279</u>
	<u>5,95,96,966</u>	<u>(6,81,92,748)</u>



Notes to the financial statements (Continued)
for the year ended 31 March 2016

(Currency: Indian Rupees)

	31 March 2016	31 March 2015
22 Employee benefit expenses		
Salaries, wages, allowances and other benefits	26,13,49,310	23,37,37,449
Contribution to provident fund and other funds (refer note 34)	1,73,31,901	1,74,53,227
Gratuity (refer note 34)	1,76,62,797	2,48,73,840
Staff welfare expenses	1,99,64,517	1,84,61,732
	<u>31,63,08,525</u>	<u>29,45,26,248</u>
23 Other expenses		
Rent	2,23,64,534	1,01,97,663
Outsourcing expenses (Job work)	7,56,75,480	6,86,74,935
Security expenses	61,51,246	52,11,166
Vehicle expenses	1,14,65,222	1,10,25,042
Travelling and conveyance expenses	1,53,34,892	1,46,69,319
Professional fees	3,29,71,093	1,30,07,710
Postage, courier and telephone charges	46,44,833	43,88,127
Director sitting fees	50,000	-
Insurance	1,12,46,385	1,01,90,905
Transport and forwarding charges	19,67,06,707	18,56,31,901
Repairs and maintenance - Building	90,57,613	1,05,27,172
Repairs and maintenance - Plant and Machinery	81,96,408	1,48,08,085
Repairs and maintenance - Others	47,76,872	28,05,288
Power and fuel	19,91,31,461	19,97,31,389
Rates and taxes	23,83,255	72,87,620
Payment to auditors (Refer note 26)	25,79,337	17,62,100
License fees	10,69,088	14,92,168
Excise duty on change in inventory	(76,75,273)	78,90,348
Foreign exchange loss (net)	1,57,57,641	-
Sundry balances written off (Refer note 38)	2,49,02,776	71,53,807
Advertisement expenses and sales promotion expenses	50,85,848	51,44,995
Commission on sales	89,26,699	1,01,42,811
Donation	2,51,502	2,64,752
Royalty charges	41,09,182	29,22,417
Loss on sale of fixed assets	-	26,02,334
Miscellaneous expenses	1,69,92,492	1,89,51,721
	<u>67,21,55,293</u>	<u>61,64,83,775</u>
24 Finance costs		
Interest expenses		
- on term loan	-	1,35,858
- on other borrowings (net) *	4,70,20,211	3,99,26,481
- to micro, small and medium enterprises (refer note 35)	25,20,946	21,74,804
Bank and other finance charges	2,78,53,161	3,56,27,342
	<u>7,73,94,318</u>	<u>7,78,64,485</u>

* For details refer note 8(g)



Notes to the financial statements (Continued)
for the year ended 31 March 2016

(Currency: Indian Rupees)

25 Contingent liabilities and other commitments

(a) Capital commitments

Estimated amount of contracts, net of capital advances of INR 7,154,028 (previous year: INR 20,488,478) remaining to be executed on capital account and not provided for INR 35,558,400 (previous year: INR 77,754,670)

(b) Contingent liabilities

In respect of Excise, Service tax and VAT and CST matters INR 6,288,637 (previous year: INR 3,425,349)

(c) Other commitments

The Company has an unfulfilled export commitments aggregating INR 1,069,032,196 (previous year: INR 929,465,414) towards capital goods installed in the manufacturing facilities in Murbad and Goa for which duty exemption was availed under the Export promotion for capital goods scheme.

(d) Bank Guarantees given to various parties INR 19,402,500 (previous year: INR 17,402,500)

26 Payment to auditors (excluding service tax)

Particulars	31 March 2016	31 March 2015
Fees for statutory audit	21,00,000	17,00,000
Outlays	1,39,337	62,100
Fees for limited review	3,00,000	-
Fees for certification services	40,000	-
	25,79,337	17,62,100

27 Earnings and expenditure in foreign currency

a. Earnings in foreign currency (on accrual basis)

Particulars	31 March 2016	31 March 2015
FOB value of exports	83,04,46,215	80,34,56,596
Miscellaneous income	14,36,818	41,12,978
	83,18,83,033	80,75,69,574

b. Expenditure in foreign currency (on accrual basis)

Particulars	31 March 2016	31 March 2015
Commission on sale	66,15,804	79,37,641
Travel and conveyance	26,75,333	29,32,964
Royalty charges	41,09,182	29,22,417
Interest expenses	6,68,681	9,06,393
	1,40,69,000	1,46,99,415

c. CIF value of imports

Particulars	31 March 2016	31 March 2015
Raw materials and components	1,33,87,68,273	1,25,85,29,359
Stores and spares	6,87,10,717	5,53,31,479
Capital goods	22,73,51,256	11,00,75,918
	1,63,48,30,246	1,42,39,36,756



Notes to the financial statements (Continued)
for the year ended 31 March 2016

(Currency: Indian Rupees)

28 Imported and indigenous raw materials and spare parts consumed during the year

	31 March 2016		31 March 2015	
	% of total consumption	Amount	% of total consumption	Amount
(A) Raw materials and components				
Imported	67%	1,36,54,44,873	61%	1,34,83,82,189
Indigenous	33%	68,66,10,093	39%	85,14,95,399
Total	100%	2,05,20,54,966	100%	2,19,98,77,588
(B) Stores and spares				
Imported	16%	6,38,01,711	15%	5,86,21,453
Indigenous	84%	33,83,37,776	85%	33,25,65,013
Total	100%	40,21,39,487	100%	39,11,86,466

29 Particulars in respect of sales

a. Sales of manufactured goods

Particulars	31 March 2016	31 March 2015
Class of goods		
Closures	3,80,41,60,028	3,65,07,37,431
Collapsible Tubes	11,40,34,511	12,01,43,157
Others	7,27,59,544	1,41,80,581
	3,99,09,54,083	3,78,50,61,169

b. Sales and purchase of traded goods

Particulars	31 March 2016	31 March 2015
Class of goods sold		
Capper chuck	-	1,46,700
SCBG Quoted Paper	-	1,28,04,105
	-	1,29,50,805
Class of goods purchased		
Capper chuck	-	1,33,500
SCBG Quoted Paper	-	1,13,97,631
	-	1,15,31,131



Notes to the financial statements (Continued)
for the year ended 31 March 2016

(Currency: Indian Rupees)

30 Earnings per share

Particulars	31 March 2016	31 March 2015
Reconciliation of basic and diluted shares used in computing earnings per share		
Number of shares considered as basic weighted average shares outstanding for computing basic earnings per share (a)	1,08,20,836	1,08,20,836
Computation of basic and diluted earnings per share		
Profit after tax attributable to equity shareholders (b)	18,78,31,161	13,48,98,817
Basic earnings per equity share of INR 10 each (b/a)	17.36	12.47
Diluted earnings per equity share of INR 10 each (b/a)	17.36	12.47

31 Segment reporting

The Company recognises its packaging activity as its only primary business segment since its operations predominantly consists of manufacture and sale of packaging material (being closures and tubes) to its customers. Accordingly, income from packaging material comprises the primary basis of segmental information set out in these financial statements. All the assets of the Company are located in India except receivables aggregating INR 155,017,784 (previous year: INR 144,846,019). The Company caters to the needs of the domestic and foreign market.

Geographical segments	India		Other countries		Total	
	2016	2015	2016	2015	2016	2015
Segment revenue (Net external sales and services to customers)	3,26,18,39,950	3,13,43,11,649	83,18,83,033	80,75,69,574	4,09,37,22,983	3,94,18,81,223
Carrying amount of segment assets	3,66,84,49,280	3,43,27,84,676	15,50,17,784	14,48,46,019	3,82,34,67,064	3,57,76,30,695

32 Disclosures of derivative instruments

The Company uses forward exchange contract to hedge its exposure to movements in foreign exchange rates.

i) Outstanding derivative instruments

Category	Currency Hedged	31 March 2016		31 March 2015	
		Foreign currency	Local currency	Foreign currency	Local currency
Forward Exchange Contracts (to hedge highly probable exports)	USD	-	-	-	-

The un-hedged foreign currency exposure as on 31 March 2016 is given below:

	31 March 2016 Payables		31 March 2015 Payables	
	Foreign currency	Local currency	Foreign currency	Local currency
USD	98,60,294	65,40,30,660	90,78,536	56,82,25,596
EURO	37,28,406	28,00,03,350	37,43,448	25,27,20,187

	31 March 2016 Receivables		31 March 2015 Receivables	
	Foreign currency	Local currency	Foreign currency	Local currency
USD	23,37,069	15,50,17,784	23,14,204	14,48,46,019



Notes to the financial statements (Continued)

for the year ended 31 March 2016

(Currency: Indian Rupees)

33 Related party transactions

(A) Names of related parties and nature of relationship:

i. Parties where control exists:

Holding company

Oricon Enterprises Limited ('OEL') (from 27 March, 2015)

OC Holding Limited (up to 26 March, 2015)

ii. Other related parties with whom transactions have taken place during the year

Fellow subsidiaries

Shinrai Auto services Ltd. (SASL)

Oricon Properties Private Limited (OPPL)

iii. Key Management Personnel

Managing director

Rajendra Somani ('RS')

Executive director

B.K. Toshniwal ('BKT')

Executive director

Sudeep Singh ('SS')

Executive director

Shrikant Malpani ('SM')

Chief financial officer

B.M. Gaggar ('BMG')



Notes to the financial statements (Continued)
for the year ended 31 March 2016

(Currency: Indian Rupees)

33 Related Party transactions (Continued)

Transactions and balances with related parties:

Nature of the transactions and balances Transactions during the year	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	2016	2015	Total	
	OEL	SASL	BKT	RS	SS	SM	BMG	OPPL	Total															
Purchase of goods (Gross)	1,93,88,557	-	-	-	-	-	-	-	1,93,88,557															
Rent paid	1,74,14,023	-	-	-	-	-	-	-	1,74,14,023															
Dividend Paid	36,00,000	-	-	-	-	-	-	-	36,00,000															
Vehicle expenses	1,76,376	1,76,376	-	-	-	-	-	-	1,76,376															
Interest Income (Gross)	74,862	74,862	-	-	-	-	-	-	74,862															
Purchase of fixed assets	16,22,950	16,22,950	-	-	-	-	-	-	1,80,77,425	1,80,77,425														
Loans given	90,34,885	90,34,885	-	-	-	-	-	-	4,16,712	4,16,712														
Loan recovered	56,96,627	56,96,627	-	-	-	-	-	-	90,34,885	90,34,885														
Remuneration *	4,00,00,000	4,00,00,000	-	-	-	-	-	-	35,52,00,000	35,52,00,000														
Outstanding balances	2,00,00,000	2,00,00,000	-	-	-	-	-	-	5,00,00,000	5,00,00,000														
Short term loans receivable	47,25,534	1,15,00,359	40,74,136	45,00,611	24,18,210	19,97,980			2,00,00,000	2,00,00,000														
Interest receivable (net of TDS)	1,14,66,258	35,95,034							35,52,00,000	35,52,00,000														
Payable	69,75,135	25,00,000	1,16,124						1,62,69,682	1,62,69,682														
	52,59,201	21,17,500							94,75,135	94,75,135														
									74,92,825	74,92,825														

* The above remuneration excludes provision for gratuity and leave encashment which is provided on an overall basis for the Company.



Notes to the financial statements (Continued)
for the year ended 31 March 2016

(Currency: Indian Rupees)

34 Employee benefits

a. Contribution to Provident Fund, Superannuation Fund, and Employee State Insurance Scheme

The Company makes contribution, determined as a percentage of employee salaries, in respect of qualifying employees towards Provident Fund, which is defined contribution plan. The Company has no obligation other than to make the specified contributions. The contributions are charged to the statement of profit and loss as they accrue. The amount recognised as an expense towards contribution to Provident Fund for the year aggregated to INR 14,598,622 (March 2015: INR 14,679,547).

b. Defined benefit plans

The Company operates defined benefit plans that provide gratuity. The gratuity plan entitles an employee, who has rendered at least five years of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement / exit.

I	31 March 2016	31 March 2015
Movement in present values of defined benefit obligation		
Defined obligation at the beginning as at 1 April	6,81,81,679	5,73,34,207
Interest cost	54,27,262	53,37,815
Current service cost	41,38,813	28,81,661
Past service cost	-	-
Benefits paid	(31,68,255)	(1,40,26,368)
Actuarial loss on obligations	80,96,722	1,66,54,364
Liability at the end of the year	<u>8,26,76,221</u>	<u>6,81,81,679</u>
II Movement in fair value of plan assets		
Fair value of plan assets at the beginning of the year	-	-
Expected return on plan assets	-	-
Contributions	-	-
Benefits paid	-	-
Actuarial gain/(loss) on plan assets	-	-
Fair Value of plan assets at the end of the year	-	-
III Actual return on plan assets		
Expected Return on plan assets	-	-
Actuarial gain/(loss) on plan assets	-	-
Actual Return on plan assets	-	-
IV Amount recognised in the balance sheet		
Liability at the year end	8,26,76,221	6,81,81,679
Fair value of plan assets at the year end	-	-
Amount recognised in the Balance sheet	8,26,76,221	6,81,81,679
V Expense Recognised in the Statement of Profit and Loss		
Current service cost	41,38,813	28,81,661
Interest costs	54,27,262	53,37,815
Past service cost	-	-
Expected Return on plan assets	-	-
Net Actuarial Loss to be recognized	80,96,722	1,66,54,364
Expense Recognised in the Statement of Profit and Loss	1,76,62,797	2,48,73,840
VI Balance Sheet Reconciliation		
Opening Net Liability	6,81,81,679	5,73,34,207
Expense as above	1,76,62,797	2,48,73,840
Employer's Contribution	(31,68,255)	(1,40,26,368)
Closing Net Liability	<u>8,26,76,221</u>	<u>6,81,81,679</u>



Notes the financial statements (Continued)
for the year ended 31 March 2016

(Currency: Indian Rupees)

34. Employee benefits (Continued)

VII	2015-16	2014-15	2013-14	2012-13	2011-12
Experience adjustments on plan liabilities	90,95,834	12,47,060	18,11,741	23,83,096	35,90,617
Experience adjustments on plan Assets	-	-	-	-	-
				31 March 2016	31 March 2015
VIII Actuarial Assumptions					
Discount Rate				8.08%	7.96%
Salary Escalation				8.00%	8.00%
Attrition rate of employees				1%	1%
Mortality				Indian Assured Lives Mortality (2006-08) Ultimate.	Indian Assured Lives Mortality (2006-08) Ultimate.

The obligations are measured at the present value of estimated future cash flows by using a discount rate that is determined with reference to the market yields at the Balance Sheet date on Government Bonds which is consistent with the estimated terms of the obligation.

The estimate of future salary increase, considered in the actuarial valuation, takes account of inflation, security, promotion and other relevant factors such as supply and demand in the employment market.

35 Micro, Small and Medium Enterprises

On the basis of the information and records available with the Management, the following disclosures are made for the amounts due to the Micro, Small and Medium enterprises, who have registered with the competent authorities:

Particulars	31 March 2016	31 March 2015
Principal amount remaining unpaid to any supplier as at the year end	1,77,41,747	54,52,539
Interest due thereon	25,20,946	1,38,464
Amount of interest paid during the year	24,64,454	15,56,444
Amount of payments made to the supplier beyond the appointed day during the accounting year	7,64,17,835	5,38,79,807
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro Small and Medium Enterprises Development Act, 2006.	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	37,98,537	39,84,813
The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues as above are actually paid to the small enterprises for the purpose of disallowance as a deductible expenditure under the MSMED Act 2006	37,98,537	39,84,813



Notes the financial statements (Continued)

for the year ended 31 March 2016

(Currency: Indian Rupees)

36 Disclosure on Corporate Social Responsibilities

The Company has constituted a Corporate Social Responsibility (CSR) Committee as per Section 135 and schedule VII of the Act read with the Companies (Corporate Social Responsibility Policy) Rules 2014.

The CSR activities of the Company will be undertaken either through a Registered Trust or in collaboration with other Group Companies. The Company is in the process of identifying the Projects for CSR spending. The efforts are being undertaken to implement the same in financial year 2016-17.

Particulars	INR
A. Gross amount required to be spent by the Company during the year 2015-16	20,12,205
B. Amount spent during the year	-
C. Related party transactions in relation to Corporate Social Responsibility	-
D. Provision movement during the year 2015-16	
Opening provision	13,96,132
Addition during the year	20,12,205
Utilised during the year	-
Closing provision	34,08,337

37 Disclosure pursuant to Section 186 of the Act

The details of loans under Section 186 of the Companies Act, 2013 read with the Companies (Meetings of Board and its Powers) Rules, 2014 are as follows:

Name of the entity	As at 31 March 2015	Loan given during the year	Loan refunded during the year by the entity	As at 31 March 2016
Oricon Properties Private Limited (OPPL)	-	35,52,00,000	-	35,52,00,000
Shinrai Auto Services Limited (SASL)	-	4,00,00,000	2,00,00,000	2,00,00,000

Note 1:

Purpose of utilization of loan given to the entities	Working capital
Loan repayment terms	Repayable on demand
Rate of interest	
- Oricon Properties Private Limited (OPPL)	15%
- Shinrai Auto Services Limited (SASL)	12%

38 Sundry balances written off of INR 24,902,776 (previous year : INR 7,153,807) includes the bad debt of INR 23,261,359 (previous year : INR 3,533,274).

39 Previous year comparatives

The previous year's figures have been reclassified to conform to this year's classification. The following reclassifications have been done:

'Sundry balance written back of INR 4,032,565 has been reclassified from note 23 'Other expenses ' to note 18 'Other operating revenue'.

'Interest accrued on fixed deposits of INR 85,077 has been reclassified from note 16 ' Cash and bank balances ' to note 17 'Other current assets'.

As per our report of even date attached.

For **B S R & Associates LLP**

Chartered Accountants

Firm's Registration No: 116231W/W-100024

Shabbir Readymadewala

Partner

Membership No: 100060

For and on behalf of the Board of Directors of

Oriental Containers Limited

CIN:U28992MH2006PLC159687

Mr. Rajendra Somani

Managing Director

DIN: 00332465

Mr. B.K.Toshniwal

Executive Director & Company secretary

DIN: 00048019

Mr. V.N.Khanna

Director

DIN: 00064502

Mr. B.M.Gaggar

Chief Financial Officer

DIN: 02324428

26 May 2016

Mumbai

26 May 2016

Mumbai



Notes

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Oriental Containers Ltd.



CIN: U28992MH2006PLC159687

Registered office: 1076 DR E Moses Road, Worli, Mumbai – 400018

Attendance Slip

(To be presented at the entrance)

DPID _____ Folio No. / Client ID _____

I /We hereby record my / our presence at the 11th Annual General Meeting of the Company at **1076, Dr E Moses Road, Worli, Mumbai - 400018 on Friday 12th August, 2016 at 11.00 A.M.**

Full name of the Shareholder in Block Letters _____

Folio No.: _____ DPID No.: _____

Client ID No.: _____ Name of Proxy holder _____

Signature of Proxy holder

Signature of Shareholders

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 Read with Rule 19(3) of the Companies (Management and Administration) Rules 2014]

Oriental Containers Ltd.

CIN: U28992MH2006PLC159687

Registered office: 1076 DR E Moses Road, Worli, Mumbai – 400018

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: _____ or failing him;

(2) Name: _____ Address: _____ E-mail Id: _____ or failing him;

(3) Name: _____ Address: _____ E-mail Id: _____ or failing him;

As my/ our proxy to attend and vote (on a poll) for me / us and on my/ behalf at the 11th Annual General Meeting of the Company to be held on **Friday 12th August, 2016 at 11.00 A.M. at 1076, Dr E Moses Road, Worli, Mumbai - 400018** and at any adjournment thereof in respect of such resolution as are indicated below:

Resolution No.	Ordinary Business	For	Against
1.	Consider and adopt Audited Annual Financial Statement of the Company for the year ended 31st March, 2016 together with Reports of Board of Directors and Auditor's thereon		
2.	Confirmation of payment of interim dividend for the financial year ended 31st March 2016.		
3.	Re-appointment of Shri Rajendra Somani , who retire by rotation and being eligible offer himself for re-appointment as director		
4.	Re-appointment of Shri B K Toshniwal , who retire by rotation and being eligible offer himself for re-appointment as director		
5.	Re-appointment of M/s. BSR & Associates LLP as Statutory Auditors		

Signed this _____ day of _____ 2016

Signature of the Shareholder _____



Signature of first proxy holder

Signature of second proxy holder

Signature of third proxy holder

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.

