

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

Notice of AGM	2-6
Directors' Report	7-21
Auditors' Report	22-25
Balance Sheet	26
Statement of Profit and Loss	27
Cash Flow Statement	28
Notes to the Financial Statements	29-50





## **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

## **STATUTORY AUDITORS**

B S R & ASSOCIATES LLP  
MUMBAI

## **SECRETARIAL AUDITOR**

M/s. GMJ & ASSOCIATES  
Practicing Company Secretaries

## **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 **Twelfth Annual General Meeting** of the Company will be held on **Saturday, June 24, 2017** at **12.30 P.M.** at the Registered Office of the Company at **1076, Dr. E. Moses Road, Worli, Mumbai -400018**, to transact the following business:

### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Financial Statements of the Company for the year ended March 31, 2017 together with the Report(s) of Board of Directors and Auditors thereon.
2. To declare Dividend on Equity Shares for the Financial Year ended March 31, 2017.
3. To appoint a Director in place of Mr. Shrikant Malpani (DIN: 06404428), who retires by rotation and being eligible, offer himself for re-appointment as Director.
4. 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 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. Khandelwal Jain & Co., Chartered Accountants (FRN No. 105049W), from whom the Company has received eligibility letter be and are hereby appointed as the Statutory Auditors of the Company, to hold office for a period of 5 years i.e. from the conclusion of this Annual General Meeting of the Company till the conclusion of Annual General Meeting to be held for the Financial year 2021-22 (subject to ratification of their appointment at every AGM) at such remuneration as may be fixed by the Board of Directors of the Company.”

### **SPECIAL BUSINESS**

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

**“RESOLVED THAT** pursuant to the provisions of Sections 196, 197, 203, and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Rules framed there under (including any Statutory modification(s) or re-enactment thereof, for the time being) read with Schedule V of the Companies Act, 2013, approval of the Members of the Company be and is hereby accorded to the continuation of Mr. Rajendra Somani, (DIN: 00332465), as Managing Director of the Company for the remaining tenure as Managing Director of the Company i.e. upto April 30, 2018, on the same terms and conditions including remuneration as per the resolution(s) passed by the Members of the Company at the 10<sup>th</sup> Annual General Meeting of the Company held on June 27, 2015.”

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

**“RESOLVED THAT** pursuant to the provisions of Section 14 and all other applicable provisions, if any, of the Companies Act, 2013 and Rules framed there under (including any statutory modification(s) or re-enactment thereof, for the time being in force), draft Regulations contained in the Articles of Associations of the Company submitted to this meeting, be and are hereby approved and adopted in complete substitution of the regulations contained in the existing Articles of Association of the Company.

**RESOLVED FURTHER THAT** Mr. Rajendra Somani, Managing Director of the Company and Mr. B.K. Toshniwal, Executive Director and Company Secretary of the Company be and are hereby severally authorized to do all such acts, deeds and things as may be deemed necessary or expedient to give effect to this Resolution.”

**By Order of the Board  
For Oriental Containers Limited**

**B.K. Toshniwal  
Executive Director & Company Secretary  
(DIN: 00048019)**

Date: May 22, 2017  
Place: Mumbai

**Registered office:**  
1076, Dr. E. Moses Road,  
Worli Naka, Mumbai - 18



## Notes:

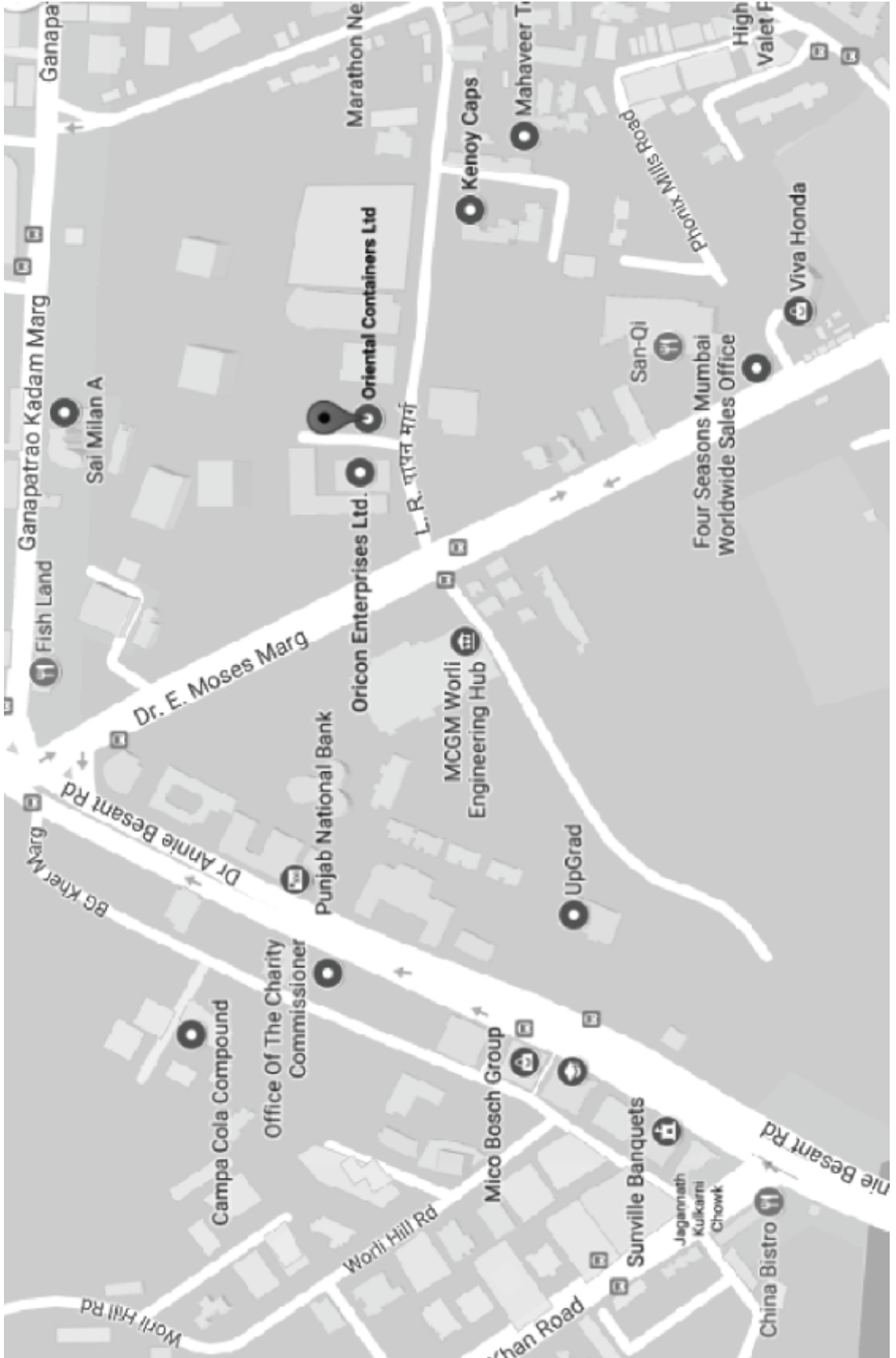
1. **A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.** A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10% (ten percent) of the 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, stamped and signed, not less than 48 hours before the commencement of the Meeting. A proxy form is sent herewith. Proxies submitted, stamped on behalf of the Company(ies), Societies, etc must be supported by an appropriate resolution or authority as applicable.

2. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of the Special Business as set out in the notice is annexed thereto
3. The Dividend for the Financial Year ended March 31, 2017, as recommended by the Board, if approved at the AGM, will be paid within thirty days from the date of declaration of dividend.
4. Members are requested to intimate change in their address, if any, to the Company.
5. Brief profile of the Director seeking re-appointment is annexed and forms part of Notice of Annual General Meeting.
6. The Map of the venue of the Annual General Meeting is given below.

**ROUTE MAP TO THE VENUE OF 12TH ANNUAL GENERAL MEETING OF  
ORIENTAL CONTAINERS LIMITED**

**Venue: 1076, Dr. E. Moses Road, Worli, Mumbai - 400018**





## EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

### Item No. 5

Mr. Rajendra Somani was appointed as Managing Director of the Company by Members at the 10<sup>th</sup> Annual General Meeting of the Company held on June 27, 2015, for a period of 3 years w.e.f May 01, 2015 to April 30, 2018. Further pursuant to Section 196(3) read with Schedule V of the Companies Act, 2013 which *inter alia*, provides that no Company shall appoint or continue the employment of a person who has attained age of 70 years as Managing Director, Whole time Director or Manager unless it is approved by the Members by passing Special Resolution.

Mr. Rajendra Somani will attain the age of 70 years during his remaining tenure as Managing Director of the Company. In view of this and in compliance with Section 196(3) of the Companies Act, 2013, it is proposed that Mr. Rajendra Somani shall continue as Managing Director of the Company on attainment of 70 years of age, for his remaining tenure i.e. up to April 30, 2018, on the same terms and conditions including remuneration as were approved by the Members at the 10<sup>th</sup> Annual General Meeting held on June 27, 2015.

None of the Directors, Key Managerial Personnel and their relatives thereof except Mr. Rajendra Somani is concerned or interested in the proposed Special Resolution.

The Board recommends the Special Resolution for the approval of the Members.

### Item No. 6

The existing Articles of Associations ("AoA") are as per the requirements of the Companies Act, 1956 and also contains regulations pertaining to powers and duties of 'Navigate India Investments, BV'. These and several regulations of the AOA of the Company require alteration or deletion. With the enactment of the Companies Act, 2013 ("the Act") it is advisable to wholly replace the existing AoA by a new set of Articles, to align it with the provisions of Companies Act, 2013.

The Board of Directors at its meeting held on May 22, 2017 had approved the Alteration of Articles, subject to approval of the members in the forthcoming Annual General Meeting. The new AoA to be substituted in place of the existing AoA are in align with the provisions of the Companies Act, 2013. The proposed new draft of AOA placed before the meeting for information of the shareholders and also kept available for inspection during the business hours at the registered office of the Company up to date of Annual General Meeting of the Company.

None of the Directors or Key Managerial Personnel of the Company or their relatives thereof are concerned or interested in the proposed Special Resolution.

The Board recommends the Special Resolution for the approval of the Members.

**By Order of the Board  
For Oriental Containers Limited**

**B K Toshniwal  
Executive Director & Company Secretary  
(DIN: 00048019)**

Date: May 22, 2017

Place: Mumbai

**Registered Office:**

1076, Dr. E Moses Road,  
Worli, Mumbai – 400018.



## Annexure to Notice (Item No. 3):

### Brief particulars of the Director seeking re-appointment

Name of the Director	Mr. Shrikant Malpani
Age	46
Date of Birth	October 02, 1970
Qualifications	B.E. Mechanical Engineering
Nationality	Indian
Terms and conditions of appointment / re-appointment	Mr. Shrikant Malpani, Executive Director, retires at the forthcoming Annual General Meeting of the Company and being eligible offers himself for re-appointment. Terms & Conditions for re-appointment remains same as approved by the members of the Company at EOGM held on December 22, 2015.
Details of remuneration sought to be paid	NA
Details of remuneration last drawn	NA
Date of first appointment on the Board	September 26, 2012.
Shareholding in the Company	NIL
Number of board meetings attended during the year	3
List of Directorships held in other Companies	0
Committee membership	0
Relationship with Directors, Managers or other KMPs	No Relationship with any of the Directors or KMPs
Nature of Expertise or experience	26 years of extensive experience in the field of manufacturing of packaging products.

**By Order of the Board  
For Oriental Containers Limited**

**B K Toshniwal  
Executive Director & Company Secretary  
(DIN: 00048019)**

Date: May 22, 2017  
Place: Mumbai

**Registered Office:**  
1076, Dr. E Moses Road,  
Worli, Mumbai – 400018.





## DIRECTORS' REPORT

To,  
The Members,  
**Oriental Containers Limited**

Your Directors have pleasure in presenting the **TWELFTH ANNUAL REPORT** of the Company together with the Audited Financial Statement of the Company for the year ended March 31, 2017.

### 1. Financial Results:

Particulars	Rupees In Lacs	
	2016-17	2015-16
<b>Gross Profit</b>	<b>5977.31</b>	<b>5914.67</b>
Deduction there from:		
Finance cost	535.34	773.94
Depreciation & amortization expenses	2638.95	2384.21
<b>Profit (Loss) before tax</b>	<b>2803.01</b>	<b>2756.52</b>
<b>TAXATION</b>		
Current Tax	951.00	912.00
Current tax for earlier years	(5.53)	11.99
Deferred Tax Charge	(113.58)	(45.79)
<b>Profit(Loss) after tax</b>	<b>1971.13</b>	<b>1878.32</b>
Profit b/f from last year	5808.78	4854.44
<b>Less: Appropriations</b>		
Dividend	-	443.65
Tax on Equity Dividend	-	90.32
Investment Allowance reserve	476.00	390.00
<b>Balance carried to balance-sheet</b>	<b>7303.90</b>	<b>5808.79</b>

### 2. Financial Performance

The Net Sales and Other Income for the year under review were Rs. 378.47 crores as against Rs. 409.37 crores in the previous financial year. The Net Profit for the year under review is Rs. 19.71 crores as against Rs. 18.78 crores in the previous financial year.

### 3. Operations

As informed to the Members in the previous Directors' Report for the Financial Year 2015-16, that to meet the growth in plastic closure division, the Company has embarked upon to create new capacities at its Murbad Plant.

Your Directors are pleased to inform you that the new facility has been installed and commissioned at Murbad.

### 4. Dividend

Your Directors are pleased to recommend a dividend of 50%, i.e. Rs. 5/- per equity share for the financial year 2016-17 which if approved at the forthcoming Annual General Meeting will be paid to the Members whose name appears in the Register of Members as on 24th June 2017.

### 5. Statement on Holding Company, Subsidiary Company, Joint Venture and Associate Company.

The Company is Wholly Owned Subsidiary Company of Oricon Enterprises Limited. Further, the Company do not have any Subsidiary or Joint Venture or associate Company.

### 6. Co-operation Agreement with Pelliconi & C. S.P.A

Your Company has entered into a 'CO-OPERATION AGREEMENT' with PELLICONI & C.S.P.A, Italy for jointly developing closure business in Indian market by implementing new business lines besides the products manufactured by the Company.

Pelliconi is one of the world's leading companies in the manufacture of closures (mainly metal crown, aluminium ring pull and Maxi P closures) for the developed industries.

### 7. Details of Committees of the Board:

At present, the Board has following three (3) Committees:

- Audit Committee,
- Nomination and Remuneration Committee and
- Corporate Social Responsibility Committee.

#### a) 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 Composition of the Audit Committee as on March 31, 2017 is as under:

Name	Designation	Independent/ Non-Executive/ Executive
Mr. V.N. Khanna	Chairman	Independent Director
Mrs. Mamta Biyani	Member	Independent Director
Mr. Rajendra Somani	Member	Executive Director

All the Members of the Audit committee are financially literate and have accounting or related financial management expertise as required under the Companies Act, 2013.

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, recommendation of appointment and remuneration of Statutory Auditors.

During the year under review, the Board of Directors of the Company had accepted all the recommendations of the Audit Committee.



During the Year ended 31<sup>st</sup> March, 2017 four Meetings of the Audit Committee were held on the following dates:

- (i) May 26, 2016
- (ii) August 09, 2016
- (iii) November 12, 2016
- (iv) February 14, 2017

## b) Nomination and Remuneration Committee

The Board has Nomination and Remuneration Committee in conformity with the provisions of Section 178 of the Companies Act, 2013.

The composition of the Nomination and Remuneration Committee as on March 31, 2017 is as under:

Name	Designation	Independent/ Non-Executive/ Executive
Mr. V.N. Khanna	Chairman	Independent Director
Mrs. Mamta Biyani	Member	Independent Director
Mr. Rajendra Somani	Member	Executive Director

During the year under review, 1 meeting of Nomination and Remuneration Committee was held on February 01, 2017.

## c) Corporate Social Responsibility (CSR) Committee:

The Company has in place CSR Committee as required under Section 135 of the Companies Act, 2013.

The composition of the CSR Committee as on March 31, 2017 is as under:

Name	Designation	Independent/ Non-Executive/ Executive
Mr. Rajendra Somani	Chairperson	Executive Director
Mr. V.N. Khanna	Member	Independent Director
Mr. B. K. Toshniwal	Member	Executive Director

The CSR Committee recommends and provides guidance on various CSR activities to be undertaken by the Company as per the CSR Policy and monitors its progress. The Company has its CSR Policy based on the recommendation of the CSR Committee in compliance with the provisions of Section 135 of the Companies Act, 2013 read with rules and Schedule VII made there under.

During the year under review, 1 meeting of CSR committee was held on March 04, 2017.

## 8. CSR Policy development and implementation:

The Company has its CSR policy in line with the provisions of Section 135 of the Companies Act, 2013.

CSR committee at its meeting held on March 04, 2017 had recommended the Board of Directors of the Company to spend Rs. 34,08,337/- (2% of average net profit for the past three Financial Years).

On the basis of recommendation of CSR committee, the Board in its meeting held on March 25, 2017 has decided to spend Rs. 40,00,000/- towards CSR obligations.

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

## 9. Policy on Directors' Appointment and Remuneration:

The Nomination and Remuneration Committee is entrusted with the responsibility of identifying and ascertaining 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.

The Company has Nomination and Remuneration policy in line with the requirement of Section 178 of the Companies Act, 2013, the policy *inter alia* provides that 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.

## 10. Vigil Mechanism/Whistle Blower Policy

The Company has a Vigil Mechanism cum Whistle Blower Policy ('Vigil Mechanism') in place. The Vigil Mechanism is a system for providing a tool to the employees of the Company to report violation of personnel policies of the Company, unethical behavior, suspected or actual fraud, violation of code of conduct. The Company is also committed to provide requisite safeguards for the protection of the persons who raise such concerns from reprisals or victimization, for whistle blowing in good faith.

The Board of Directors affirms and confirms that no personnel have been denied access to the Audit Committee. The Policy contains the provision for direct access to the chairperson of the Audit Committee in appropriate or exceptional cases.

Vigil Mechanism is available on the Company's website at: [www.orientalcontainers.com](http://www.orientalcontainers.com)

## 11. Risk Management

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 ensures 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. Senior management periodically reviews this risk management framework to keep updated and



address emerging challenges. The management is however, of the view that none of the risks may threaten the existence of the Company as robust Risk mitigation mechanism is put in place to ensure that there is nil or minimum impact on the Company in case any of these risks materialize.

## 12. 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 2016-2017.

## 13. Adequacy of Internal Financial Controls with reference to the Financial Statements.

The Company has devised appropriate systems and framework for adequate internal financial controls with reference to financial statements commensurate with the size, scale and complexity of its operations including proper delegation of authority, policies and procedures, effective IT systems aligned to business requirements, risk based internal audit framework, risk management framework.

The Audit Committee regularly reviews the internal control system to ensure that it remains effective and aligned with the business requirements. In case weaknesses are identified as a result of the reviews, new procedures are put in place to strengthen controls.

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.

## 14. Number of Board Meetings:

Six Meeting of Board of Directors were held during the financial year 2016-17 on the following dates:

- a) May 26, 2016
- b) August 09, 2016
- c) November 12, 2016
- d) February 01, 2017
- e) February 14, 2017
- f) March 25, 2017

## 15. Particulars of Loans, Guarantees or Investments

Particulars 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 given in Notes no. 12 and 37 forming part of Financial Statements.

## 16. Particulars of contracts or arrangements with related parties.

The Company does not have any contract or arrangement or transaction with related party in terms of Section 188 of the Companies Act, 2013. Hence, the disclosure required to be provided under Section 134(3) (h) of the Companies Act, 2013, in Form AOC – 2 is not applicable and need not to be furnished.

The Disclosures as required under Accounting Standard – 18 (AS-18) "Related Party Disclosures" notified under Rule 7 of the Companies (Accounts) Rules, 2014 have been provided in Note No. 32 of the Notes forming part of the Financial Statements.

## 17. Declaration of Independent Directors

The Independent Directors have submitted their disclosures/ declarations 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.

## 18. Directors Responsibility Statement

The Board of Directors of the Company Confirms:

- (i) that in the preparation of the annual accounts for the year ended 31<sup>st</sup> March, 2017 the applicable Accounting Standards has 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, 2013, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors have prepared the annual accounts for the year ended 31<sup>st</sup> March, 2017 on a 'going concern' basis.
- (v) that the Directors have devised proper system to ensure compliance with the Provisions of all applicable laws.

## 19. Credit Rating

Working capital facilities of the Company have been awarded CRISIL A - Stable for Long term and CRISIL A2+ for Short term rating by CRISIL which represent positive capacity for timely payment of short term debt obligations.

## 20. Disclosures Relating to Remuneration of Directors, Key Managerial Personnel And Particulars of Employees.

In accordance with provisions of Section 197 of the Companies Act, 2013 read with Rule 5(2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 are set out in the annexure to this report. In terms of provisions of Section 136(1) of the Companies Act, 2013 this report is being



sent to the Members without this annexure. Members interested in obtaining copy of the annexure may write to the Company Secretary and the same will be furnished on request. The said information is available also for inspection at the registered office of the Company during working hours.

## 21. Extract of Annual Return

In terms of Section 92 of the Companies Act, 2013 read with rule under Companies (Management and Administration) Rules, 2014, details' forming the part of the extract of annual return is enclosed in **Annexure II** forming part of this report.

## 22. Disclosure of Particulars

Information's as per the provisions 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 III** forming part of this Report.

## 23. Directors and Key Managerial Personnel

In accordance with the requirements of the Companies Act, 2013 and Articles of Association of the Company, Mr. Shrikant Malpani, Executive Director of the Company retire at the forthcoming Annual General Meeting and being eligible, offer himself, for re-appointment pursuant to provisions of Section 152 of the Act.

Further during the year under review, there was no change in office of Director/Key Managerial Personnel of the Company.

## 24. Auditors

### a) Statutory Auditors

Pursuant to Section 139(2) of the Companies Act, 2013 read with rule 6 of Companies (Audit and Auditors) Rules, 2014, M/s. BSR & Associates LLP, Chartered Accountants, retire at the conclusion of the 12<sup>th</sup> Annual General Meeting.

Pursuant to provisions of the Companies Act, 2013 ("the Act") and the Rules framed there under, it is proposed to appoint M/s. Khandelwal Jain & Co., Chartered Accountants, as Statutory Auditors of the Company for a period of 5 years i.e. to hold office from the conclusion of the 12<sup>th</sup> Annual General Meeting, until the conclusion of the 17<sup>th</sup> Annual General Meeting of the Company to be held in the Year 2022 (subject to ratification of their appointment by the Members at every Annual General Meeting held after the forthcoming Annual General Meeting). As required under the provisions of Section 139(1) of the Act, the Company has received a written consent from M/s. Khandelwal Jain & Co., Chartered Accountants and Certificate, to the effect that their appointment, if made, would be in accordance with the provisions of the Companies Act, 2013 and the Rules framed there under and that they satisfy the criteria provided in Section 141 of the Companies Act, 2013.

### b) Secretarial Auditor and Secretarial Audit Report

The Board has appointed M/s. GMJ & Associates, Practicing Company Secretaries, to carry out Secretarial Audit under the

provisions of Section 204 of the Companies Act, 2013 for the financial year ended 2016-17. The report of Secretarial Auditor is enclosed in **Annexure IV** forming part of this report .

## 25. Other Disclosures/Reporting:

Your Directors further state that during the year under review:

- a) there was no change in nature of Business;
- b) there was no change in Share Capital of the Company;
- c) no amount is transferred to General Reserve;
- d) Company do not have any unpaid/unclaimed dividend lying in its dividend account, hence there is no requirement to transfer the same to Investor Education Protection Fund under Section 124 of the Companies Act, 2013;
- e) the Company has not taken any deposits from Public or Shareholders of the Company;
- f) there are no significant / material orders passed by the Regulators or Courts or Tribunals impacting going concern status of your Company and its operations in future;
- g) there were no other material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which this financial statements relate and the date of this Report;
- h) there are no qualifications, reservation or adverse remark or disclaimer made by the Statutory Auditors in their Report and
- i) there are no qualifications, reservation or adverse remark or disclaimer made by the Secretarial Auditors in their Report.

## 26. 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 and looks forward to their continued co-operation.

## 27. Acknowledgment

Your Directors express their deep gratitude for the co-operation and support extended to the Company by its Members, customers, suppliers, bankers and various government agencies.

For and on behalf of Board of Directors

Rajendra Somani  
Managing Director  
(DIN: 00332465)

V.N. Khanna  
Director  
(DIN: 00064502)

B.K. Toshniwal  
Executive Director & Company Secretary  
(DIN: 00048019)

Date: May 22, 2017  
Place: Mumbai



### Corporate Social Responsibility (CSR)

[Pursuant to clause (o) of sub-section (3) of section 134 of the Act and Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014]

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.**

As a socially responsible corporate, the Company considers CSR as an integral part of its operations.

The Company's policy on CSR including overview of projects or programs proposed to be undertaken is in line with Schedule VII of the Companies Act, 2013.

2. **The Composition of the CSR Committee as on March 31, 2017.**

The composition of CSR Committee is as under:

Name	Designation
Mr. Rajendra Somani	Chairperson
Mr. B.K. Toshniwal	Member
Mr. VN Khanna	Member

3. **Average net profit of the company for last three financial years:** Rs. 17,74,63,869/-
4. **Prescribed CSR Expenditure (two per cent of the amount as in item 3 above):** Rs. 35,49,277/-
5. **Details of CSR spent during the Financial Year.**

- (a) Total amount to be spent for the financial year : Rs. 69,57,614/-\*
- (b) Amount unspent, if any : Rs. 29,57,614/-

\*

Opening Balance	Rs. 34,08,337/-
(+) Addition during the year 2016-17	Rs. 35,49,277/-
Closing Balance	Rs. 69,57,614/-

- (c) **Manner in which the amount spent during the financial year is detailed below.**

(1) Sr. No	(2) CSR project or activity identified	(3) Sector in which the Project is covered	(4) Projects or programs (1) Local area or other (2) Specify the State and District where projects or programs was undertaken	(5) Amount outlay (budget) project or programs wise	(6) Amount spent on the projects or programs Sub – heads: (1) Direct expenditure on projects or programs (2) Overheads	(7) Cumulative expenditure upto to the reporting period	(8) Amount spent : Direct or through implementing agency* Direct
1.	Promoting Health care	Health care	Not Applicable	Rs. 40 lakhs	1) Divyajyoti trust - Rs. 20 lakhs 2) Drashti Netralaya – Rs. 20 lakhs	Rs. 40 lakhs	Direct



6. **In case the Company has failed to spend the two per cent of the average net profit of the last three financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board Report:**

The aforesaid unspent amount will be spent by the Company at the later stage after identifying suitable project/cause.

7. **A responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy, is in compliance with CSR objectives and Policy of the Company**

We hereby confirm that the implementation and monitoring of CSR Policy, is in compliance with CSR Objectives and Policy of the Company.

For and on behalf of Board of Directors

Rajendra Somani  
Managing Director  
(DIN: 00332465)

V.N. Khanna  
Director  
(DIN: 00064502)

B.K. Toshniwal  
Executive Director & Company Secretary  
(DIN: 00048019)

Date: May 22, 2017  
Place: Mumbai



**FORM NO. MGT-9**

**EXTRACT OF ANNUAL RETURN**

As on the Financial Year ended on March 31, 2017.

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

**I. REGISTRATION AND OTHER DETAILS:**

1.	<b>CIN</b>	U28992MH2006PLC159687
2.	<b>Registration Date</b>	13/02/2006
3.	<b>Name of the Company</b>	Oriental Containers Limited
4.	<b>Category/ Sub- Category of the Company</b>	Public Company Limited by Shares
5.	<b>Address of the Registered office and contact details</b>	1076, Dr E Moses Road, Worli, Mumbai-400018 Tel. No. 022-24964656
6.	<b>Whether Listed Company</b>	No
7.	<b>Name, Address and Contact details of Registrar and Transfer Agent, if any</b>	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	95.22%

**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. <b>Address:</b> 1076, Dr E Moses Road, Worli, Mumbai-400018	L28100MH1968PLC014156	Holding	100	2(46)



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

### i) Category-wise Share Holding

Category of Shareholders	No. of Share held at the beginning of the Year (01-04-2016)				No. of Share held at the end of the year (31-03-2017)				% Change during the Year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/HUF *	0	6	6	0	0	6	6	0	0
b) Central Govt. or State Govt.	0	0	0	0	0	0	0	0	0
c) Bodies Corporates	0	10820830	10820830	100	0	10820830	10820830	100	0
d) Bank/Fl	0	0	0	0	0	0	0	0	0
e) Any other	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL:(A) (1)</b>	<b>0</b>	<b>10820836</b>	<b>10820836</b>	<b>100</b>	<b>0</b>	<b>10820836</b>	<b>10820836</b>	<b>100</b>	<b>0</b>
<b>(2) Foreign</b>									
a) NRI- Individuals	0	0	0	0	0	0	0	0	0
b) Other Individuals	0	0	0	0	0	0	0	0	0
c) Bodies Corp.	0	0	0	0	0	0	0	0	0
d) Banks/Fl	0	0	0	0	0	0	0	0	0
e) Any other...	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (A) (2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Shareholding of Promoter (A)= (A)(1)+(A)(2)</b>	<b>0</b>	<b>10820836</b>	<b>10820836</b>	<b>100</b>	<b>0</b>	<b>10820836</b>	<b>10820836</b>	<b>100</b>	<b>0</b>
<b>B. Public Shareholding</b>									
<b>(1) Institutions</b>									
a) Mutual Funds	0	0	0	0	0	0	0	0	0
b) Banks/Fl	0	0	0	0	0	0	0	0	0
c) Central govt	0	0	0	0	0	0	0	0	0
d) State Govt.	0	0	0	0	0	0	0	0	0
e) Venture Capital Fund	0	0	0	0	0	0	0	0	0
f) Insurance Companies	0	0	0	0	0	0	0	0	0
g) FIIS	0	0	0	0	0	0	0	0	0
h) Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0





i) Others (specify)	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(1):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>(2) Non Institutions</b>									
<b>a) Bodies Corporates</b>									
i) Indian	0	0	0	0	0	0	0	0	0
ii) Overseas	0	0	0	0	0	0	0	0	0
<b>b) Individuals</b>									
i) Individual shareholders holding nominal share capital upto Rs.1 lakhs	0	0	0	0	0	0	0	0	0
ii) Individuals shareholders holding nominal share capital in excess of Rs. 1 lakhs	0	0	0	0	0	0	0	0	0
c) Others (specify)	0	0	0	0	0	0	0	0	0
<b>SUB TOTAL (B)(2):</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total Public Shareholding (B)= (B)(1)+(B)(2)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	0	0	0	0	0	0	0	0	0
<b>Grand Total (A+B+C)</b>	<b>0</b>	<b>10820836</b>	<b>10820836</b>	<b>100</b>	<b>0</b>	<b>10820836</b>	<b>10820836</b>	<b>100</b>	<b>0</b>

\* Holding as nominee of Oricon Enterprises Limited

## (ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year (01.04.2016)			Shareholding at the end of the year (31.03.2017)			% 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 Enterprises Limited	10820830	100.00	0	10820830	100.00	0	0
2	Rajendra Somani *	1	0.00	0	1	0.00	0	0
3	V N Khanna *	1	0.00	0	1	0.00	0	0
4	B. K. Toshniwal *	1	0.00	0	1	0.00	0	0
5	Surendra Somani *	1	0.00	0	1	0.00	0	0
6	Sanjay Jain *	1	0.00	0	1	0.00	0	0
7	B. M.Gaggar *	1	0.00	0	1	0.00	0	0
	<b>TOTAL</b>	<b>10820836</b>	<b>100.00</b>	<b>0</b>	<b>10820836</b>	<b>100.00</b>	<b>0</b>	<b>0</b>

\* Holding as nominee of Oricon Enterprises Limited



(iii) Change in Promoters' Shareholding (Specify if there is no change)

Sr. No.	Name of Shareholder	Share holding at the beginning of the Year (01.04.2016)		Date	Increase/Decrease in Share holding	Reason	Cumulative Share holding during the year (01.04.16 to 31.03.17)	
		No of shares	% of total shares of the company				No of shares	% of total shares of the company
There is no change in Promoter Shareholding during Financial year 2016-17								

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

Sr. No.	Name of Shareholder	Share holding at the beginning of the Year (01.04.2016)		Date	Increase/Decrease in Share holding	Reason	Cumulative Share holding during the year (01.04.16 to 31.03.17)		
		No of shares	% of total shares of the company				No of shares	% of total shares of the company	
	At the beginning of the year								
	Date wise increase/decrease	No Top Ten Shareholder							
	At the end of the year								

(v) Shareholding of Directors and Key Managerial Personnel

Sr. No.	Shareholding of each of the Directors & KMP	Share holding at the beginning of the Year (01.04.2016)		Date	Increase/Decrease in Share holding	Reason	Cumulative Share holding during the year (01.04.16 to 31.03.17)	
		No of shares	% of total shares of the company				No of shares	% of total shares of the company
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

\* Holding as nominee of Oricon Enterprises Limited



## V. Indebtness (Financial Year 2016-17)

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

Amount in Rs.

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtness at the beginning of the financial year</b>				
i) Principal Amount	1,25,26,70,441	9,58,42,138	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
<b>Total (i+ii+iii)</b>	<b>1,25,41,77,644</b>	<b>9,58,42,138</b>	<b>6,02,289</b>	<b>1,35,06,22,071</b>
<b>Change in Indebtedness during the financial year</b>				
Additions (+)	8,46,19,26,342	5,00,00,000	9,46,000	8,51,28,72,342
Reduction (-)	8,63,58,25,506	6,44,95,312	8,07,000	8,70,11,27,818
<b>Net Change</b>	<b>(17,38,99,164)</b>	<b>(1,44,95,312)</b>	<b>1,39,000</b>	<b>(18,82,55,476)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	1,07,87,71,277	8,13,46,826	7,41,289	1,16,08,59,392
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	20,25,233	-	-	20,25,233
<b>Total (i+ii+iii)</b>	<b>1,08,07,96,510</b>	<b>8,13,46,826</b>	<b>7,41,289</b>	<b>1,16,28,84,625</b>

## VI.(A) Remuneration to Managing Director, Whole time director and/or Manager (Financial Year 2016-17)

Sr. No.	Particulars of Remuneration	Name of the MD/WTD/Manager				Total Amount
		Rajendra Somani	B K Toshniwal	Sudeep Singh	Shrikant Malpani	
1	Gross salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax. 1961.	2,22,29,400	75,23,760	44,99,772	44,92,600	3,87,45,532
	(b) Value of perquisites u/s 17(2) of the Income tax Act, 1961	3,99,756	-	5,30,911	4,55,330	13,85,997
	(c) Profits in lieu of salary under section 17(3) of the Income Tax Act, 1961	-	-	-	-	-
2	Stock option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission	-	-	-	-	-
	a) as % of profit	-	-	-	-	-
	b) others	-	-	-	-	-
5	Others, Please Specify					
a)	Provident Fund	8,20,512	5,64,282	2,10,312	2,47,140	18,42,246
	<b>Total (A)</b>	<b>2,34,49,668</b>	<b>80,88,042</b>	<b>52,40,995</b>	<b>51,95,070</b>	<b>4,19,73,775</b>



B. Remuneration to Other Directors: (Financial Year 2016-17)

Sr. No.	Particulars of Remuneration	Name of the Directors		Total Amount
		V N Khanna	Mamta Biyani	
<b>1</b>	<b>Independent Directors</b>			
	(a) Fee for attending board committee meetings	25000	20,000	45,000
	(b) Commission	0	0	0
	(c ) Others, please specify	0	0	0
	Total (1)	25000	20000	45000
<b>2</b>	<b>Other Non Executive Directors</b>	-	-	
	(a) Fee for attending board/committee meetings	-	-	0
	(b) Commission	-	-	0
	(c ) Others, please specify.	-	-	0
	Total (2)	-	-	0
	<b>Total (B)=(1+2)</b>	25000	20000	45000
	<b>Total Managerial Remuneration</b>	<b>25000</b>	<b>20000</b>	<b>45000</b>

C. Remuneration to Key Managerial Personnel Other than MD/Manager/WTD (Financial Year 2016-17)

Sr. No	Particulars of Remuneration	Balmukand Gaggar (Chief Financial Officer)	B. K. Toshniwal* (Executive Director & Company Secretary)
<b>1</b>	<b>GROSS SALARY</b>		
	a) Salary as per provisions contained in Sec.17(1) of the Income Tax Act,1961	23,81,585	-
	b) Value of perquisites u/s17(2) of Income Tax Act,1961	2,29,875	-
	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 a. Provident Fund	1,35,756	-
	<b>Total</b>	<b>27,47,216</b>	-

\*Details of Remuneration is provided in point no. VI (A)

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

**FOR AND ON BEHALF OF THE BOARD OF DIRECTORS**

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: 22th May, 2017

Place : Mumbai



(Information pursuant to the Section 134 (3) (m) of the Companies Act, 2013 read with Companies (Accounts) Rule, 2014 and forming part of the Director's Report to the Members for the year ended March 31, 2017

	PARTICULARS	REMARKS
1.	<b>CONSERVATION OF ENERGY</b>	<ul style="list-style-type: none"> <li>• Company at its Plant has installed tandem ovens to save fuel and electricity.</li> <li>• The Aluminum sheets which were treated to two separate processes on two independent ovens are now made to pass thru in line ovens which saves;                             <ol style="list-style-type: none"> <li>1. Fuel and electricity.</li> <li>2. Reduction in scrap percentage of Aluminum sheets</li> <li>3. Less of material handling thru forklifts</li> <li>4. Improvement in quality of processed sheets.</li> </ol> </li> <li>• For new plastic cap division following efforts are taken for conservation of energy;                             <ol style="list-style-type: none"> <li>1. Energy efficient air conditioning system.</li> <li>2. Energy efficient hydraulic lifts consumes less power compared to conventional lifts.</li> <li>3. Installed energy efficient transformers.</li> <li>4. State of the art voltage stabilisers installed to regulate voltage and power consumption.</li> <li>5. Pneumatic material (granules) system installed to feed individual moulding machines this saves energy on physical material handling.</li> <li>6. Air cooled compressors with inbuilt air driers installed to save energy as compared to conventional compressors.</li> <li>7. Chillers with fine type heat exchangers installed for reduced power consumption.</li> </ol> </li> <li>• For P.P Cap Division;                             <ol style="list-style-type: none"> <li>1. Multi cavity press with 17 cavities installed for 28 mm P.P. cap. It saves energy as same process was being done with 3 individual presses each having its vast power consumption.</li> <li>2. The producing sections covered with false ceiling and ventilated with water cool air supply. This has reduced electricity consumption thru fans during summers.</li> </ol> </li> </ul>
A.	The steps taken or impact on Conservation of energy	
i.	Process optimization and automation	
ii.	Optimization of Electrical Equipment	
iii.	Lighting	
iv.	Other Key initiatives for Energy conservation	
B.	The steps taken by the Company for utilizing alternate sources of energy	
C.	The Capital Investment on energy conservation equipment	
2.	<b>TECHNOLOGY ABSORPTION</b>	Company has procured following CNC machine for technology upgradation.
a.	The efforts made by the Company towards technology absorption	a. Spark Eroding Machine and
b.	The benefits derived like product improvement, cost reduction, product development or import substitution	b. CNC engraving machine;
c.	In case of imported technology (imported during the last three years reckoned from the beginning of the Financial year)	this facilitates the Company to make plastic cap embossing base plates. It is top embossing tools for P.P. caps directly from artwork. It also helps in producing Plastic cap capper chucks for cap sealing machines.
d.	The expenditure incurred on Research and Development	
3.	<b>FOREIGN EXCHANGE EARNINGS AND OUTGO</b>	The required information in respect of the Foreign Exchange earnings and outgo has been given in the Note no. 26 forming part of the Accounts for the period ended March 31, 2017.

### FOR AND ON BEHALF OF THE BOARD OF DIRECTORS

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 : 22th May, 2017  
Place : Mumbai



**ANNEXURE - IV  
FORM NO. MR-3**

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2017**

[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, 2017 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, 2017 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.
- iii. 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 on test-check basis, with respect to other Acts as applicable which are as under:

- iv. Other applicable acts:
  - a. The Employees State Insurance Act, 1948.
  - b. The Employees' Provident Funds and Miscellaneous Provisions Act, 1952.
  - c. The Maternity Benefit Act, 1961.
  - d. The Minimum Wages Act, 1948.
  - e. The Payment of Bonus Act, 1965.
  - f. The Payment of Gratuity Act, 1972.

- g. The Payment of Wages Act, 1936.
- h. The Factories Act, 1948
- i. The Child Labour (Prohibition and Regulation) Act, 1986.
- j. The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- k. The Air (Prevention and Control of Pollution) Act, 1981.
- 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
- q. The Professional Tax Act, 1975.
- r. The Income Tax Act, 1961.
- s. The Finance Act, 1994 (Service Tax).

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

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 respect to 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 PRABHAT MAHESHWARI]  
PARTNER  
FCS No.:2405  
COP No.:1432**

Place: Mumbai  
Date: 22th May, 2017

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,**  
**Oricon Enterprises 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 PRABHAT MAHESHWARI]**  
**PARTNER**  
**FCS No.:2405**  
**COP No.:1432**

Place: Mumbai  
Date: 22th May, 2017



## 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 2017, 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 as amended. 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 controls 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 2017 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, to the extent applicable.
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 as amended;
  - (e) On the basis of the written representations received from the directors as on 31 March 2017 and taken on record by the Board of Directors, none of the directors is disqualified as on 31 March 2017 from being appointed as a director in terms of Section 164 (2) of the Act;
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate report in 'Annexure B'; and
  - (g) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on its financial position in its financial statements – Refer Note 24(b) to the financial statements;





- ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts – Refer Note 31 to the financial statements
- iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company; and
- iv. The Company has provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8 November 2016 to 30 December 2016. Based on audit procedures and relying on the management representation we report that the disclosures are in accordance with books of account maintained by the Company and as produced to us by the Management. Refer Note 36 to the financial statements.

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

**Shabbir Readymadewala**  
Partner  
Membership No: 100060

Mumbai  
22 May 2017

## Annexure – A to the Independent Auditor's Report – 31 March 2017

(Referred to in our report of even date)

The Annexure referred to in Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31 March 2017, we report that:

- (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. No material discrepancies were noticed on such verification.
- (c) According to the information and explanations given to us and on the basis of our examination of the records of the Company, except for residential flats as disclosed under Note 11 having gross block value of Rs 25,173,087 and net block value of Rs 20,693,747, 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 and one other party covered in the register required to be maintained under Section 189 of the Act.
  - (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, 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 and one other party covered in the register maintained under Section 189 of the Act, are prima facie not prejudicial to the Company's interest.
  - (b) i. The loan granted to the two companies covered in the register required to be maintained under Section 189 of the Act are repayable on demand. According to the information and explanations given to us and based on the audit procedures performed by us, the loan to the extent demanded have been refunded by the Companies during the year. The Companies have been regular in payment of interest.
  - ii. In respect of loan granted to one other party covered in the register maintained under Section 189 of the Act, the schedule of repayment of principal and payment of interest has been stipulated. The Schedule provides for principal and interest payments to commence subsequent to the balance sheet date.
  - (c) The loan granted to the two companies covered in the register required to be maintained under Section 189 of the Act are repayable on demand and the loans to the extent demanded have been refunded by the companies during the year. In respect of loan granted to one other party covered in the register maintained under Section 189 of the Act, there is no amount which is overdue for more than ninety days.
- (iv) In our opinion and according to the information and explanations given to us, the Company has complied with provisions of Section 185 and 186 of the Act, with respect to loans granted. The Company has neither made any investments nor provided guarantees or security during the year.
- (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 (l) 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.



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 2017 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, duty of excise, value added tax, cess and other statutory dues which have not been deposited by the Company on account of disputes except as mentioned in Exhibit I to this Annexure.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to bank and financial institution during the year. The Company did not have any outstanding dues to government or debenture holders 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

**Shabbir Readymadewala**  
Partner  
Membership No: 100060

Mumbai  
22 May 2017

## Exhibit I to Annexure A to the Independent Auditor's Report – 31 March 2017

(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 Act, 2005	VAT	792,313	333,660	FY 2010 -11	Assistant Commissioner of commercial Taxes-Panji
Goa Value Added Tax Act, 2005	VAT	1,483,392	14,666	FY 2009-10	Assistant Commissioner of commercial Taxes-Panji
Central Excise Act, 1944	Excise Duty	1,244,851	---	FY 20011-12	Asst. Commissioner of Central Excise & Service Tax



## **Annexure – B to the Independent Auditor’s Report – 31 March 2017**

(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 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

#### **Management’s Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting 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 2017, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

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

**Shabbir Readymadewala**  
*Partner*  
Membership No: 100060

Mumbai  
22 May 2017



## Balance Sheet

as at 31 March 2017

(Currency: Indian Rupees)

	Note	31 March 2017	31 March 2016
<b>EQUITY AND LIABILITIES</b>			
<b>Shareholders' funds</b>			
Share capital	3	10,82,08,360	10,82,08,360
Reserves and surplus	4	1,76,00,33,841	1,56,29,20,840
		<u>1,86,82,42,201</u>	<u>1,67,11,29,200</u>
<b>Non-current liabilities</b>			
Long-term borrowings	5	41,27,76,964	38,28,75,698
Deferred tax liabilities (net)	6	11,46,90,265	12,60,48,047
Long-term provisions	7	11,15,46,889	9,66,28,476
		<u>63,90,14,118</u>	<u>60,55,52,221</u>
<b>Current liabilities</b>			
Short-term borrowings	8	74,06,56,451	95,22,01,370
Trade payables	9		
- Total outstanding due to Micro and Small Enterprises		2,54,89,960	1,77,41,747
- Total outstanding due to Other than Micro and Small Enterprises		46,52,19,699	48,74,13,346
Other current liabilities	10	7,22,52,787	6,60,77,805
Short-term provisions	7	5,87,19,319	2,33,51,375
		<u>1,36,23,38,216</u>	<u>1,54,67,85,643</u>
<b>TOTAL</b>		<u><u>3,86,95,94,535</u></u>	<u><u>3,82,34,67,064</u></u>
<b>ASSETS</b>			
<b>Non-current assets</b>			
Fixed assets			
Tangible assets	11A	1,84,62,51,474	1,70,89,78,149
Intangible assets	11B	-	16,51,598
Capital work in progress		70,63,320	1,88,976
Long-term loans and advances	12	9,26,23,550	2,80,96,732
		<u>1,94,59,38,344</u>	<u>1,73,89,15,455</u>
<b>Current assets</b>			
Inventories	13	83,97,12,222	76,59,03,515
Trade receivables	14	93,27,50,083	76,99,28,581
Cash and bank balances	15	35,55,740	38,41,154
Short-term loans and advances	12	14,67,07,321	52,69,47,226
Other current assets	16	9,30,825	1,79,31,133
		<u>1,92,36,56,191</u>	<u>2,08,45,51,609</u>
<b>TOTAL</b>		<u><u>3,86,95,94,535</u></u>	<u><u>3,82,34,67,064</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

**Shabbir Readymadewala**

Partner

Membership No: 100060

**Mr. Rajendra Somani**

Managing Director

DIN: 00332465

**Mr. V.N. Khanna**

Director

DIN: 00064502

22 May 2017

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

PAN: AEFPG7277L

22 May 2017

Mumbai



**Statement of Profit and Loss**  
for the year ended 31 March 2017

(Currency: Indian Rupees)

	Note	31 March 2017	31 March 2016
<b>Revenue from operations</b>			
Sale of products			
Finished products		3,95,30,27,643	4,37,96,62,138
Traded goods		32,86,077	-
Sale of products (gross)		<u>3,95,63,13,720</u>	<u>4,37,96,62,138</u>
Less : Excise duty		35,24,63,991	38,87,08,055
Sale of products (net)		<u>3,60,38,49,729</u>	<u>3,99,09,54,083</u>
Other operating revenue	17	<u>7,31,93,281</u>	<u>7,09,40,251</u>
Total		<u>3,67,70,43,010</u>	<u>4,06,18,94,334</u>
Other income	18	<u>10,76,56,977</u>	<u>3,18,28,649</u>
<b>Total Revenue</b>		<u><u>3,78,46,99,987</u></u>	<u><u>4,09,37,22,983</u></u>
<b>Expenses</b>			
Cost of material consumed	19	<u>1,84,53,16,226</u>	<u>2,05,20,54,966</u>
Purchase of traded goods		31,71,899	-
Changes in inventory of finished goods and work in progress	20	98,52,228	5,95,96,966
Employee benefit expenses	21	34,89,36,346	31,63,08,525
Other expenses	22	<u>97,96,92,183</u>	<u>1,07,42,94,780</u>
<b>Total Expenses</b>		<u><u>3,18,69,68,882</u></u>	<u><u>3,50,22,55,237</u></u>
<b>Earnings before interest, tax and depreciation (EBITDA)</b>		<u>59,77,31,105</u>	<u>59,14,67,746</u>
Finance costs	23	<u>5,35,34,499</u>	<u>7,73,94,318</u>
Depreciation and amortisation	11	<u>26,38,94,894</u>	<u>23,84,21,362</u>
<b>Profit before tax</b>		<u>28,03,01,712</u>	<u>27,56,52,066</u>
<b>Tax expense:</b>			
Current tax		<u>9,51,00,000</u>	<u>9,12,00,000</u>
Current tax for earlier years		(5,53,507)	11,99,942
Deferred tax (credit)/charge		<u>(1,13,57,782)</u>	<u>(45,79,037)</u>
<b>Profit after tax</b>		<u><u>19,71,13,001</u></u>	<u><u>18,78,31,161</u></u>
Earnings per equity share [nominal value of share INR 10 (previous year: INR 10)]			
Basic and diluted	29	<u><u>18.22</u></u>	<u><u>17.36</u></u>
<b>Significant accounting policies</b>	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

22 May 2017  
Mumbai

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

**Mr. Rajendra Somani**  
Managing Director  
DIN: 00332465

**Mr. V.N. Khanna**  
Director  
DIN: 00064502

22 May 2017  
Mumbai

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

**Mr. B.M. Gaggar**  
Chief Financial Officer  
PAN: AEFPG7277L



## Cash flow statement

for the year ended 31 March 2017

(Currency: Indian Rupees)

Particulars	31 March 2017	31 March 2016
<b>A. Cash flow from operating activities:</b>		
<b>Profit before tax</b>	<b>28,03,01,712</b>	27,56,52,066
Adjustment for:		
Unrealised foreign exchange (gain)/ loss (net)	(3,00,45,290)	(66,21,981)
Loss/(Profit) on sale of fixed assets	(8,53,967)	(3,00,321)
Depreciation and amortisation	26,38,94,894	23,84,21,362
Sundry balance written back	(55,55,509)	(73,04,019)
Sundry balance written off	28,37,576	2,49,02,776
Interest expenses	3,40,35,480	4,95,41,157
Interest income	(2,92,81,043)	(2,26,66,050)
Operating cash flows before working capital changes	<b>51,53,33,853</b>	55,16,24,990
<b>Changes in working capital:</b>		
Decrease/ (Increase) in Inventories	(7,38,08,707)	3,36,74,906
Decrease/(Increase) in Trade receivables	(16,77,58,442)	9,57,54,045
Increase / (Decrease) in Provisions	(3,94,75,185)	1,95,02,781
Decrease/(Increase) in Loans and advances	1,53,30,600	1,35,22,565
Decrease/(Increase) in Other current assets	(2,00,796)	85,077
Decrease/(Increase) in Current liabilities	83,39,224	(20,82,88,120)
<b>Cash generated from operations</b>	<b>25,77,60,547</b>	50,58,76,244
Taxes paid (including tax deducted at source)	(6,02,86,696)	(6,83,87,106)
<b>Net cash flows generated from operating activities</b>	<b>19,74,73,851</b>	43,74,89,138
<b>B. Cash flow from investing activities:</b>		
Purchase of fixed assets including capital work in progress and capital advances	(44,79,03,288)	(26,92,62,785)
Sale of fixed assets	16,35,406	3,63,652
Interest income	4,62,81,351	46,49,840
<b>Net cash flows (used in) investing activities</b>	<b>(39,99,86,531)</b>	<b>(26,42,49,293)</b>
<b>C. Cash flow from financing activities :</b>		
Proceeds from secured loans	-	35,42,19,897
Repayment of secured loans	(12,07,99,565)	(5,35,08,704)
Proceeds from unsecured loans	5,00,00,000	1,16,69,065
Repayment of unsecured loans	(88,07,228)	(79,17,123)
Loans given to related parties	(16,50,00,000)	(39,52,00,000)
Loans recovered from related parties	53,62,00,000	2,00,00,000
Dividend and dividend distribution tax paid	-	(5,33,97,186)
Increase / (decrease) in deferred sales tax liability	(5,56,88,084)	-
Interest paid	(3,38,78,653)	(4,92,32,981)
<b>Net cash flow from / (used in) financing activities</b>	<b>20,20,26,470</b>	(17,33,67,032)
<b>Net increase in cash and cash equivalent (A+B+C)</b>	<b>(4,86,210)</b>	(1,27,187)
<b>Cash and cash equivalents - opening balance (refer note 15)</b>	<b>10,28,057</b>	11,55,244
<b>Cash and cash equivalents - closing balance (refer note 15)</b>	<b>5,41,847</b>	10,28,057

Notes :

- The Cash Flow Statement has been prepared under the "Indirect Method" as set out in Accounting Standard - 3 ('AS-3') on Cash Flow Statements prescribed in the Companies (Accounting Standard) Rules, 2006 which continue to apply under Section 133 of the Companies Act, 2013, read with Rule - 7 of Companies (Accounts) Rules, 2014.
- Significant accounting policies (Refer note 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

**Mr. Rajendra Somani**

Managing Director

DIN: 00332465

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. V.N. Khanna**

Director

DIN: 00064502

**Mr. B.M. Gaggar**

Chief Financial Officer

PAN: AEFPG7277L

22 May 2017  
Mumbai

22 May 2017  
Mumbai



## Notes to the financial statements

for the year ended 31 March 2017

(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.

The Shareholders' Agreement dated 27 September 2006 entered into between the Promoter and the Investor stipulated that the Promoter and Promoters nominated Directors were obliged to vote in the manner as required by the Investor. Accordingly, the Investor did control 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 by Oricon Enterprises Limited ('OEL'), the Company has become a wholly owned subsidiary of 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 under Section 133 of the Companies Act, 2013, ('the Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, as amended. 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 2017

(Currency: Indian Rupees)

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

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 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.





## Notes to the financial statements (continued)

for the year ended 31 March 2017

(Currency: Indian Rupees)

### (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 significant 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.

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.

### 2.14 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 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 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 2017

(Currency: Indian Rupees)

	31 March 2017	31 March 2016
<b>3 Share capital</b>		
<b>Authorised:</b>		
25,000,000 (31 March 2016: 25,000,000) Equity shares of INR 10 each	25,00,00,000	25,00,00,000
75,000,000 (31 March 2016: 75,000,000) 0.000001% redeemable non-cumulative preference shares of INR 10 each	75,00,00,000	75,00,00,000
	<u>1,00,00,00,000</u>	<u>1,00,00,00,000</u>
<b>Issued, subscribed and paid up:</b>		
10,820,836 (31 March 2016: 10,820,836) Equity shares of INR 10 each, fully paid-up	10,82,08,360	10,82,08,360
	<u>10,82,08,360</u>	<u>10,82,08,360</u>

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

	31 March 2017		31 March 2016	
	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 a single class of 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."

During the previous year 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 including corporate dividend tax of INR 9,031,758.

The Board of Directors, in their meeting held on 22 May 2017, recommended, a dividend of INR 5 per equity share for the year ended 31 March 2017, subject to the approval of members in the Annual General Meeting. The total dividend outgo shall be aggregating to Rs. 65,118,520 including corporate dividend tax of INR 11,014,340.

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

	31 March 2017		31 March 2016	
	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
	<u>1,08,20,836</u>	<u>100</u>	<u>1,08,20,836</u>	<u>100</u>



## Notes to the financial statements (Continued) as at 31 March 2017

(Currency: Indian Rupees)

	31 March 2017	31 March 2016
<b>4 Reserves and surplus</b>		
<b>Capital reserve</b>		
At the commencement and at the end of the year	<u>1,70,000</u>	<u>1,70,000</u>
<b>Securities premium account</b>		
At the commencement and at the end of the year	<u>94,28,72,968</u>	<u>94,28,72,968</u>
<b>Surplus (Profit and loss balance)</b>		
At the commencement of the year	<b>58,08,77,872</b>	48,54,43,897
Profit for the year	<b>19,71,13,001</b>	18,78,31,161
Less: Appropriations		
Interim dividend [Rs NIL per share (2016: Rs. 4.10 per share)] (refer note 32)	-	4,43,65,428
Tax on equity dividend	-	90,31,758
Investment allowance reserve *	<b>4,76,00,000</b>	3,90,00,000
	<u><b>73,03,90,873</b></u>	<u>58,08,77,872</u>
<b>Investment Allowance Reserve*</b>		
At the commencement of the year	<b>3,90,00,000</b>	-
Add: Transfer from surplus in profit and loss balance	<b>4,76,00,000</b>	3,90,00,000
	<u><b>8,66,00,000</b></u>	<u>3,90,00,000</u>
	<u><b>1,76,00,33,841</b></u>	<u>1,56,29,20,840</u>

\* During the year ended 31 March 2017, as investments made by the Company in new plant and machinery exceeded INR 250,000,000, 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 47,600,000 (Previous Year : INR 39,000,000) from Surplus (Profit and loss balance) to Investment Allowance Reserve.

## 5 Long-term borrowings

	Non current portion		Current portion	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
<b>Vehicle loan (secured)</b>				
from banks (refer note a)	<b>1,66,935</b>	4,87,642	<b>3,20,703</b>	3,59,383
from other parties (refer note b)	<b>31,67,861</b>	55,32,872	<b>56,59,333</b>	42,68,900
<b>Foreign currency buyers credit (secured) (refer note c)</b>	<b>37,87,99,994</b>	28,98,20,274	-	-
<b>Deferred payment liabilities</b>				
Deferred sales tax (unsecured)(refer note d)	<b>3,06,42,174</b>	8,70,34,910	<b>7,04,652</b>	-
Deferred payment for acquisition of fixed assets (unsecured) (refer note e)	-	-	-	88,07,228
	<b>41,27,76,964</b>	38,28,75,698	<b>66,84,688</b>	1,34,35,511

### Terms of repayment

- Vehicle loans taken from bank, carrying 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, carrying 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 2017

(Currency: Indian Rupees)

c Foreign currency buyers credit availed from banks amounting to INR 378,799,994 (31 March 2016: INR 289,820,274) 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 plants of the Company. The facility carries interest rate in a range of 6 months Euribor plus 15 to 20 basis points and 6 months Libor plus 30 to 35 basis point 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

"During the current year, the Company exercised the option of payment of its outstanding sales tax obligation under deferred sales tax incentive scheme – EC 3052 and 3093 -94 ('the schemes') on a net present value basis as provided in the schemes by Department of Sales Tax. The Company paid an amount of INR 30,609,000 in full discharge of its outstanding sales tax obligation of INR 55,688,084 under the schemes and the differential amount of INR 25,079,084, being no longer payable, has been credited to the statement of profit and loss.

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)

<b>Deferred tax liabilities</b>	<b>31 March 2017</b>	31 March 2016
Timing difference on account of:		
Difference between book depreciation and depreciation under Income tax Act, 1961	<b>15,88,58,780</b>	16,42,99,266
<b>Total deferred tax liabilities</b>	<b>15,88,58,780</b>	16,42,99,266
<b>Deferred tax assets</b>		
Timing difference on account of:		
Provision for gratuity	<b>3,21,88,550</b>	2,86,14,240
Provision for compensated absences	<b>1,03,86,698</b>	81,42,543
Provision for bonus	<b>15,93,267</b>	14,94,436
<b>Total deferred tax assets</b>	<b>4,41,68,515</b>	3,82,51,219
<b>Deferred tax liability (net)</b>	<b>11,46,90,265</b>	12,60,48,047

### 7 Provisions

	Long Term		Short Term	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
<b>Provision for employee benefits</b>				
Gratuity (refer note no. 33)	<b>8,80,03,679</b>	7,65,30,957	<b>49,99,932</b>	61,45,264
Compensated absences	<b>2,35,43,210</b>	2,00,97,519	<b>64,67,474</b>	34,29,044
<b>Other provisions</b>				
Provision for current tax (net of advance tax: INR 51,848,087, 31 March 16 : INR 51,703,940)	-	-	<b>4,72,51,913</b>	1,37,77,067
	<b>11,15,46,889</b>	9,66,28,476	<b>5,87,19,319</b>	2,33,51,375



## Notes to the financial statements (Continued) as at 31 March 2017

(Currency: Indian Rupees)

	31 March 2017	31 March 2016
<b>8 Short-term borrowings</b>		
<b>Loans repayable on demand (secured)</b>		
Cash credit facility from banks (refer note a)	9,29,39,176	32,52,08,278
Packing credit (refer note b)	6,26,54,141	8,89,30,167
Foreign currency buyers credit (refer note c)	51,75,31,508	49,02,17,790
Purchase bill discounting (refer note d)	1,75,31,626	4,78,45,135
<b>Unsecured loan</b>		
From related party (refer note e)	5,00,00,000	-
	<u>74,06,56,451</u>	<u>95,22,01,370</u>
<b>Terms of repayment</b>		
a 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 plants. The facility carries interest rate at base rate +1.25% to 2.25% and is repayable on demand.		
b "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 plants. The facility carries interest rate at base rate +0.75% minus 3 % under Interest Equalisation Scheme* and is repayable on demand.*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 1,818,875 (Previous Year: INR 2,063,647) under the scheme has been credited to Interest expenses (refer note 23)."		
c Foreign currency 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 plants. The facility carries interest rate in a range of 6 months Libor plus 50 to 60 basis points and 6 Months Euribor plus 40 to 50 basis point and duration of these buyers credit ranges from 60 days to 180 days.		
d Purchase bill discounting from bank 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 plants. The period of finance is 60 days from the date of bill discounted. The facility carries interest rate at 9.50% p.a.		
e The Company has taken interest free unsecured loan of INR 50,000,000 from Oricon Enterprises Limited, Holding Company.		
<b>9 Trade payables</b>		
Due to		
- Total outstanding dues of micro and small enterprises (refer note 34)	2,54,89,960	1,77,41,747
- Total outstanding dues of other than micro and small enterprises	46,52,19,699	48,74,13,346
	<u>49,07,09,659</u>	<u>50,51,55,093</u>
<b>10 Other current liabilities</b>		
Current maturity of long term debt*		
- deferred payment for acquisition for fixed assets	-	88,07,228
Vehicle loan*		
- from banks	3,20,703	3,59,383
- from other parties	56,59,333	42,68,900
Deferred sales tax (unsecured)	7,04,652	-
Interest accrued but not due on borrowings	20,25,233	15,07,203
Interest payable to micro and small enterprises (refer note 34)	34,37,334	37,98,537
Advance from customers	3,30,29,880	1,71,74,013
Statutory dues payable		
- TDS payable	62,75,337	43,44,518
- TCS payable	23,134	27,185
- Provident fund payable	14,02,465	12,11,035
- Labour welfare fund payable	558	-
- ESIC payable	1,23,411	17,846
- CST payable	53,07,735	61,88,944
- VAT payable	4,37,124	1,30,011
- Professional tax payable	1,08,675	1,10,600
- Service tax payable	5,95,784	7,98,951
Other liabilities	1,28,01,429	1,73,33,451
	<u>7,22,52,787</u>	<u>6,60,77,805</u>

\*For details refer note 5



## Notes to the financial statements (Continued)

as at 31st March 2017

(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 2017	As at 31 March 2016
<b>11A</b>	<b>Tangible assets</b>										
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
	<b>Sub total - A</b>	<b>2,72,50,44,322</b>	<b>28,24,29,905</b>	<b>16,67,396</b>	<b>2,53,11,755</b>	<b>1,08,72,24,826</b>	<b>23,65,19,674</b>	<b>16,04,065</b>	<b>1,32,21,40,437</b>	<b>1,70,89,78,149</b>	<b>1,63,78,19,496</b>
<b>11B</b>	<b>Intangible assets</b>										
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
	<b>Sub total - B</b>	<b>2,17,96,686</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,82,43,400</b>	<b>19,01,688</b>	<b>-</b>	<b>2,01,45,088</b>	<b>16,51,598</b>	<b>35,53,286</b>
	<b>Total (A+B)</b>	<b>2,74,68,41,008</b>	<b>28,24,29,905</b>	<b>16,67,396</b>	<b>2,53,11,755</b>	<b>1,10,54,68,226</b>	<b>23,84,21,362</b>	<b>16,04,065</b>	<b>1,34,22,85,525</b>	<b>1,71,06,29,747</b>	<b>1,64,13,72,782</b>
	<b>Capital work in progress</b>	<b>74,59,313</b>	<b>25,17,93,913</b>	<b>25,90,64,250</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>1,88,976</b>	<b>74,59,313</b>

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 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 2017

(Currency: Indian Rupees)

### 11 Fixed assets (Continued)

Sr. No.	Description	Gross Block				Depreciation/amortisation			Net block	
		Balance as at 1 April 2016	Additions	Deductions/ Adjustments	Exchange difference 31 March 2017	Balance as at 1 April 2016	For the year 31 March 2017	Deletions 31 March 2017	Balance as at 31 March 2017	As at 31 March 2016
<b>11A</b>	<b>Tangible assets</b>									
1	Leasehold land	4,16,19,402	-	-	4,16,19,402	49,14,111	5,21,227	-	54,35,338	3,61,84,064
2	Factory buildings	27,93,65,105	9,15,12,711	-	37,08,77,816	5,67,13,023	1,04,00,962	-	6,71,13,985	30,37,63,831
3	Residential flats (refer notes 1 and 2 below)	2,51,73,087	-	-	2,51,73,087	40,69,019	4,10,321	-	44,79,340	2,06,93,747
4	Plant and machinery	2,56,82,11,587	31,77,54,738	13,33,333	2,85,92,17,876	1,19,83,50,707	23,74,92,921	10,62,246	1,43,47,81,382	1,42,44,36,494
5	Electric installations	3,83,61,475	1,88,979	-	3,85,50,454	2,04,85,091	39,11,155	-	2,43,96,246	1,41,54,208
6	Office equipments	43,62,445	24,38,034	-	68,00,479	20,11,350	9,60,865	-	29,72,215	38,28,264
7	Computers	86,24,185	8,05,648	-	94,29,833	75,59,821	7,08,056	-	82,67,877	11,61,956
8	Furniture and fixtures	1,93,12,220	62,06,751	-	2,55,18,971	94,68,342	18,94,232	-	1,13,62,574	1,41,56,397
9	Vehicles (refer note 2 below)	4,10,24,679	57,35,851	23,41,456	4,44,19,074	1,51,02,326	55,79,579	18,31,104	1,88,50,801	2,55,68,273
10	Fire fighting equipments	7,79,733	19,882	-	7,99,615	5,74,561	51,275	-	6,25,836	1,73,779
11	Laboratory equipments	41,07,548	10,50,582	-	51,58,130	27,49,236	3,10,308	-	30,59,544	20,98,586
12	Weighing machines	1,77,120	-	-	1,77,120	1,42,850	2,395	-	1,45,245	31,875
	<b>Sub total - A</b>	<b>3,03,11,18,586</b>	<b>42,57,13,176</b>	<b>36,74,789</b>	<b>(2,54,15,116)</b>	<b>3,42,77,41,857</b>	<b>26,22,43,296</b>	<b>28,93,350</b>	<b>1,58,14,90,383</b>	<b>1,84,62,51,474</b>
<b>11B</b>	<b>Intangible assets</b>									
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	1,73,65,277	16,51,598	-	1,90,16,875	16,51,598
	<b>Sub total - B</b>	<b>2,17,96,686</b>	<b>-</b>	<b>-</b>	<b>2,17,96,686</b>	<b>2,01,45,088</b>	<b>16,51,598</b>	<b>-</b>	<b>2,17,96,686</b>	<b>-</b>
	<b>Total (A+B)</b>	<b>3,05,29,15,272</b>	<b>42,57,13,176</b>	<b>36,74,789</b>	<b>(2,54,15,116)</b>	<b>3,44,95,38,543</b>	<b>26,38,94,894</b>	<b>28,93,350</b>	<b>1,60,32,87,069</b>	<b>1,84,62,51,474</b>
	<b>Capital work in progress</b>	<b>1,88,976</b>	<b>70,63,320</b>	<b>1,88,976</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>70,63,320</b>

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. As per paragraph 46A of AS 11, exchange gain of long term monetary liabilities at 31 March 2017 aggregating to Rs 25,415,116 (previous year: exchange loss of Rs 25,311,755) 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 2017

(Currency: Indian Rupees)

### 12 Loans and advances (Unsecured, considered good)

	Long Term		Short Term	
	31 March 2017	31 March 2016	31 March 2017	31 March 2016
<b>To parties other than related parties</b>				
Capital advances	<b>2,24,69,796</b>	71,54,028	-	-
Security deposits	<b>79,68,262</b>	85,08,672	<b>40,96,014</b>	72,62,429
Other loans and advances				
Advances to vendors for supply of goods and rendering of services	-	-	<b>47,06,322</b>	1,08,20,096
Advances recoverable in cash or in kind	<b>5,32,00,000</b>	-	<b>4,54,48,583</b>	1,47,58,144
Prepaid expenses	<b>1,46,151</b>	23,15,540	<b>60,21,361</b>	57,71,529
Advance to employees	<b>47,68,748</b>	49,62,948	<b>13,52,691</b>	25,29,497
Balances with government authorities	-	-	<b>8,47,82,350</b>	11,06,05,531
Balances with income tax authorities (net of provision for income tax INR 129,913,155, 31 March 2016 : INR 64,985,654)	<b>3,70,593</b>	51,55,544	-	-
<b>To related parties</b>				
Loans to related party (refer note 32 and 37)	<b>37,00,000</b>	-	<b>3,00,000</b>	37,52,00,000
	<b>9,26,23,550</b>	2,80,96,732	<b>14,67,07,321</b>	52,69,47,226

	31 March 2017	31 March 2016
<b>13 Inventories (valued at lower of cost and net realisable value)</b>		
Raw material	<b>33,41,14,248</b>	24,77,98,257
Work-in-progress	<b>6,37,37,355</b>	5,83,75,124
Finished goods	<b>28,63,76,478</b>	30,15,90,938
Goods in transit		
Raw material	<b>7,76,27,016</b>	8,39,84,320
Stores and spares	<b>91,315</b>	-
Stores and spares and consumables	<b>7,77,65,810</b>	7,41,54,876
	<b>83,97,12,222</b>	<b>76,59,03,515</b>

### 14 Trade receivables

Receivables outstanding for a period exceeding six months  
from the date they become due for payment  
unsecured, considered good

	<b>8,79,44,136</b>	7,95,83,599
	<b>8,79,44,136</b>	7,95,83,599
Others		
secured, considered good	<b>66,76,784</b>	2,87,61,975
unsecured, considered good	<b>83,81,29,163</b>	66,15,83,007
	<b>84,48,05,947</b>	69,03,44,982
	<b>93,27,50,083</b>	<b>76,99,28,581</b>





**Notes to the financial statements (Continued)**  
as at 31st March 2017

(Currency: Indian Rupees)

	31 March 2017	31 March 2016
<b>15 Cash and bank balances</b>		
<b>Cash and cash equivalents</b>		
Cash on hand	1,40,155	1,78,218
Balances with banks:		
On current accounts	<u>4,01,692</u>	<u>8,49,839</u>
	<b>5,41,847</b>	<b>10,28,057</b>
<b>Other bank balances</b>		
On deposit accounts	<u>30,13,893</u>	<u>28,13,097</u>
	<u><b>35,55,740</b></u>	<u><b>38,41,154</b></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	4,01,692	8,49,839
Bank deposits due to mature within 12 months of the reporting date is included under other bank balances *	<u>30,13,893</u>	<u>28,13,097</u>
	<u><b>34,15,585</b></u>	<u><b>36,62,936</b></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.

<b>16 Other Current Assets</b>		
Interest receivable from related parties (refer note 32)	63,014	1,77,30,337
Interest accrued on fixed deposits	1,98,492	2,00,796
Interest receivable on inter corporate deposits	<u>6,69,319</u>	<u>-</u>
	<u><b>9,30,825</b></u>	<u><b>1,79,31,133</b></u>



**Notes to the financial statements (Continued)**  
for the year ended 31 March 2017

(Currency: Indian Rupees)

	31 March 2017	31 March 2016
<b>17 Other operating revenue</b>		
Scrap sales	4,25,26,080	4,40,95,267
Service income	40,26,796	56,21,916
Sundry balances written back	55,55,509	73,04,019
Export incentives	2,10,84,896	1,39,19,049
	<u>7,31,93,281</u>	<u>7,09,40,251</u>
<b>18 Other income</b>		
Interest received	2,92,81,043	2,26,66,050
Rental income	1,72,500	1,63,950
Discount received (net)	58,95,824	36,85,794
Foreign exchange gain (net)	3,75,34,181	-
Insurance claim	22,69,590	44,24,555
Miscellaneous income	30,08,383	5,87,979
Recovery of debts written off in earlier years	35,62,405	-
NPV gain on extinguishment of deferred sales tax liability (refer note 5(d))	2,50,79,084	-
Profit on sale of fixed assets (net)	8,53,967	3,00,321
	<u>10,76,56,977</u>	<u>3,18,28,649</u>
<b>19 Cost of materials consumed</b>		
Raw materials at the beginning of the year	24,77,98,257	18,74,76,307
Add: Purchases	1,93,16,32,217	2,11,23,76,916
Less: Raw materials at the end of the year	33,41,14,248	24,77,98,257
<b>Cost of raw materials consumed</b>	<u>1,84,53,16,226</u>	<u>2,05,20,54,966</u>
<b>Details of raw materials consumed</b>		
Tin free steel/Tin plate	45,21,17,782	63,19,60,112
Aluminium sheet/Slug/Ingots	26,28,44,040	28,98,07,737
Polymers	1,13,03,54,404	1,13,02,87,117
	<u>1,84,53,16,226</u>	<u>2,05,20,54,966</u>
<b>Break up of inventory - Raw materials</b>		
Tin free steel/Tin plate	11,41,32,708	7,29,34,730
Aluminium Sheet/Slug/Ingots	4,02,06,801	3,59,74,755
Polymers	17,97,74,739	13,88,88,772
	<u>33,41,14,248</u>	<u>24,77,98,257</u>
<b>20 Change in inventory of finished goods and work in progress</b>		
<b>Stock at close</b>		
Finished goods		
- Closures	28,12,44,536	28,76,70,456
- Collapsible Tubes	43,21,773	53,02,912
- Others	8,10,169	86,17,569
Work in progress - Closures	6,37,37,355	5,83,75,124
	<u>35,01,13,833</u>	<u>35,99,66,061</u>
<b>Stock at commencement</b>		
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>
	<u>98,52,228</u>	<u>5,95,96,966</u>



**Notes to the financial statements (Continued)**  
for the year ended 31 March 2017

(Currency: Indian Rupees)

	31 March 2017	31 March 2016
<b>21 Employee benefit expenses</b>		
Salaries, wages, allowances and other benefits	29,36,93,754	26,13,49,310
Contribution to provident fund and other funds (refer note 33)	1,93,34,909	1,73,31,901
Gratuity (refer note 33)	1,57,62,956	1,76,62,797
Staff welfare expenses	2,01,44,727	1,99,64,517
	<u>34,89,36,346</u>	<u>31,63,08,525</u>
<b>22 Other expenses</b>		
Stores and spares consumed	34,52,74,686	40,21,39,487
Rent	2,53,21,823	2,23,64,534
Outsourcing expenses (Job work)	7,30,67,430	7,56,75,480
Security expenses	74,18,567	61,51,246
Vehicle expenses	1,27,75,700	1,14,65,222
Travelling and conveyance expenses	1,69,91,780	1,53,34,892
Professional fees	2,37,54,926	3,29,71,093
Postage, courier and telephone charges	44,46,066	46,44,833
Director sitting fees	45,000	50,000
Insurance	1,13,84,546	1,12,46,385
Transport and forwarding charges	18,48,36,307	19,67,06,707
Repairs and maintenance - Building	60,63,353	90,57,613
Repairs and maintenance - Plant and Machinery	1,16,69,785	81,96,408
Repairs and maintenance - Others	43,77,423	47,76,872
Power and fuel	20,19,19,972	19,91,31,461
Rates and taxes	27,06,792	23,83,255
Payment to auditors (refer note 25)	28,79,325	25,79,337
License fees	19,54,483	10,69,088
Excise duty on change in inventory	11,33,893	(76,75,273)
Foreign exchange loss (net)	-	1,57,57,641
Sundry balances written off	28,37,576	2,49,02,776
Advertisement expenses and sales promotion expenses	49,40,468	50,85,848
Commission on sales	71,90,364	89,26,699
Donation	1,26,201	2,51,502
Royalty charges	38,12,073	41,09,182
CSR Expenditure	40,00,000	-
Miscellaneous expenses	1,87,63,644	1,69,92,492
	<u>97,96,92,183</u>	<u>1,07,42,94,780</u>
<b>23 Finance costs</b>		
Interest expenses		
- on other borrowings (net) *	3,24,15,699	4,70,20,211
- to micro and small enterprises (refer note 34)	16,19,781	25,20,946
Bank and other finance charges	1,94,99,019	2,78,53,161
	<u>5,35,34,499</u>	<u>7,73,94,318</u>

\* For details refer note 8(b)



**Notes to the financial statements (Continued)**  
for the year ended 31 March 2017

(Currency: Indian Rupees)

**24 Contingent liabilities and other commitments**

(a) Capital commitments

Estimated amount of contracts, net of capital advances of INR 114,813,827 (previous year: INR 7,154,028) remaining to be executed on capital account and not provided for INR 52,602,661 (previous year: INR 35,558,400)

(b) Contingent liabilities

In respect of Excise, Service tax and VAT and CST matters INR 55,64,676 (previous year: INR 6,288,637)

(c) Other commitments

The Company has an unfulfilled export commitments aggregating INR 314,278,888 (previous year: INR 1,069,032,196) 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 27,637,805 (previous year: INR 19,402,500)

**25 Payment to auditors (excluding service tax)**

Particulars	31 March 2017	31 March 2016
Fees for statutory audit	21,00,000	21,00,000
Out of pocket expenses	1,59,325	1,39,337
Fees for limited review	6,00,000	3,00,000
Fees for certification services	20,000	40,000
	<b>28,79,325</b>	<b>25,79,337</b>

**26 Earnings and expenditure in foreign currency**

a. Earnings in foreign currency (on accrual basis)

Particulars	31 March 2017	31 March 2016
FOB value of exports	69,43,68,395	83,04,46,215
Miscellaneous income	15,21,519	14,36,818
	<b>69,58,89,914</b>	<b>83,18,83,033</b>

b. Expenditure in foreign currency ( on accrual basis)

Particulars	31 March 2017	31 March 2016
Commission on sale	48,86,007	66,15,804
Travel and conveyance	31,37,844	26,75,333
Royalty charges	38,12,073	41,09,182
Interest expenses	2,30,332	6,68,681
	<b>1,20,66,256</b>	<b>1,40,69,000</b>

c. CIF value of imports

Particulars	31 March 2017	31 March 2016
Raw materials and components	1,20,18,14,690	1,33,87,68,273
Stores and spares	8,50,63,869	6,87,10,717
Capital goods	24,36,74,781	22,73,51,256
	<b>1,53,05,53,340</b>	<b>1,63,48,30,246</b>



**Notes to the financial statements (Continued)**  
for the year ended 31 March 2017

(Currency: Indian Rupees)

**27 Imported and indigenous raw materials and spare parts consumed during the year**

	31 March 2017		31 March 2016	
	% of total consumption	Amount	% of total consumption	Amount
<b>(A) Raw materials and components</b>				
Imported	66%	1,22,64,60,196	67%	1,36,54,44,873
Indigenous	34%	61,88,56,030	33%	68,66,10,093
<b>Total</b>	<b>100%</b>	<b>1,84,53,16,226</b>	<b>100%</b>	<b>2,05,20,54,966</b>
<b>(B) Stores and spares</b>				
Imported	12%	4,14,54,409	16%	6,38,01,711
Indigenous	88%	30,38,20,277	84%	33,83,37,776
<b>Total</b>	<b>100%</b>	<b>34,52,74,686</b>	<b>100%</b>	<b>40,21,39,487</b>

**28 Particulars in respect of sales**

**a. Sales of manufactured goods**

	31 March 2017	31 March 2016
<b>Class of goods</b>		
Closures	3,37,52,30,668	3,80,41,60,028
Collapsible Tubes	13,07,76,253	11,40,34,511
Others	9,45,56,731	7,27,59,544
	<b>3,60,05,63,652</b>	<b>3,99,09,54,083</b>

**b. Sales and purchase of traded goods**

	31 March 2017	31 March 2016
<b>Class of goods sold</b>		
FMCG Products	32,86,077	-
	<b>32,86,077</b>	<b>-</b>
<b>Class of goods purchased</b>		
FMCG Products	31,71,899	-
	<b>31,71,899</b>	<b>-</b>



## Notes to the financial statements (Continued) for the year ended 31 March 2017

(Currency: Indian Rupees)

### 29 Earnings per share

Particulars		31 March 2017	31 March 2016
<b>Reconciliation of basic and diluted shares used in computing earnings per share</b>			
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
<b>Computation of basic and diluted earnings per share</b>			
Profit after tax attributable to equity shareholders	(b)	19,71,13,001	18,78,31,161
Basic earnings per equity share of INR 10 each	(b/a)	18.22	17.36
Diluted earnings per equity share of INR 10 each	(b/a)	18.22	17.36

### 30 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 133,759,921 (previous year: INR 155,017,784). The Company caters to the needs of the domestic and foreign market.

Geographical	India		Other countries		Total	
	2017	2016	2017	2016	2017	2016
Segment revenue (Net external sales and services to customers)	2,90,79,59,815	3,15,90,71,050	69,58,89,914	83,18,83,033	3,60,38,49,729	3,99,09,54,083
Carrying amount of segment assets	3,73,77,67,744	3,66,84,49,280	13,18,26,791	15,50,17,784	3,86,95,94,535	3,82,34,67,064

### 31 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 2017		31 March 2016	
		Foreign currency	Local currency	Foreign currency	Local currency
Forward Exchange Contracts (to hedge highly probable exports)	USD	21,25,275	13,78,02,828	-	-

The un-hedged foreign currency exposure as on 31 March 2017 is given below:

	31 March 2017 Payables		31 March 2016 Payables	
	Foreign currency	Local currency	Foreign currency	Local currency
USD	94,72,235	61,41,79,736	98,60,294	65,40,30,660
EURO	57,34,182	39,70,92,092	37,28,406	28,00,03,350

	31 March 2017 Receivables		31 March 2016 Receivables	
	Foreign currency	Local currency	Foreign currency	Local currency
USD	20,33,109	13,18,26,791	23,37,069	15,50,17,784



**Notes to the financial statements (Continued)**  
for the year ended 31 March 2017

(Currency: Indian Rupees)

**32 Related party transactions**

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

**i. Parties where control exists:**

Holding company

Oricon Enterprises Limited ('OEL')

**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 2017

(Currency: Indian Rupees)

### 32 Related Party transactions (Continued)

#### Transactions and balances with related parties:

Nature of the transactions and balances Transactions during the year	2017	2016	OEL	SASL	BKT	RS	SS	SM	BMG	OPPL	Total
Purchase of goods (Gross)	2,17,67,228	1,93,88,557		-	-	-	-	-	-	-	2,17,67,228
Sale of goods (Gross)	8,58,303			-	-	-	-	-	-	-	1,93,88,557
Rent paid	1,38,00,000			-	-	-	-	-	-	-	8,58,303
Dividend Paid	1,38,00,000			-	-	-	-	-	-	-	1,38,00,000
Vehicle expenses	4,43,65,428			6,77,235	-	-	-	-	-	-	4,43,65,428
Repair Expenses	10,800			1,76,376	-	-	-	-	-	-	6,77,235
Interest Income (Gross)				9,67,397	-	-	63,014	-	-	1,35,34,968	1,45,65,379
Purchase of fixed assets	8,27,850			16,22,950	-	-	-	-	-	1,80,77,425	1,97,00,375
Loans given				32,08,001	-	-	-	-	-	-	40,35,851
Loan recovered				90,34,885	-	-	-	-	-	-	90,34,885
Loans taken	5,00,00,000			2,50,00,000	-	-	40,00,000	-	-	13,60,00,000	16,50,00,000
Remuneration *				4,00,00,000	-	-	-	-	-	35,52,00,000	39,52,00,000
Outstanding balances				4,50,00,000	-	-	-	-	-	49,12,00,000	53,62,00,000
Short term loans receivable				2,00,00,000	-	-	-	-	-	-	2,00,00,000
Interest receivable (net of TDS)				80,88,042	-	2,34,49,668	52,40,995	51,95,070	27,47,216	-	4,47,20,991
Receivable				47,25,534	-	1,15,00,359	40,74,136	45,00,611	24,18,210	-	2,72,18,850
Payable (Net)	5,56,97,962	69,75,135		-	-	25,00,000	-	-	-	-	5,81,97,962
				-	-	25,00,000	-	-	-	-	94,75,135

\* 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 2017

(Currency: Indian Rupees)

### 33 Employee benefits

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

The Company makes contribution, determined as 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 expenses towards contribution to Provident Fund for the year aggregated to INR 18,173,805 (March 2016: INR 14,598,622).

#### 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 year of continuous service, to receive one-half month's salary for each year of completed service at the time of retirement/exit.

<b>I Movement in present values of defined benefit obligation</b>	<b>31 March 2017</b>	31 March 2016
Defined obligation at the beginning of the year	8,26,76,221	6,81,81,679
Interest cost	66,80,239	54,27,262
Current service cost	49,14,336	41,38,813
Past service cost	-	-
Benefits paid	(54,35,565)	(31,68,255)
Actuarial loss on obligations	41,68,380	80,96,722
Liability at the end of the year	<u>9,30,03,611</u>	<u>8,26,76,221</u>
<b>II Movement in fair value of plan assets</b>		
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	-	-
<b>III Actual return on plan assets</b>		
Expected return on plan assets	-	-
Actuarial gain/(loss) on plan assets	-	-
Actual return on plan assets		
<b>IV Amount recognised in the balance sheet</b>		
Liability at the year end	9,30,03,611	8,26,76,221
Fair value of plan assets at the year end	-	-
Amount recognised in the balance sheet	9,30,03,611	8,26,76,221
<b>V Expense Recognised in the Statement of Profit and Loss</b>		
Current service cost	49,14,336	41,38,813
Interest costs	66,80,239	54,27,262
Past service cost	-	-
Expected return on plan assets	-	-
Net actuarial loss to be recognized	41,68,380	80,96,722
Expense recognised in the statement of profit and loss	1,57,62,955	1,76,62,797
<b>VI Balance Sheet Reconciliation</b>		
Opening net liability	8,26,76,221	6,81,81,679
Expense as above	1,57,62,955	1,76,62,797
Employer's contribution	(54,35,565)	(31,68,255)
Closing net liability	<u>9,30,03,611</u>	<u>8,26,76,221</u>



**Notes the financial statements (Continued)**  
for the year ended 31 March 2017

(Currency: Indian Rupees)

VII	2016-17	2015-16	2014-15	2013-14	2012-13
Experience adjustments on plan liabilities gain/loss	<b>(36,42,205)</b>	<b>90,95,834</b>	12,47,060	18,11,741	23,83,096
Experience adjustments on plan Assets gain/loss	-	-	-	-	-
				<b>31 March 2017</b>	31 March 2016
<b>VIII Actuarial Assumptions</b>					
Discount Rate				<b>7.20%</b>	8.08%
Salary Escalation				<b>8.00%</b>	8.00%
Attrition rate of employees				<b>1%</b>	1%
Mortality				<b>Indian Assured Lives Mortality (2006-08) Ultimate.</b>	Indian Assured Lives Mortality (2006-08) Ultimate.
<b>Classification into current/non current-investment</b>					
		<b>Non-Current</b>		<b>Current</b>	
		<b>31 March 2017</b>	31 March 2016	<b>31 March 2017</b>	31 March 2016
Gratuity		<u><b>8,80,03,679</b></u>	<u>7,65,30,957</u>	<u><b>49,99,932</b></u>	<u>61,45,264</u>
Total		<u><u><b>8,80,03,679</b></u></u>	<u><u>7,65,30,957</u></u>	<u><u><b>49,99,932</b></u></u>	<u><u>61,45,264</u></u>

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.

#### 34 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 2017	31 March 2016
Principal amount remaining unpaid to any supplier as at the year end	<b>2,54,89,960</b>	1,77,41,747
Interest due thereon	<b>16,19,781</b>	25,20,946
Amount of interest paid during the year	<b>18,97,806</b>	24,64,454
Amount of payments made to the supplier beyond the appointed day during the accounting year	<b>5,79,81,062</b>	7,64,17,835
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	<b>34,37,334</b>	37,98,537
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	<b>34,37,334</b>	37,98,537



**Notes the financial statements (Continued)**  
for the year ended 31 March 2017

(Currency: Indian Rupees)

**35 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 has identified the Projects for CSR spending. The efforts are being undertaken partly to implement the same in financial year 2017-18"

Particulars	Amount
Gross amount required to be spent by the Company during the year 2016-17	35,49,277
Amount spent during the year	40,00,000
Related party transactions in relation to Corporate Social Responsibility	-

**36. Disclosure on Specified Bank Notes (SBNs)**

During the year the Company had specified bank notes or other denomination notes as defined in the MCA notification G.S.R 308(E) dated March 31,2017 on the details of Specified Bank Notes (SBN) held and transacted during the period from November 8,2016 to December 30,2016, the denomination wise details of SBNs and other notes as per the notification are given below :

Particulars	SBNs*	Other demoniation notes	Total
<b>Closing cash on hand as on November 8, 2016</b>	40,000	1,91,159	2,31,159
(+) Permitted receipts	-	17,28,562	17,28,562
(-) Permitted payments	-	(17,21,163)	(17,21,163)
(-) Amount deposited in Banks	(40,000)	-	(40,000)
<b>Closing cash on hand as on December 30,2016</b>	<b>-</b>	<b>1,98,558</b>	<b>1,98,558</b>

\* for the purpose of this clause, the term "Specified Bank Notes" has the same meaning provided in the notification of the Government of India, in the Ministry of Finance, Department of Economic Affairs number S.O. 3407(E), dated the 8 November, 2016.

**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 2016	Loan given during the year	Loan refunded during the year by the entity	As at 31 March 2017
Oricon Properties Private Limited (OPPL)	35,52,00,000	13,60,00,000	49,12,00,000	-
Shinrai Auto Services Limited (SASL)	2,00,00,000	2,50,00,000	4,50,00,000	-
Shrikant Malpani (SM)	-	40,00,000	-	40,00,000



## Notes the financial statements (Continued)

for the year ended 31 March 2017

(Currency: Indian Rupees)

### Note 1:

Purpose of utilization of loan given to the entities	Working capital / Housing Loan
Loan repayment terms	Repayable on demand
Rate of interest	
- Oricon Properties Private Limited (OPPL)	15%
- Shinrai Auto Services Limited (SASL)	12%
-Shrikant Malpani	10%

**38** Sundry balances written off of INR 2,837,576 (previous year : INR 24,902,776) includes the bad debt of INR 2,602,469 (previous year : INR 2,32,61,359).

### 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:' - Unpaid salary of INR 7,109,294 has been reclassified from note 8 'Trade payables' to note 9 'Other current liabilities'."

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

PAN: AEFPG7277L

22 May 2017

Mumbai

22 May 2017

Mumbai

# Oriental Containers Ltd.



CIN: U28992MH2006PLC159687

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

## **Attendance Slip**

(To be presented at the entrance of meeting hall)

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

I /We hereby record my / our presence at the 12th Annual General Meeting of the Company at **1076, Dr E Moses Road, Worli, Mumbai - 400018 on Saturday, June 24, 2017 at 12.30 P.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/her;

(2) Name: \_\_\_\_\_ Address: \_\_\_\_\_ E-mail Id: \_\_\_\_\_ or failing him/her;

(3) Name: \_\_\_\_\_ Address: \_\_\_\_\_ E-mail Id: \_\_\_\_\_

As my/ our proxy to attend and vote (on a poll) for me / us and on my/ behalf at the 12th Annual General Meeting of the Company to be held on **Saturday June 24, 2017 at 12.30 P.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 Annual Audited Financial Statement of the Company for the year ended 31st March, 2017 together with Reports of Board of Directors and Auditor's thereon		
2.	To declare dividend for the Financial Year ended March 31, 2017		
3.	Re-appointment of Mr. Shrikant Malpani, who retire by rotation and being eligible offer himself for re-appointment as director		
4.	To appoint of M/s. Khandelwal Jain & Co. as Statutory Auditors		
	<b>Special Business</b>		
5.	To approve continuation of Mr. Rajendra Somani as the Managing Director of the Company.		
6.	To approve alteration of Articles of Associations of the Company.		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2017

Signature of the Shareholder \_\_\_\_\_

Affix  
Revenue  
Stamp

\_\_\_\_\_  
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.

