



**ANNUAL REPORT**  
**2015-16**

**PLASTIBLENDS INDIA LTD.**

## BOARD OF DIRECTORS

**Shri Shreevallabh G. Kabra**

(Chairman & Managing Director)

**Shri Satyanarayan G. Kabra**

(Vice-Chairman & Managing Director)

**Shri Anand S. Kabra**

(Managing Director)

**Shri Pushp Raj Singhvi**

(Independent Director)

**Dr. Yatish B. Vasudeo**

(Independent Director)

**Shri Sudarshan K. Parab**

(Independent Director)

**Shri Bajrang Lal Bagra**

(Independent Director)

**Shri Varun S. Kabra**

(Director)

**Smt Ekta A. Kabra**

(Director)

### CHIEF EXECUTIVE OFFICER

Shri Rohit Vashistha

### CHIEF FINANCIAL OFFICER

Shri Anand R. Mundra

### COMPANY SECRETARY

Shri Himanshu S. Mhatre

### AUDITORS

A. G. Ogale & Co.  
Chartered Accountants, Pune

### BANKERS

DBS Bank Ltd.  
HSBC Ltd.  
HDFC Bank Ltd.  
IndusInd Bank Limited  
Kotak Mahindra Bank Ltd  
State Bank of India

### SHARE TRANSFER AGENT

Sharex Dynamic (India) Pvt. Ltd.  
Unit 1, Luthra Indl. Premises, Safed Pool, Andheri-Kurla Road,  
Andheri (E), Mumbai – 400 072  
Tel. : 022-28515606 Fax : 022-28512885  
Email : sharexindia@vsnl.com

### REGISTERED OFFICE

Fortune Terraces, A-Wing, 10th Floor,  
New Link Road, Opp. Citi Mall,  
Andheri (West), Mumbai – 400 053  
Tel. No. : +91-22-67205200,  
Fax : +91-22-26736808  
E-mail : pbi@kolsitegroup.com  
Website : www.plastiblends.com  
CIN :- L25200MH1991PLC059943

### WORKS

**Daman**

Daman Industrial Estate,  
Kadaiya Village, Daman-396 210

**Roorkee**

Khasara No. 216, Village Raipur,  
Pargana : Bhagwanpur, Tehsil : Roorkee,  
Distt. Haridwar, Uttarkhand – 247 667

**Palsana**

Block No. 18-A, 15, Makhinga, Palsana,  
Surat, Gujarat - 394315

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# Notice

NOTICE is hereby given that the TWENTY FIFTH ANNUAL GENERAL MEETING of the Members of PLASTIBLENDS INDIA LIMITED will be held on Thursday, the 21st day of July, 2016 at 4:15 p.m. at Hotel Karl Residency, 36, Lallubhai Park Road, Next to Lallubhai Park, Andheri (West), Mumbai – 400 058 to transact the following business :

## Ordinary Business :

1. To consider and adopt the audited Financial Statements for the year ended 31st March, 2016, the Reports of the Board of Directors and Auditors thereon;
2. To confirm the payment of interim dividend of ₹ 5.75 per share (@115%) and special silver jubilee dividend of ₹ 1.25 per share (@ 25%), aggregating to ₹ 7.00 per share (@140%) on equity share of face value of ₹ 5.00 each, as dividend for the Financial Year 2015-16;
3. To appoint a Director in place of Shri Satyanarayan G. Kabra (DIN: 00015930), a Director, liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for reappointment;
4. To appoint a Director in place of Shri Anand S. Kabra (DIN: 00016010), a Director, liable to retire by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers himself for reappointment;
5. To consider and if thought fit, to pass, with or without modification(s), the following resolution as an **Ordinary Resolution** :

**“RESOLVED THAT** pursuant to the provisions of Section 139-142 and other applicable provisions, if any, of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014, and pursuant to the resolution of the members passed at the 23rd Annual General Meeting (AGM) held on 9th September, 2014, the appointment of M/s. A. G. Ogale & Co., (Firm Registration No. 114115W), Chartered Accountants, to hold office from the conclusion of 23rd AGM until the conclusion of the 28th AGM of the Company, be and is hereby ratified by the members on a remuneration as may be agreed by the Board of Directors and Auditors plus applicable service tax, reimbursement of travelling and out-of-pocket expenses incurred by them for the purpose of audit.”

## Special Business :

6. To consider and if thought fit, to pass, with or without modification(s), the following resolution as a **Special Resolution** :  
**“RESOLVED THAT** in accordance with the provisions of Sections 196, 197, Schedule V of the Companies Act, 2013 (Act) and other applicable provisions of the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company hereby accords its approval and consent to the re-appointment of Shri Shreevallabh G. Kabra (DIN:00015415) as a Chairman & Managing Director of the

Company, for a period of 5 (five) years w.e.f. 1<sup>st</sup> January, 2017 to 31<sup>st</sup> December, 2021 on the terms, conditions and stipulations including remuneration as approved by the Nomination and Remuneration Committee and the Board which have been detailed in the Explanatory Statement annexed hereto (which shall form part hereof), with a liberty to the Board of Directors of the Company (hereinafter referred to as "the Board" which terms shall be deemed to include any Committee of the Board as and when constituted) to fix, increase, alter or vary from time to time, the terms and conditions of the said appointment and remuneration and/or monetary value of the perquisites as may be agreed upon by the Board of Directors and Shri Shreevallabh G. Kabra, subject to the same not exceeding at any point of time, the ceiling specified in Schedule V to the said Act, (including any Statutory Modifications or re-enactment thereof for the time being in force) or any amendment and/or modifications that may hereinafter from time to time be made thereto by the Central Government.

**RESOLVED FURTHER THAT** where in any financial year during the currency of the tenure of said appointee, the company has no profit or its profits are inadequate, the company shall pay salary & perquisites as provided under Schedule V to the Companies Act, 2013 as minimum remuneration.

**RESOLVED FURTHER THAT** the aforesaid consent of the Company is accorded without prejudice to his right of holding managerial position of whatsoever nature in any other company and draw remuneration therefrom, subject to the regulatory guidelines and ceiling stipulated in this regard.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds, matters or things as may be necessary, expedient or desirable in the best interest of the Company."

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

**"RESOLVED THAT** in accordance with the provisions of Sections 188, 196, 197, Schedule V of the Companies Act, 2013 (Act) and other applicable provisions of the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company hereby accords its approval and consent to the re-appointment of Shri Anand S. Kabra (DIN:00016010) as Managing Director of the Company, for a period of 5

(five) years w.e.f. 1<sup>st</sup> August, 2016 to 31<sup>st</sup> July, 2021 on the terms, conditions and stipulations including remuneration as approved by the Nomination and Remuneration Committee and the Board which have been detailed in the Explanatory Statement annexed hereto (which shall form part hereof), with a liberty to the Board of Directors of the Company (hereinafter referred to as "the Board" which terms shall be deemed to include any Committee of the Board as and when constituted) to fix, increase, alter or vary from time to time, the terms and conditions of the said appointment and remuneration and/or monetary value of the perquisites as may be agreed upon by the Board of Directors and Shri Anand S. Kabra, subject to the same not exceeding at any point of time, the ceiling specified in Schedule V to the said Act, (including any Statutory Modifications or re-enactment thereof for the time being in force) or any amendment and/or modifications that may hereinafter from time to time be made thereto by the Central Government.

**RESOLVED FURTHER THAT** where in any financial year during the currency of the tenure of said appointee, the company has no profit or its profits are inadequate, the company shall pay salary & perquisites as provided under Schedule V to the Companies Act, 2013 as minimum remuneration.

**RESOLVED FURTHER THAT** the aforesaid consent of the Company is accorded without prejudice to his right of holding managerial position of whatsoever nature in any other company and draw remuneration therefrom, subject to the regulatory guidelines and ceiling stipulated in this regard.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds, matters or things as may be necessary, expedient or desirable in the best interest of the Company."

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

**"RESOLVED THAT** in accordance with the provisions of Sections 188, 196, 197, Schedule V of the Companies Act, 2013 (Act) and other applicable provisions of the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company hereby accords its approval and consent to the appointment of Shri Varun Satyanarayan Kabra (DIN : 03376617) as Director – Business Development a

relative of Shri Satyanarayan G. Kabra, Vice-Chairman & Managing Director for a period of 5 (five) years with effect from 1<sup>st</sup> August, 2016 to 31<sup>st</sup> July, 2021 on the terms, conditions and stipulations including remuneration as approved by the Nomination and Remuneration Committee and the Board which have been detailed in the Explanatory Statement annexed hereto (which shall form part hereof), with a liberty to the Board of Directors of the Company (hereinafter referred to as "the Board" which terms shall be deemed to include any Committee of the Board as and when constituted) to fix, increase, alter or vary from time to time, the terms and conditions of the said appointment and remuneration and/or monetary value of the perquisites as may be agreed upon by the Board of Directors and Shri Varun Satyanarayan Kabra, subject to the same not exceeding at any point of time, the ceiling specified in Schedule V to the said Act, (including any Statutory Modifications or re-enactment thereof for the time being in force) or any amendment and/or modifications that may hereinafter from time to time be made thereto by the Central Government.

**RESOLVED FURTHER THAT** where in any financial year during the currency of the tenure of said appointee, the company has no profit or its profits are inadequate, the company shall pay salary & perquisites as provided under Schedule V to the Companies Act, 2013 as minimum remuneration.

**RESOLVED FURTHER THAT** the aforesaid consent of the Company is accorded without prejudice to his right of holding managerial position of whatsoever nature in any other company and draw remuneration there from, subject to the regulatory guidelines and ceiling stipulated in this regard.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds, matters or things as may be necessary, expedient or desirable in the best interest of the Company."

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

**"RESOLVED THAT** in accordance with the provisions of Sections 188, 196, 197, Schedule V of the Companies Act, 2013 (Act) and other applicable provisions of the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company hereby accords its approval and consent to the

appointment of Smt Ekta Anand Kabra (DIN : 07088898) as Director – Materials a relative of Shri Shreevallabh G. Kabra, Chairman & Managing Director and Shri Anand S. Kabra, Managing Director of the Company, for a period of 5 (five) years with effect from 1<sup>st</sup> August, 2016 to 31<sup>st</sup> July, 2021 on the terms, conditions and stipulations including remuneration as approved by the Nomination and Remuneration Committee and the Board which have been detailed in the Explanatory Statement annexed hereto (which shall form part hereof), with a liberty to the Board of Directors of the Company (hereinafter referred to as "the Board" which terms shall be deemed to include any Committee of the Board as and when constituted) to fix, increase, alter or vary from time to time, the terms and conditions of the said appointment and remuneration and/or monetary value of the perquisites as may be agreed upon by the Board of Directors and Smt Ekta Anand Kabra, subject to the same not exceeding at any point of time, the ceiling specified in Schedule V to the said Act, (including any Statutory Modifications or re-enactment thereof for the time being in force) or any amendment and/or modifications that may hereinafter from time to time be made thereto by the Central Government.

**RESOLVED FURTHER THAT** where in any financial year during the currency of the tenure of said appointee, the company has no profit or its profits are inadequate, the company shall pay salary & perquisites as provided under Schedule V to the Companies Act, 2013 as minimum remuneration.

**RESOLVED FURTHER THAT** the aforesaid consent of the Company is accorded without prejudice to her right of holding managerial position of whatsoever nature in any other company and draw remuneration there from, subject to the regulatory guidelines and ceiling stipulated in this regard.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of Directors of the Company, be and is hereby authorized to do all such acts, deeds, matters or things as may be necessary, expedient or desirable in the best interest of the Company."

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

**"RESOLVED THAT** in partial modification of the Special Resolution No. 6 passed by the Members at the 22<sup>nd</sup> Annual General Meeting held on August 27, 2013 approving appointment and terms of remuneration of Shri Satyanarayan G. Kabra, as Vice-Chairman and Managing

Director in accordance with the provisions of Sections 196, 197, Schedule V of the Companies Act, 2013 (Act) and other applicable provisions of the Act read with Companies (Appointment and Qualification of Directors) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company hereby approves the revision in the remuneration of Shri Satyanarayan G. Kabra, Vice-Chairman and Managing Director for the remaining period of tenure of his office, as recommended by the Nomination and Remuneration Committee and the Board which have been set out in the explanatory statement annexed hereto, with effect from August 1, 2016.

**RESOLVED FURTHER THAT** all other terms and conditions of appointment of Shri Satyanarayan G. Kabra as approved earlier by the members, shall remain unchanged.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board which term shall be deemed to include any duly authorized committee thereof for the time being exercising powers conferred on the Board by this resolution, be and is hereby authorized to do all such acts, deeds, matters or things as may be necessary, expedient or desirable in the best interest of the Company."

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

**"RESOLVED THAT** pursuant to the provisions of Section 148 and all other applicable provisions of the Companies Act, 2013 and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) M/s. Dhara Shah & Associates, Cost Accountants (Firm Regn. No. : 34932), appointed by the Board of Directors of the Company to conduct the audit of the Cost Records of the Company for the financial year ending 31st March, 2017 on a remuneration of ₹ 1,20,000/- (Rupees One Lacs Twenty Thousand Only) plus service tax as may be applicable and reimbursement of actual travel and out of pocket expenses incurred by them be and is hereby ratified and confirmed."

By order of the Board

Place : Mumbai  
Date : 24<sup>th</sup> May, 2016

**Himanshu S. Mhatre**  
Company Secretary

#### Notes :

- A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING MAY APPOINT PROXY TO ATTEND AND ON A POLL VOTE, INSTEAD OF HIMSELF/ HERSELF. [A PROXY NEED NOT BE A MEMBER OF THE COMPANY. PROXIES INORDER TO BE EFFECTIVE MUST BE RECEIVED BY THE COMPANY AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY-EIGHT HOURS BEFORE THE COMMENCEMENT OF THE MEETING].**

A Person shall not act as a Proxy for more than 50 Members and holding in the aggregate not more than ten percent of the total voting share capital of the Company. However a single person may act as a Proxy for a member holding more than ten percent of the total voting share capital of the Company provided that such person shall not act as a Proxy for any other person.
- The Explanatory Statement, pursuant to Section 102(2) of the Companies Act, 2013 are annexed hereto.
- Corporate Members are requested to send to the Company, at its Registered Office a duly certified copy of the Board Resolution authorising their representative to attend and vote at the Annual General Meeting.
- Register of Members and the Share Transfer Books of the Company will remain closed from Friday, the 15th July, 2016 to Thursday, the 21st July, 2016 (both days inclusive).
- Those members who have not encashed their dividend warrants for the financial year 2008-09 or any subsequent financial years are requested to return the time barred dividend warrants or forward their claims to the Company for issue of Bankers' Cheque/ Demand Draft in lieu thereof.
  - Pursuant to the provisions of Section 205A & 205C (2) (a) of the Companies Act, 1956, as amended, dividend for the financial year 2008-09 and thereafter which shall remain unclaimed/unpaid for a period of 7 (Seven) years from the date of transfer to the unpaid dividend account is required to be transferred to the Investors Education & Protection Fund (IEPF). Accordingly, during September, 2016, the Company would be transferring such unclaimed or unpaid dividend for the financial year ended 31<sup>st</sup> March, 2009. Members are therefore requested to make claim thereof, before August, 2016 otherwise no claim shall lie in respect of such amount.

- (iii) Pursuant to the said provisions unclaimed/unpaid dividend for the financial year upto 2007-08 have been transferred to the Investor Education and Protection Fund.
6. Pursuant to the provisions of Investor Education and Protection Fund (uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, (IEPF Rules) the Company has uploaded the information in respect of the unclaimed dividends of the financial years from 2008, as on date of the 24th Annual General Meeting held on 27th August, 2015 on the website of the IEPF viz. [www.iepf.gov.in](http://www.iepf.gov.in)
  7. SEBI Regulations has mandated Companies to credit Dividend electronically to the Members' bank account. Shareholders holding shares, whether in Physical or Demat form should inform to the Company and the Depository Participant's (DP), as the case may be their Bank Name, A/c No., A/c Type, Branch name, MICR Code along with their Name and Folio Number (DP-ID/Client ID). Those Members who have earlier provided the above information should update the details, as soon as changes take place.
  8. In case of Joint Holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
  9. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their bank details, National Electronic Service (NECS), Electronic Clearing Service (ECS), Mandates, Nomination, Power of Attorney, Change of Address, Change of Name, Email Address, Contact Numbers etc. to their respective Depository Participant (DP). Changes intimated to the DP will then be automatically reflected in the Company's records which will help the Company and its Transfer Agents to provide efficient and better services. Members holding shares in Physical Form are requested to intimate such changes to Transfer Agents M/s. Sharex Dynamic (India) Pvt. Ltd.
  10. To prevent fraudulent transactions, members are advised to exercise due diligence and notify the Company of any change in address or demise of any member as soon as possible. Members are also advised not to leave their demat account(s) dormant for long. Periodic statement of holdings should be obtained from the concerned Depository Participants and holdings should be verified.
  11. Members may also note that the Notice of the Annual General Meeting and the Annual Report for 2015-16 will also be available on the Company's website [www.plastiblends.com](http://www.plastiblends.com) for their download. All documents referred to in the notice and the explanatory statement requiring the approval of the Members at the Meeting and other statutory registers shall be available for inspection by the Members at the registered office of the Company during office hours on all working days between 11:00 a.m. and 1:00 p.m. on all days except Saturdays, Sundays and public holidays, from the date hereof up to the date of the Annual General Meeting.
  12. Notice of the AGM along with Annual Report 2015-16 is being sent by electronic mode to those members whose email addresses are registered with the Company/ Depository Participants unless any member has requested for the physical copy of the same. For Members who have not registered their email addresses, physical copies are being sent by permitted mode. To support the Green Initiative, members (holding shares in electronic form) who have not registered their email addresses, are requested to register the same with their Depository Participants. Members holding shares in physical mode are requested to register their email ID with the Registrar and Share Transfer Agent of the Company.
  13. Brief profile of the Directors retiring by rotation and being eligible for re-appointment and the Directors proposed to be appointed/re-appointed at this Annual General Meeting has been furnished in this Annual Report.
  14. Members desirous of obtaining any information with regard to accounts are requested to write to the Company Secretary at the Registered Office of the Company, at least 10 days in advance, so as to compile the same.
  15. Members desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Companies Act, 2013 are requested to fill up the Form SH-13 and send to the office of the Company's Transfer Agent.
  16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore requested to submit the PAN to their Depository Participant with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company's Transfer Agent.
  17. Attendance slip, Proxy form and the route map of the venue of the meeting is annexed hereto. The prominent landmark for the venue of the meeting is Lallubhai Park, near to Andheri railway station, west in Mumbai.

## 18. Voting through electronic means

In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of the Listing Regulation, the Company is pleased to offer e-voting facility as an alternative mode of voting which will enable the Members to cast their votes electronically on the resolutions mentioned in the notice of 25<sup>th</sup> Annual General Meeting of the Company.

The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again

### The instructions for shareholders voting electronically are as under :

- i The voting period begins on Monday, 18th Day of July, 2016 at 9:00 a.m. and ends on Wednesday, 20th Day of July, 2016 at 5:00 p.m. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of Thursday, 14th Day of July, 2016, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- ii Shareholders who have already voted prior to the meeting date would not be entitled to vote at the meeting venue.
- iii The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- iv Click on Shareholders.
- v Now Enter your User ID
  - a. For CDSL : 16 digits beneficiary ID,
  - b. For NSDL : 8 Character DP ID followed by 8 Digits Client ID
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- vi Next enter the Image Verification as displayed and Click on Login.
- vii If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.

viii If you are a first time user follow the steps given below :

	<b>For Members holding shares in Demat Form and Physical Form</b>
PAN	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders). <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequences number in the PAN field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank details Or DOB	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.  If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).
ix	After entering these details appropriately, click on "SUBMIT" tab.
x	Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
xi	For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
xii	Click on the EVSN for the relevant <Plastiblends India Limited> on which you choose to vote.



- xiii On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- xiv Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- xv After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- xvi Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- xvii You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- xviii If Demat account holder has forgotten the same password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- xix Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- xx Note for Non – Individual Shareholders and Custodians
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- xxi In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- General Instructions :**
- a. The voting rights of shareholders shall be in proportion to their shares of the paid-up equity share capital of the Company as on the cut-off date of Thursday, 14th Day of July, 2016.
  - b. A copy of this notice has been placed on the website of the Company and the website of CDSL.
  - c. In case of any other queries/grievances connected with voting by electronic means, you may also contact Company Secretary at telephone no. 022-67205200.
  - d. Mr. S. N. Bhandari, Practising Company Secretary (CP No. 366) or failing him Ms. Manisha Maheshwari, Practising Company Secretary (CP No. 11031) have been appointed as the Scrutinizer for conducting the e-voting process in a fair and transparent manner.
  - e. The Scrutinizer shall, immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witness not in the employment of the company and make, not later than three days of conclusion of the meeting, a consolidated Scrutiniser's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing who shall countersign the same.
  - f. The Results declared alongwith the Scrutinizer's Report shall be placed on the Company's website [www.plastiblends.com](http://www.plastiblends.com) and on the website of CDSL within 48 hrs of conclusion of the AGM of the Company and communicated to the BSE Limited and National Stock Exchange of India Limited.

By order of the Board

Place : Mumbai  
Date : 24<sup>th</sup> May, 2016

**Himanshu S. Mhatre**  
Company Secretary

## ANNEXURE TO NOTICE

Explanatory Statement under Sec. 102 of the Companies Act, 2013

### Item No. 6, 7, 8 & 9

#### 1) Item No. 6

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 24<sup>th</sup> May, 2016, subject to the approval of the members in General Meeting, approved re-appointment and terms of remuneration of Shri Shreevallabh G. Kabra aged 78 years w.e.f. 1<sup>st</sup> January, 2017 for a term of 5 years as Chairman and Managing Director of the Company.

He is also holding similar positions in M/s. Kabra Extrusiontechnik Ltd., a company in the same group and paid remuneration therefrom as approved by the Members of that company.

The Basic Salary is fixed at ₹ 5,00,000/- (Rupees Five Lacs Only) per month, with an annual increment to be decided by the Board at such percentage not exceeding 20% of the basic salary, subject to the same not exceeding at any point of time, the ceiling laid down under the provisions of the Companies Act, 2013 and Schedule thereto.

In addition to the above, he shall be entitled to perquisites restricted to an amount equal to his annual salary as given herein below as the common prerequisite terms under point No.5.

Shri Shreevallabh G. Kabra is individually concerned or interested in the above matters, since it relates to his own re-appointment and remuneration. Shri Satyanarayan G. Kabra, Shri Anand S. Kabra and Smt. Ekta A. Kabra are deemed to be concerned or interested being relative of said appointees.

Save and except the above, none of the other Directors, Key Managerial Personnel (KMP) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise in these items of businesses, except to the extent of their respective shareholding interest, if any, held in the Company.

#### 2) Item No. 7

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 24<sup>th</sup> May, 2016, subject to the approval of the members in General Meeting, approved

re-appointment and terms of remuneration of Shri Anand S. Kabra aged 40 years w.e.f. 1<sup>st</sup> August, 2016 for a term of 5 years as Managing Director of the Company.

He is holding position of Technical Director in M/s. Kabra Extrusiontechnik Ltd., a company in the same group and paid remuneration therefrom as approved by the Members of that company.

The Basic Salary is fixed at ₹ 3,35,000/- (Rupees Three Lacs Thirty Five Thousand Only) per month, with an annual increment to be decided by the Board at such percentage not exceeding 20% of the basic salary, subject to the same not exceeding at any point of time, the ceiling laid down under the provisions of the Companies Act, 2013 and Schedule thereto.

In addition to the above, he shall be entitled to perquisites restricted to an amount equal to his annual salary as given herein below as the common prerequisite terms under point No.5.

Shri Anand S. Kabra is individually concerned or interested in the above matters, since it relates to his own re-appointment and remuneration. Shri Shreevallabh G. Kabra, Smt. Ekta A. Kabra are deemed to be concerned or interested being relatives of said appointees.

Save and except the above, none of the other Directors, Key Managerial Personnel (KMP) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise in these items of businesses, except to the extent of their respective shareholding interest, if any, held in the Company.

#### 3) Item No. 8

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 24<sup>th</sup> May, 2016, appointed Shri Varun Satyanarayan Kabra, as Director – Business Development w.e. f. 1<sup>st</sup> August, 2016.

Shri Varun Satyanarayan Kabra aged 30 years holds degree as B.E. – Production Engineering, Mumbai University and M. Sc. – Industrial & Operations Engineering, University of Michigan, Ann Arbor (USA).

Shri Varun S. Kabra is also Director in M/s. Kabra Extrusiontechnik Ltd. He holds 1305204 (i.e. 10.04 %) Equity Shares of ₹ 5/- each in the Company in Promoter Category.

Shri Varun S. Kabra is the son of Shri Satyanarayan G. Kabra, Vice-Chairman & Managing Director of the Company.

He has over 6 years of Post-qualification experience and is overseeing manufacturing operations and expansion at Palsana unit. He is also involved in the Business development activities of the Company.

The Board is of view that Shri Varun S. Kabra's qualification, knowledge and experience will be of immense benefit and value to the Company and therefore recommends his appointment to the Members.

His brief resume form part of this Annual Report. This statement, be regarded as disclosure under 36 (3) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

Pursuant to Section 188, 196, 197, Schedule V and other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the appointment of and remuneration payable to Shri Varun S. Kabra is placed before the Members at this Annual General Meeting for their approval.

The Basic Salary is fixed at ₹ 2,00,000/- (Rupees Two Lacs Only) per month, with an annual increment to be decided by the Board at such percentage not exceeding 20% of the basic salary, subject to the same not exceeding at any point of time, the ceiling laid down under the provisions of the Companies Act, 2013 and Schedule thereto.

In addition to the above, he shall be entitled to perquisites restricted to an amount equal to his annual salary as given herein below as the common perquisite terms under point No.5.

The above may be treated as a written memorandum setting out the terms of appointment of Shri Varun S. Kabra under Section 190 of the Act and subject to the relevant provision of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

Your Directors recommend passing of the resolution at Item No. 8 of the Notice as a Special Resolutions

Shri Varun S. Kabra is concerned or interested in the resolution as set out in the Notice at Item No. 8 since it pertains to his appointment and remuneration. His relatives also be deemed to be interested in aforesaid resolutions, to the extent of their respective shareholding interest, if any, held in the Company.

Save and except the above, none of the other Directors, Key Managerial Personnel (KMP) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise in these items of businesses, except

to the extent of their respective shareholding interest, if any, held in the Company.

#### 4) Item No. 9

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors at its meeting held on 24<sup>th</sup> May, 2016, appointed Smt Ekta Anand Kabra, as Director – Materials w.e.f. 1<sup>st</sup> August, 2016.

Smt Ekta Anand Kabra aged 39 years holds degree as B. A. – Economics, Delhi University and MBA – Family Business from S.P Jain Institute of Management and Research.

Smt Ekta Anand Kabra holds 50800 (i.e. 0.39%) Equity Shares of ₹ 5/- each in the Company in Promoter Category.

Smt Ekta Anand Kabra is wife of Shri Anand S. Kabra, Managing Director and Daughter in law of Shri Shreevallabh G. Kabra, Chairman & Managing Director of the Company.

She has over 10 years of experience the management of group companies and is heading the operations of Maharashtra Plastic & Industries. She is also actively involved in materials planning, procurement and Business development activities of the Company.

The Board is of view that Smt Ekta A. Kabra's qualification, knowledge and experience will be of immense benefit and value to the Company and therefore recommends her appointment to the Members.

Her brief resume forms part of this Annual Report. This statement, be regarded as disclosure under 36 (3) of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

Pursuant to Section 188, 196, 197, Schedule V and other applicable provisions of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the appointment of and remuneration payable to Smt Ekta Anand Kabra is placed before the Members at this Annual General Meeting for their approval.

The Basic Salary is fixed at ₹ 1,30,000/- (Rupees One Lacs Thirty Thousand Only) per month, with an annual increment to be decided by the Board at such percentage not exceeding 20% of the basic salary, subject to the same not exceeding at any point of time, the ceiling laid down under the provisions of the Companies Act, 2013 and Schedule thereto.

In addition to the above, she shall be entitled to perquisites restricted to an amount equal to her annual salary as given herein below as the common perquisite terms under point No.5.

The above may be treated as a written memorandum setting out the terms of appointment of Smt Ekta Anand Kabra under Section 190 of the Act and subject to the relevant provision of SEBI (Listing Obligations and Disclosures Requirements) Regulations, 2015.

Smt Ekta Anand Kabra is concerned or interested in the resolution since it pertains to her appointment and remuneration. Her relatives are also deemed to be interested in aforesaid resolutions, to the extent of their respective shareholding interest, if any, held in the Company.

Save and except the above, none of the other Directors, Key Managerial Personnel (KMP) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise in these items of businesses, except to the extent of their respective shareholding interest, if any, held in the Company.

#### **5) The common perquisite terms for the appointees at item no. 6, 7, 8 & 9**

The common perquisites to which the aforesaid appointees at item no. 6, 7, 8 & 9 shall be entitled to are :-

- (i) **Accommodation (Furnished or otherwise) or House Rent Allowance** in lieu thereof subject to a ceiling of 50 % of basic Salary.
- (ii) **Medical Reimbursement** : For self, spouse and family subject to a ceiling of one (1) month salary in a year or three (3) months salary in a block of three (3) years.
- (iii) **Leave Travel Reimbursement** : For self, spouse and family once in a year incurred in accordance with the rules specified by Company.
- (iv) **Club Fees** : Subject to a maximum of two clubs. This will not include admission and life membership fees.
- (v) **Personal Accident Insurance & Medi-Claim Policy** : For self, spouse and family as per the rules of the Company.  
**Explanation:** 'Family' means spouse, dependent children and dependent parents of the said appointee.
- (vi) **Provident Fund, Superannuation Fund or Annuity Fund:** Company's contribution to Provident Fund, Superannuation Fund or Annuity Fund as per the Schemes of the Company will not be included in the

computation of the ceiling on perquisites to the extent these, either singly or put together are not taxable under the Income-Tax Act, 1961. Superannuation fund will not be applicable in case of Shri Shreevallabh G. Kabra.

- (vii) **Gratuity** : As per rules of the Company.
- (viii) **Encashment of leave** : As per rules of the Company.

For the purpose of gratuity & encashment of leave, the period of service of said appointee shall be considered as service with the company without any break in service & on a continuous basis.

- (ix) Provision of car and telephone at residence for use of Company's business will not be considered as perquisites. However, personal long distance telephone calls and use of car for private purpose shall be billed by the Company to them.

#### **General:**

- (x) The office of said appointees may be terminated by the company or the concerned Directors by giving the other three (3) months' prior notice in writing.
- (xi) They shall be liable to retire by rotation.
- (xii) The terms & conditions set out for appointment/re-appointment as above & payment of remuneration herein may be altered & varied by the Board as it may, from time to time, deem fit.

#### **Item No. 10**

Shri Satyanarayan G. Kabra was appointed as Vice-Chairman & Managing Director of the Company by the Members at their Annual General Meeting held on 27<sup>th</sup> August, 2013 for a period of five years w.e.f. 1<sup>st</sup> July, 2013 till 30<sup>th</sup> June, 2018.

The Board of Directors in its meeting held on 24<sup>th</sup> May, 2016, on recommendation of the Nomination and Remuneration Committee, subject to the approval of members in General Meeting approved revision in the remuneration drawn by him to be effective from 1<sup>st</sup> August, 2016 for the remaining tenure as given below:-

The Basic Salary is fixed at ₹ 5,00,000/- (Rupees Five lacs Only) per month, with an annual increment to be decided by the Board at such percentage not exceeding 20% of the basic salary, subject to the same not exceeding at any point of time, the ceiling laid down under the provisions of the Companies Act, 2013 and Schedule thereto.

Amount of other benefits such as HRA, Medical, Gratuity, etc. shall also vary in proportion to variation in the basic salary.

All other terms and conditions of his appointment as approved earlier by the members shall remain unchanged.

Shri Satyanarayan G. Kabra is concerned or interested in the resolution, since it relates to his own remuneration. Shri S. V. Kabra, Shri Varun S. Kabra are concerned or interested being relative.

Save and except the above, none of the other Directors, Key Managerial Personnel (KMP) of the Company and their relatives are, in any way, concerned or interested, financially or otherwise in these items of businesses, except to the extent of their respective shareholding interest, if any, held in the Company.

The Board recommends above Special Resolution for your approval.

### **Item No. 11**

In pursuance of Section 148 of the Companies Act, 2013 and Rule 14 of Companies (Audit and Auditors) Rules, 2014 the Board shall appoint an individual who is a Cost Accountant in Practice or a firm of Cost Accountants in Practice as Cost Auditor on the recommendations of the Audit Committee, which shall also recommend remuneration for such Cost Auditor.

The remuneration recommended by Audit Committee shall be considered and approved by the Board of Directors and ratified by the Shareholders.

Pursuant to the recommendation of the Audit Committee, the Board of Directors had at its meeting held on May 24, 2016 considered and approved the appointment of the Cost Auditors M/s. Dhara Shah & Associates, Cost Accountants (Firm Registration No. : 34932) and remuneration payable to them, as set out in the Resolution.

The resolution at Item No. 11 of the Notice is set out as an Ordinary Resolution for approval and ratification by the Members in terms of above referred statutory provisions.

None of the Directors and/or Key Managerial Personnel of the Company and their relatives is concerned or interested, financially or otherwise in aforesaid resolutions.

The Board commends the Ordinary Resolution for approval by the Members.

By order of the Board

Place : Mumbai  
Date : 24<sup>th</sup> May, 2016

**Himanshu S. Mhatre**  
Company Secretary

**Brief Resume of Directors proposed to be appointed/re-appointed :**

Name	Shri Shreevallabh G. Kabra	Shri Satyanarayan G. Kabra	Shri Anand S. Kabra	Shri Varun S. Kabra	Smt Ekta A. Kabra
<b>DIN</b>	00015415	00015930	00016010	03376617	07088898
<b>Age</b>	78 Years	71 Years	40 Years	30 years	39 years
<b>Date of First Appointment</b>	22/01/1991	22/01/1991	19/06/2003	13/02/2015	13/02/2015
<b>Position held</b>	Chairman & Managing Director	Vice -Chairman & Managing Director	Managing Director	Director	Director
<b>Educational Qualification</b>	B A (Hons)	B.E. (Mechanical)	B.E. (Mechanical) MBA - FMB	B.E. (Production) & M.Sc. (Industrial & Operations Engineering)	B. A. (Economics) & MBA – FMB
<b>Expertise in specific functional areas</b>	<ul style="list-style-type: none"> <li>Extensive experience of plastic industry and promoters of Kolsite Group of Industries.</li> <li>Management and control of industry and business.</li> </ul>	<ul style="list-style-type: none"> <li>Management and control of industry and business.</li> </ul>	<ul style="list-style-type: none"> <li>Extensive experience in Business, Strategy, Technology and Projects.</li> </ul>	<ul style="list-style-type: none"> <li>Experienced in Management of materials planning and procurement.</li> <li>Implementing lean manufacturing system in Kabra Extrusiontechnik Ltd</li> </ul>	<ul style="list-style-type: none"> <li>More than 10 years experience in management of group companies.</li> </ul>
<b>Directorship held in other public Companies</b>	<ul style="list-style-type: none"> <li>Kabra Extrusiontechnik Ltd.</li> <li>Kabra Gloucester Engineering Ltd.</li> <li>Smartech Global Solutions Ltd.</li> </ul>	<ul style="list-style-type: none"> <li>Kabra Extrusiontechnik Ltd.</li> <li>Kabra Gloucester Engineering Ltd.</li> <li>Penta Auto Feeding India Ltd</li> </ul>	<ul style="list-style-type: none"> <li>Kabra Extrusiontechnik Ltd.</li> <li>Kabra Gloucester Engineering Ltd.</li> <li>Penta Auto Feeding India Ltd.</li> <li>Gloucester Engineering Co. Inc. (USA)</li> </ul>	<ul style="list-style-type: none"> <li>Kabra Extrusiontechnik Ltd</li> </ul>	<ul style="list-style-type: none"> <li>None</li> </ul>
<b>Chairmanship / Membership of Committee across</b>	Kabra Extrusiontechnik Ltd.	Kabra Extrusiontechnik Ltd.	None	None	None
<b>Number of Shares held in the Company as on 24.05.2016</b>	679836	598928	1263924	1305204	50800
<b>Relationship between Directors inter-se</b>	Related to Shri S. N. Kabra (Brother), Shri Anand S. Kabra (Son) & Smt Ekta A. Kabra (Daughter in Law)	Related to Shri S. V. Kabra (Brother) and Shri Varun S. Kabra (Son)	Related to Shri S. V. Kabra (Father) & Smt Ekta A. Kabra (Wife)	Related to Shri S. N. Kabra (Father)	Related to Shri Anand S. Kabra(Husband) & Shri S. V. Kabra (Father in Law)

# DIRECTORS' REPORT

To  
The Members of  
**Plastiblends India Limited**  
Your Directors have pleasure in presenting the TWENTY FIFTH ANNUAL REPORT and the Audited Financial Statements for the financial year ended 31<sup>st</sup> March, 2016.

## FINANCIAL HIGHLIGHTS

(₹ in Lacs)

PARTICULARS	Year ended 31 <sup>st</sup> March 16	Year ended 31 <sup>st</sup> March 15
Sales and Other Income	<b>52,052.18</b>	49,621.30
Gross Profit before Interest and Depreciation	<b>6,165.12</b>	5,265.49
Less : Interest	<b>354.88</b>	360.28
Depreciation	<b>623.50</b>	623.88
<b>Profit Before Tax (PBT)</b>	<b>5,186.74</b>	4,281.33
Less : Provision for Taxation	<b>1,100.00</b>	1,386.25
(Excess)/short provision for earlier years	<b>(0.08)</b>	(90.70)
<b>Profit After Tax (PAT)</b>	<b>4,086.82</b>	2,985.78
Less : Provision for Deferred Tax Liability	<b>319.74</b>	(19.34)
Net Profit after provision of Deferred Tax	<b>3,767.08</b>	3,005.12
Add : Balance b/f from previous year	<b>12,023.15</b>	10,182.28
<b>Profit available for appropriation</b>	<b>15,790.23</b>	13,187.40
<b>APPROPRIATIONS :</b>		
Transferred to General Reserves	<b>400.00</b>	300.00
Interim and Special Dividend paid	<b>909.62</b>	-
Provision for Proposed Dividend	-	714.70
Tax on Dividend (Interim & Special)	<b>190.34</b>	149.55
Balance carried to Balance Sheet	<b>14,290.27</b>	12,023.15

## OPERATIONS

During the year under review, your Company has achieved Operational and Other Income of ₹ 52,052.18 lacs as against ₹ 49,621.30 lacs during the previous year, registering an increase of about 5% over the previous year.

Profit after providing for taxes is ₹ 3,767.08 lacs as against ₹ 3,005.12 lacs during the previous year, registering an increase of about 25.36 % over the previous year.

## DIVIDEND

During the year, your Company has declared an Interim dividend of Rs. 5.75 per share (@115%) and Special Silver Jubilee Dividend of Rs. 1.25 per share (@25%). The special dividend was paid to commemorate on the occasion of 25th year of the Company. It has resulted in cash outflow of ₹ 1,099.96 Lacs after payment of dividend distribution tax. The Board has not recommended any final dividend for the financial year 2015-16.

## TRANSFER TO RESERVES

Your Directors propose to transfer Rs. 400.00 lacs to General Reserve out of Rs. 15,790.23 lacs i.e. the amount available for appropriations. An amount of ₹ 14,290.27 lacs is proposed to be retained in the Statement of Profit and Loss for the financial year 2015-16.

## NEW PROJECTS

- a) The set up of the new manufacturing unit at Palsana, Surat has already been completed and the unit has successfully commenced its commercial production w.e.f. 25th March, 2016.
- b) Further in view of market potential and demand, the company has plans to set up unit in Eastern region and has acquired land near Kolkatta, West Bengal.

## AWARDS AND RECOGNITIONS

Your Company has been honoured with "Top Exporter of Masterbatch" award for the tenth consecutive year from Plastic Export Promotion Council (PLEXCONCIL) being the highest recognition for exports of Masterbatches.

## CREDIT RATINGS

During the year, credit rating agency CRISIL has reaffirmed CRISIL A + / Stable (Long Term Rating ) and CRISIL A1 (Short Term Rating) ratings to the Bank loan facilities availed by the Company.

CRISIL has also assigned its 'CRISIL A1' ratings to the Commercial Paper of Plastiblends India Limited.

## DIRECTORS

Shri Satyanarayan G. Kabra, Vice-Chairman & Managing Director and Shri Anand S. Kabra, Managing Director of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for re-appointment.

Pursuant to the recommendation of the Nomination and Remuneration Committee, the Board of Directors of the Company at its meeting held on 24th May, 2016, subject to the approval of members has proposed the :

1. Re-appointment of Shri Shreevallabh G. Kabra as Chairman & Managing Director w.e.f. 1st January, 2017 for a period of 5 years;
2. Re-appointed Shri Anand S. Kabra as Managing Director w.e.f. 1st August, 2016 for a period of 5 years;
3. Variation in terms of remuneration of Shri Satyanarayan G. Kabra, Vice Chairman and Managing Director for the remaining tenure of his appointment effective from 1st August, 2016 to 30th June, 2018;
4. Appointment of Shri Varun S. Kabra, as Director- Business Development, with effect from 1st August, 2016 for a period of 5 years.
5. Appointment of Smt Ekta A. Kabra, as Director-Materials, with effect from 1st August, 2016 for a period of 5 years.

A separate meeting of Independent Directors was held for the purpose of evaluation of performance of non-independent directors, performance of board as a whole and of the chairman, taking into account the views of the executive directors and non-executive directors.

The Company has received a declaration subject to section 149(7) of the Act from all the Independent Directors confirming that they meet the criteria of Independence as provided in section 149(6) of the Act and Regulation 16(b) of the Listing Regulations.

## NUMBER OF BOARD MEETINGS

During the year, 5 (five) meetings of the Board of Directors were held. The details of the Meetings are furnished in the corporate governance report which forms part of this Annual Report.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134 of the Companies Act, 2013, your Directors hereby confirm that

- (i) in the preparation of annual accounts for the year ended 31st March, 2016, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give the true and fair view of the state of affairs of the Company as at end of the financial year ended on 31<sup>st</sup> March, 2016, and of the profit and loss of the Company for the said financial year;
- (iii) the directors had 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) the directors had prepared the annual accounts on a "going concern basis";
- (v) the directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively;
- (vi) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

### AUDIT COMMITTEE

The details pertaining to composition of audit Committee are included in the Corporate Governance Report which forms part of this report.

### INTERNAL FINANCIAL CONTROLS

The Internal Financial Controls with reference to financial statements as designed and implemented by the Company are adequate. During the year under review, no material or serious observations has been received from the Auditors of the Company for inefficiency or inadequacy of such controls.

### CORPORATE GOVERNANCE

As required by Regulation 27 of the Listing Regulation, a Report on Corporate Governance is appended along with a Certificate of Compliance from the Auditors, forming part of this report. The Board of Directors of the Company adopted the Code of Conduct and the same is posted on the Company's website. The Directors and Senior Management personnel have affirmed their compliance with the said code.

### AUDITORS

M/s. A. G. Ogale & Co., Chartered Accountants, were appointed as Statutory Auditors of the Company in the 23<sup>rd</sup> Annual General Meeting (AGM) of the members held on 9<sup>th</sup> September, 2014 to hold office for 5 years, subject to ratification of their appointment in every AGM. In terms of the requirement the members are requested to ratify their appointment. The Audit committee and Board of Directors have recommended ratification of their appointment as Statutory Auditors.

The notes on financial statements referred to in the Auditors Report are self-explanatory, and do not call for any further comments. The auditors' report does not contain any qualifications, reservation or adverse remark.

During the year, the statutory Auditors had not reported any matter under Section 143(12) of the Act, therefore no details

is required to be disclosed under Section 134(3)(ca) of the Companies Act, 2013.

### COST AUDITOR

In terms of section 148 of Companies Act, 2013 read with Companies (Audit and Auditors) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013, the Board of Directors of your Company has appointed M/s. Dhara Shah & Associates, Cost Accountants as the Cost Auditor of your Company to conduct audit of Cost Accounting records for financial year 2016-17 on the recommendation made by the Audit Committee.

The remuneration proposed to be paid to the Cost Auditors, subject to the ratification by the Members at the ensuing Annual General Meeting would be Rs. 1,20,000/- (Rupees One Lacs Twenty Thousand Only) excluding service Tax, conveyance and out of pocket expenses, if any.

### SECRETARIAL AUDIT

As required under provisions of section 204 of the Companies Act, 2013, the report in respect of the Secretarial Audit carried out by M/s. Bhandari & Associates, Company Secretaries, in Form MR-3 for the FY 2015-16 form part of this report.

In respect of comment of Secretarial and Statutory Auditors, regarding Board composition, the Company is in process of complying with applicable requirements.

### RELATED PARTY TRANSACTIONS

All contracts/arrangements/transactions entered by the company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company has not entered into any contract /arrangement/transaction with related parties which could be considered material in accordance with the policy of the Company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the company's website at the link : <http://www.plastiblends.com/Upload/CorporateGovernance/PBI-POLICY-ON-RELATED-PARTY-TRANSACTIONS.pdf>

Your Directors draw attention of the members to Note 38 to the financial statement which sets out related party disclosures.

### RISK MANAGEMENT

The Board of Directors of the Company has formulated a Risk Management Policy which aims at enlarging shareholders value and providing an optimum risk reward trade off. The risk

management approach is based on a clear understanding of the variety of risks that the organization faces, disciplined risk monitoring and measurement and continuous risk assessment and mitigation measures.

## **EXTRACT OF ANNUAL RETURN**

Pursuant to the provisions of section 134(3)(a) of the Companies Act, 2013, extract of the Annual Return for the financial year ended March 31, 2016 made under the provisions of section 92(3) of the Act forms part of this report.

## **MATERIAL CHANGES**

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

## **PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS UNDER SECTION 186**

The particulars of loans, guarantees and investments give/made during the financial year under review and governed by the provisions of Section 186 of the Companies Act, 2013 have been disclosed in the financial statements.

## **CORPORATE SOCIAL RESPONSIBILITY**

The Report on CSR activities as required under Companies (Corporate Social Responsibility) Rules, 2014, including a brief outline of the Company's CSR Policy, composition of CSR committee, total amount to be spent under CSR for the financial year, amount unspent and the reason for the unspent amount, is set out at CSR statement forming part of this Report.

## **VIGIL MECHANISM/WHISTLE BLOWER POLICY**

In compliance with the provisions of Section 177(9) the Board of Directors of the Company has framed the "Whistle Blower Policy" as the vigil mechanism for Directors and employees of the Company. The Whistle Blower Policy is disclosed on the website of the Company at <http://www.plastiblends.com/Upload/CorporateGovernance/PBI-VIGIL-MECHANISM.pdf>

## **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS & OUTGO**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, forms part of this report.

## **DEPOSITS**

During the year under review, your company did not accept any deposits in terms of Section 73 of the Companies Act, 2013 read with the Companies (Acceptance of Deposit) Rules, 2014.

## **SIGNIFICANT & MATERIAL COURT ORDERS**

No significant and material orders have been passed by any Regulator or court or Tribunal which can have an impact of the going concern status and the Company's operations in future.

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

The Company pursuant to the Section 4 of the Sexual Harassment of Women at workplace (Prevention, Prohibition and Redressal) Act, 2013 has constituted an Internal Complaints Committee. During the year, no complaint was lodged with the Internal Complaint Committee.

## **PARTICULARS OF EMPLOYEE AND RELATED DISCLOSURES**

In terms of the provisions of Section 197 (12) of the Act read with Rules 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, a statement showing the details required therein forms part of this report .

In terms of the requirement of Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in the Annexure which forms part of this report.

## **ACKNOWLEDGEMENT**

Your Directors would like to express their appreciation for the assistance and co-operation received from the Shareholders, Bankers, Government Authorities, Export Promotion Council, Other Semi Government Authorities, Stock Exchanges, Customers, Dealers, Suppliers and Business Associates at all levels during the year under review. Your Directors also wish to place on record their appreciation for the committed services of the executives, staff and workers of the Company.

**For and on behalf of the Board**

Place : Mumbai  
Date : 24<sup>th</sup> May, 2016

**S. V. Kabra**  
Chairman & Managing Director

**PARTICULARS OF EMPLOYEE AS REQUIRED UNDER SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5(1) OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014**

**1 The ratio of the remuneration of each director to the median remuneration of employees for financial year.**

<b>Executive Directors</b>	<b>Ratio to median remuneration</b>
Shreevallabh G. Kabra, Chairman & Managing Director	24.44
Satyanarayan G. Kabra, Vice-Chairman & Managing Director	24.91
Anand S. Kabra, Managing Director	29.13

**2 Percentage increase in remuneration in the financial year of following :-**

<b>Executive Directors &amp; KMP</b>	<b>% increase</b>
Shreevallabh G. Kabra, Chairman & Managing Director	Nil
Satyanarayan G. Kabra, Vice-Chairman & Managing Director	Nil
Anand S. Kabra, Managing Director	Nil
Rohit Vashistha, Chief Executive Officer*	N.A.
Anand R. Mundra, Chief Financial Officer*	N.A.
Himanshu Mhatre, Company Secretary	11.11 %

\* CEO & CFO were appointed during the F.Y. 2015-16, therefore increment details is not applicable.

**3 Percentage increase in median remuneration of employees in the financial year :- 30.88 %**

**4 Number of permanent employees on the roll of company :- 862**

**5 Explanation on the relationship between average increase in remuneration and company performance:-**

The individual increment is decided on the basis of employees' potential, experience, contribution to company's progress over a time and bench marking exercise that is undertaken with the similar profile organizations, consideration of cost of living adjustments / inflation. Salary increase during the year were in line with company's performance and as per company's market competitiveness in peer group.

**6 Comparison of the remuneration of the KMP against the performance of the Company.**

Average increase in remuneration of key managerial personnel is 11.11 % and is based on individual performances, company's performance and as measure to motivate them for better future performance to achieve organisation's growth expectations.

**7 Variation in the market capitalisation of the company; price earnings ratio as at the closing date of the current financial year and previous financial year;**

<b>Particulars</b>	<b>31.03.2016</b>	<b>31.03.2015</b>	<b>% Change</b>
Market Capitalisation (Rs. In Lacs)	50,977.82	28,990.95	75.84
Price Earnings Ratio	13.53	9.65	40.21

**8 Percentage increase over decrease in the market quotations of the shares of the company in comparison to the rate at which the company came out with the last public offer in case of listed companies.**

<b>Name of Exchange</b>	<b>Closing Market Price as of 31.03.2016</b>	<b>Public Offer in 1992</b>	<b>Growth by*</b>
BSE	392.30	10	7746
NSE	397.60	10	7852

\*Adjusted for sub-division of equity shares of Rs. 10/- each in two equity shares of Rs. 5/- each in 2012.

- 9 Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and Point out if there are any exceptional circumstances for increase in the managerial remuneration.**

The average increase in all employee remuneration was 12-13%, which is higher than that for managerial personnel.

- 10 Comparison of each of the Key Managerial Personnel against the performance of the Company.**

	2015-16	2014-15
Total income (Rs. In Lacs)	52,052.18	49,621.30
EBIDTA (Rs. In Lacs)	6,165.12	5,265.49
EBIDTA as a percentage of total income	11.84 %	10.61 %
PBT (Rs. In Lacs)	5,186.74	4,281.33
PBT as a percentage of total income	9.96 %	8.63 %

Increase in the remuneration of Key Managerial Personnel Shri Himanshu Mhatre, CS :- 11.11 %. Shri Rohit Vashistha and Shri Anand Mundra have joined during the period under consideration hence increase in remuneration is not applicable.

- 11 The key parameters for any variable component of remuneration availed by the Directors.**

None

- 12 Ratio of the remuneration of the highest paid director to that of the employees, who are not directors, but receive remuneration in excess of the highest paid director during the year.**

None

- 13 Affirmation that the remuneration is as per the remuneration policy of the company.**

It is affirmed that the remuneration paid is as per the remuneration policy of the company.

**STATEMENT PURSUANT TO SECTION 197(12) OF THE COMPANIES ACT, 2013 READ WITH RULE 5 OF THE COMPANIES (APPOINTMENT AND REMUNERATION OF MANAGERIAL PERSONNEL) RULES, 2014 AND FORMING PART OF THE DIRECTORS' REPORT FOR THE SAID FINANCIAL YEAR.**

- a. Employed throughout the year under review and were in receipt of remuneration in aggregate of not less than ₹ 60,00,000/- p.a. :- None
- b. Employed for the part of the year under review and were in receipt of remuneration in aggregate of not less than ₹ 5,00,000 /- p.m. :-

Name of Employee	Age (yrs)	Qualification	Designation	Date of commencement of employment	Experience	Gross Remuneration (₹ Lacs)	Particulars of last employment
Rohit Vashistha	44	B. Tech, M.B.A.	Chief Executive Officer	16/11/2015	21 years	38.39	Managing Director of Polyplex Thailand PCL

**DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO.**

**A. CONSERVATION OF ENERGY :**

- (a) Energy Conservation Measures taken: The Company has installed the state-of-the-art technology machines which are energy conservative.
- (b) Additional Investments and proposals, if any, for reduction of consumption of energy: None
- (c) Impact of measures at (a) & (b) above: With the sophisticated Plant & Machinery and on account of restructuring of machinery, the energy consumption for manufacturing masterbatches has been reduced.

**B. TECHNOLOGY ABSORPTION :**

**Research and Development**

The Company has in-house full-fledged Research & Development Department equipped with a wide range of lab machines, equipments, instruments and testing facilities that enables to deliver a broad spectrum of new & customized solution for tailor made product and formulations like bio-degradable masterbatches and masterbatches for BOPP Films, PP Yarns, Fibres etc. with excellent price benefit ratio. The Company also has technical experts with latest technical know-how & innovative abilities focusing on upgradation of the existing masterbatches and development of new products. The manufacturing units are highly automatic and equipped with sophisticated laboratory facilities to conduct stringent tests.

We are proud to state that the In-house Research and Development facility of the Company has been registered with the Department of Scientific and Industrial Research and this is the first time any Company in masterbatch business that has this achievement.

Details of Expenditure on Research and Development are provided in Note No.42 to financial statements.

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO :**

	(₹ in Lacs)	
	2015-16	2014-15
Foreign Exchange Earned	13,858.56	14,167.70
Foreign Exchange Used	14,485.58	15,307.39

**For and on behalf of the Board**

Place : Mumbai  
Date : 24<sup>th</sup> May, 2016

**S. V. Kabra**  
Chairman & Managing Director

## ANNUAL REPORT ON CSR ACTIVITIES

### 1. Brief outline of CSR Policy and reference to weblink

#### The details about the policy developed and implemented by the Company on CSR initiatives undertaken during the year

- In compliance of Section 135 of the Companies Act, 2013 (Act) and Companies (Corporate Social Responsibility Policy) Rules, 2014 and other notifications, circulars issued by the Ministry of Corporate Affairs from time to time, the Company adopted and amended policy on undertaking the corporate social responsibility activities.

In accordance with the policy recommended by the CSR Committee, the Company in aforesaid policy included the activities specified in Schedule VII of the Act.

- The CSR Committee constituted is inter alia authorised to formulate & recommend to Board a CSR Policy, the amount of expenditure to be incurred on permissible activities & monitoring the CSR Policy.
- During the year one meeting of the committee was held on 20th August, 2015.
- The company has formed a CSR Policy in compliance with the provisions of the Companies Act, 2013 and same is available on the weblink <http://www.plastiblennds.com/Upload/CorporateGovernance/PBI-POLICY-ON-CORPORATE-SOCIAL-RESPONSIBILITY.pdf>

- CSR Corpus would include –
    - 2% of the average net profits
    - Any income arising therefrom
    - Surplus arising out of CSR activities
  - Expenditure on CSR activities as mentioned herein below shall not be counted as CSR spending –
    - CSR activities which are exclusively for the benefit of employees of the Company or their family members
    - CSR activities undertaken outside India
    - Contribution of any amount directly or indirectly to any political party
- Composition of the CSR committee :- The CSR Committee comprises of Shri S. V. Kabra – Chairman, Shri S. N. Kabra – Member, Shri S. K. Parab – Member – Independent Director
  - Average Net Profit of the Company for last three financial years for the purpose of computation of CSR :- ₹ 3538.03 Lacs
  - Prescribed CSR Expenditure (two percent of the amount as in item 3 above ):- ₹ 70.76 lacs
  - Details of CSR Spent during the year
    - Total amount to be spent :- ₹ 35.10 lacs
    - Amount Unspent, if any :- ₹ 35.66 Lacs
    - Manner in which the amount spent during the financial year

(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)
Sr.	CSR Project or activity identified	Sector in which the project is covered	Project or programmes (1) Local area or other (2) Specify the state and district where projects or programs was undertaken	Amount outlay (budget) project or programme wise (₹ in Lacs)	Amount spent on the project or programmes sub heads (₹ in Lacs)	Cumulative expenditure upto the reporting period (₹ in Lacs)	Amount spent– direct or through implementing agency
1.	Schedule VII 1 (ii)	Promoting Education	Chichwad, Pune, Maharashtra	30.00	Contributed directly to Educational Institute	30.00	Contributed directly to Educational Institute
2.	Schedule VII 1(ii)	Promoting Education	Mumbai, Maharashtra	5.10	Contributed to Trust	5.10	Contributed to Trust

#### Note:

CSR activity for promoting education has been carried out by the Company by contributing to Shri Jain Vidya Prasarak Mandal, Chinchwad, Pune and to The Bombay Seacoast Rotary Foundation

- Reason for not spending: The amount unspent is proposed to spent in phased manner upon identification of suitable projects in the future.

- Responsibility Statement: I Shri S. V. Kabra, Chairman & Managing Director of the Company and Chairman of the CSR Committee do state that during the financial year 2015-16 the Company spent the expenditure in CSR activities to achieve objective of promoting education, which is covered by Item (ii) to Schedule VII to the Companies Act, 2013 and CSR Policy of the Company.

**S. V. Kabra**

Managing Director and Chairman of CSR Committee

# MANAGEMENT DISCUSSION AND ANALYSIS

## II. INDUSTRY STRUCTURE AND DEVELOPMENTS

The global economic activity remained subdued, during 2015-16. The Indian economic development has been positive yet challenging. Industry witnessed a weak demand from major segments like automotive, consumer durables etc. Poor monsoon, draught in various parts of the country, high interest rates, rupee volatility all contributed to the weak demand.

Indian economy grew at 7.6% in the financial year 2015 -16 and is expected to grow in much the same manner at 7.9% in 2016-17.

Various industry reports indicate 8-10% growth rate for the plastics industry in the next five years. Growth in plastics industry contributes significantly to growth in the National economy. Due to liberalization and globalization the opportunities to showcase products across different geographies has become easier. Foreign Investment and population growth in India is also contributing to growth in the plastics Industry. Plastic processing industry in India has grown at a CAGR of 10% to 13.4 MTPA in F. Y. 2015. It is expected to reach 21.6 MTPA in F. Y. 2020.

Masterbatches are key ingredients in successful product formulation for plastic Industry. These are concentrated

## I. FINANCIAL HIGHLIGHTS WITH RESPECT TO OPERATIONAL PERFORMANCE

The Income from operations aggregated to ₹ 52,052.18 Lacs in F.Y. 2015-16 as against ₹ 49,621.30 Lacs F.Y.2014-15 registering a growth of 5%.

The exports during the year were ₹13,858.56 Lacs in F.Y. 2015-16 reflecting a decline of 2% from ₹ 14,167.70 Lacs during F.Y.2014-15.

EBIDTA were 17% higher to ₹ 6,165.12 Lacs in F. Y. 2015-16 as against ₹ 5,265.49 Lacs during previous financial year 2014-15

PBT increased by 21% from ₹ 4,281.33 Lacs in F. Y. 2014-15 to ₹ 5,186.74 Lacs in F.Y. 2015-16.

PAT increase by 25% from ₹ 3,005.12 Lacs in F. Y. 2014-15 to ₹ 3,767.08 Lacs in F.Y. 2015-16.

EPS increased by 25% from ₹ 23.13 per share in F. Y. 2014-15 to ₹ 28.99 per share in F.Y. 2015-16.

mixture of pigments & additives which are used by plastic processors to enhance the performance properties of the end product and also help reduce cost of the end product. These are generally sold as white masterbatches, black masterbatches, colour masterbatches and additives.

## III. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

Your Company operates in one segment only – masterbatches.

## IV. OPPORTUNITIES AND THREATS

Growth in masterbatch industry is assured due to increasing demand from end use industries like packaging, construction, automotive etc. Popularity of plastics packaging is increasing day by day due to flexible packaging & easy distribution. White masterbatches are in greater demand due to extensive use in food, beverages and pharmaceutical industry.

Black masterbatches find application in plasticulture, irrigation & automotive industries which are also set for increase in consumption of plastics as against other traditional materials.

Colour masterbatches are also in huge demand since it can provide attractive marketing and branding options to end user industries like consumer goods, textiles, packaging. They help make the products visually appealing to the customers.

Polymer additives are called 'Miracle Workers' of Polymer industries. Polymer additives not only make it possible to process difficult polymer materials without undue deterioration of their properties but also impart / improve, enhance performance and properties of the standard polymers to suit user specific and demanding requirements, even at times leading to cost reduction. Some of the main additive masterbatches offered by the company include thermal stabilizers, light stabilizers, optical brightness enhancers, Rheology modifiers, mechanical and electrical property enhancers etc.

Stable economy & increasing industrialization will also provide the additional boost to the Industry.

However volatile prices of raw materials, lack of infrastructure, environmental myths are different challenges which the industry will have to face. A poor monsoon in the next year can also have an adverse impact on the demand of the products in the industry.

## **V. BUSINESS OUTLOOK**

The potential for growth of the plastic industry is undisputed with low per capita consumption, increasing urban lifestyle, government initiatives. The increasing substitution of glass and metals by plastics in packaging, automotive industries will aid growth in the industry. The installed capacities are expected to double in next few years.

The demand for polyethylene, polypropylene, polystyrene are definitely going to show a healthy growth in the next few years due to increasing demand from end use industries.

The focus is shifting to increasing use of bio-plastics which are healthier options for protection of our environment. Bio-plastics will play a crucial role in the advancement of the plastic industry.

Policy initiatives like 'Make in India' campaign is also expected to give a positive boost to the Industry.

The Company will also strategically focus on controlling costs, increasing energy efficiency and enhancing its product portfolio to enhance our market share.

## **VI. RISK AND CONCERNS**

General adverse impact on economic development has a deleterious effect on the performance of the industry in general. Development of the company is complementary to growth of the end-use industries to which it caters.

Availability of raw materials, increased dependency on imported materials, higher foreign exchange rates, continue to remain as areas of concern for the industry.

The focus on developing high technology products is crucial in maintaining competitive position in the market. Company has with its foresight developed and strengthened its in-house R & D Laboratory recognized by Department of Scientific & Industrial Research (DSIR). With its strong support company is well poised to offer innovative, cost effective & value added products to the growing technology intensive end use industries.

## **VII. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

Your Company has a system of internal controls which is commensurate with the size and nature of operations. These controls ensure that all the assets are safeguarded and protected against loss from unauthorised use or disposition and that the transactions are authorised, recorded and reported diligently. There are well established policies and procedures in place across your Company.

Internal Audit Team consists of well experienced members, which constantly review various aspects of control systems and conduct audit under well laid down audit programmes to ensure effectiveness of the controls. The said internal audit team continuously review the control system and undertakes audit of special areas in-depth.

## **VIII. HUMAN RESOURCE**

The overall industrial relations during the year under review were peaceful. Contribution and co-operation from all levels of employees was excellent and the same has been appreciated & supported well by the management through its continuous & systematic training programmes. Manpower as on 31<sup>st</sup> March, 2016 including Workers, Staff and Executives was 862.

## **IX. CAUTIONARY STATEMENT**

Estimation and expectation made in the Report may differ from actual performance due to various Economic Conditions, Government Policies and other related factors.

**For and on behalf of the Board**

Place : Mumbai  
Date : 24<sup>th</sup> May, 2016

**S. V. Kabra**  
Chairman & Managing Director



# REPORT ON CORPORATE GOVERNANCE

## 1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to better them and adopt best practices that would ensure efficient conduct of the affairs of the Company to achieve its goals and maximize value for all its stakeholders.

## 2. BOARD OF DIRECTORS

### A. Composition of Board of Directors

The present strength of the Board is Nine (9) Directors. The Board comprises of three (3) Executive and Six (6) Non-Executive Directors representing the optimum combination of professionalism, knowledge and business experience. The members of the Board are acknowledged as leading industrialist and professionals in their respective fields. The Board is headed by Shri S. V. Kabra, Executive Chairman.

The Non-Executive Directors bring independent judgment in the Board's deliberations and decisions and constitute more than half of the total number of Directors.

### B. Board Meeting

Five (5) Board Meetings were held during the financial year 2015-16 on 26<sup>th</sup> May, 2015, 12<sup>th</sup> August, 2015, 6<sup>th</sup> November, 2015, 9<sup>th</sup> February, 2016 and 9<sup>th</sup> March, 2016.

Details of Composition, Status, Attendance at the Board Meetings and the last Annual General Meeting, number of other directorship and other committee position held :

Sr. No	Name of the Director	Position / Status	Attendance at		As on 31st March, 2016		
			Board Meeting	Last AGM held on 27/08/15	Number of External Directorship held ⑤	Number of Membership/ Chairmanship in Board Committee across all the Company	
						Member	Chairman
1.	Shri S. V. Kabra ①	Executive Non-Independent	05	Yes	06	02	02
2.	Shri S. N. Kabra ①	Executive Non-Independent	05	Yes	04	02	-
3.	Shri A. S. Kabra ②	Executive Non-Independent	04	Yes	06	-	-
4.	Shri P. R. Singhvi	Non-Executive Independent	04	Yes	03	04	04

Sr. No	Name of the Director	Position / Status	Attendance at		As on 31st March, 2016		
			Board Meeting	Last AGM held on 27/08/15	Number of External Directorship held <sup>⑤</sup>	Number of Membership/ Chairmanship in Board Committee across all the Company	
						Member	Chairman
5.	Dr. Y. B. Vasudeo	Non-Executive Independent	05	Yes	01	01	-
6.	Shri S. K. Parab	Non-Executive Independent	05	Yes	-	03	-
7.	Shri B. L. Bagra	Non-Executive Independent	05	Yes	02	02	02
8.	Shri V. S. Kabra <sup>③</sup>	Non-Executive Non-Independent	05	Yes	01	-	-
9.	Smt. E. A. Kabra <sup>④</sup>	Non-Executive Non-Independent	04	Yes	01	-	-

① Shri S. V. Kabra and Shri S. N. Kabra are Promoters and are relatives.

② Shri A.S. Kabra is a relative of Shri S.V. Kabra and Smt. Ekta A. Kabra.

③ Shri V. S. Kabra is a relative of Shri S. N. Kabra

④ Smt Ekta A. Kabra is a relative of Shri A. S. Kabra and Shri S. V. Kabra.

⑤ Includes directorship held in Private Limited Companies and Companies formed for charitable objects.

None of the Director on the Board is a Member on more than nine (09) committees and a Chairman of more than five (5) committees across all the Companies in which they are Directors and the necessary disclosures in this regards have been made by them.

Board's report in terms of clause (c) of sub-section 3 of section 134 of the Companies Act, 2013;

- b) Changes, if any, in accounting policies and practices and reasons for the same;
  - c) Major accounting entries involving estimates based on the exercise of judgment by management;
  - d) Significant adjustments made in the financial statements arising out of audit findings;
  - e) Compliance with listing and other legal requirements relating to financial statements;
  - f) Disclosure of any related party transactions;
  - g) Qualifications in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
  6. Reviewing, with the management, the statement of uses/application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document/prospectus/notice and the report submitted by the monitoring agency monitoring the utilization of proceeds of a public or rights issue and making appropriate recommendations to the Board to take up steps in this matter. Monitoring the end use of funds raised through public offers and related matters;

### 3. AUDIT COMMITTEE

#### Brief description of terms of reference :

The terms of reference of this Committee are wide enough covering the matters specified for Audit Committee under Part C of Schedule II of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015:

1. to oversee the company's financial reporting process and the disclosure of its financial information to ensure that the financial statement are accurate, complete and reliable;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the company;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditors' report thereon before submission to the board for approval, with particular reference to:
  - a) Matters required to be included in the Director's Responsibility Statement to be included in the

7. Review and monitor the auditor's independence and performance and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the company with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the company, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;
14. Formulate the scope, functioning, periodicity and methodology for conducting the internal audit in consultation with the internal auditor and discuss with them regarding any significant findings and follow up thereon;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the Whistle Blower mechanism;
19. Approval of appointment of CFO (i.e. the whole-time Finance Director or any other person heading the finance function or discharging that function) after assessing the qualifications, experience and background, etc. of the candidate;
20. To recommend the appointment and remuneration of Cost Auditor.

#### Committee Composition :

The Committee comprises of three (3) Directors who are eminent professionals having expertise knowledge in the field of Finance, Accounts, Corporate Law and Business Management.

Name of Members	Status	Qualification	Position in Committee	Meetings Attended
Shri P. R. Singhvi	Non-Executive Independent	B.Com, L.L.B.	Chairman	04
Shri S. K. Parab	Non-Executive Independent	B. Com, CAIIB.	Member	04
Shri B. L .Bagra	Non-Executive Independent	M. Com, F.C.A.	Member	03

#### Meeting and Attendance :

- The Audit Committee meetings were held four (4) times during the financial year 2015-16 on 26<sup>th</sup> May, 2015, 12<sup>th</sup> August, 2015, 6<sup>th</sup> November, 2015 and 9<sup>th</sup> February, 2016.
- Quorum of the Committee is two (2) Independent Directors as Members.
- The Internal Auditor, Chief Financial Officer and Statutory Auditors are permanent invitees at the meeting. The Company Secretary acts as a Secretary to the Committee.
- Minutes of each Audit Committee Meeting are placed before and discussed in the Board Meeting held subsequently.

#### 4. NOMINATION AND REMUNERATION COMMITTEE

##### Brief description of terms of reference :

The Committee's terms of reference includes :

- i. Identifying persons who are qualified to become directors and who may be appointed in Senior Management in accordance with the criteria laid down and recommended to the Board their appointment and removal;
- ii. Carry on the evaluation of every director's performance;
- iii. Formulation of the criteria for determining qualifications, positive attributes and independence of a director;

- iv. Recommended to the Board a policy relating to the remuneration of the directors, key managerial personnel and other employees;
- v. Formulation of criteria for evaluation of independent directors and the Board;
- vi. Devising a policy on Board diversity; and
- vii. Any other matter as the Board may decided from time to time

### Committee composition and attendance

The members of the Nomination and Remuneration Committee met two times on 12<sup>th</sup> August, 2015 and 6<sup>th</sup> November, 2015.

The Committee comprises of three (3) Directors who are eminent professionals having expertise in various fields :-

Name of Members	Status	Qualification	Position in Committee	Meetings Attended
Shri P. R. Singhvi	Non-Executive Independent	B.Com , L.L.B.	Chairman	02
Shri S. K. Parab	Non-Executive Independent	B.Com , CAIIB.	Member	02
Dr. Y. B. Vasudeo	Non-Executive Independent	M. Sc., Ph. D., L.P.R.I. (London)	Member	02

### Remuneration Policy

Policy criteria for appointment of Independent Director/ Managing Director / Whole-time Director

- i. The Nomination & Remuneration Committee identify persons who are qualified to become director and who may be appointed in Senior Management in accordance with criteria laid down;
- ii. A person possessing appropriate skills, experience and knowledge in one or more fields of finance, law, management or sales, marketing, technical operations related to the Company's business and who is free from the management of the Company and he who meets criteria of Independence as prescribed under Section 149(5) of the Act and Regulation 16 (1)(b) of the SEBI (Listing Obligations & Listing Requirements) Regulations, 2015 is considered for appointment as an Independent Director;
- iii. Further such person is required to furnish his Director Identification Number and a declaration that he is not disqualified to become a director under Section 164 of the Act and there is no change in the circumstances affecting his status as an Independent Director and has accorded his consent to hold office as director;
- iv. A person who possess appropriate skills and know-how to manage business operations of the Company and who is not disqualified under Section 196(3) of the Companies Act is proposed for appointment/re-appointment to hold office of Managing Director / Whole-time Director;
- v. Appointment of Independent Director is considered for a term up to five consecutive years on the Board of a Company in terms of Section 149(10) of the Act and of Managing Director / Whole-time Director for a term not exceeding 5 years at a time.

### Policy on Remuneration of Directors

1. In accordance with Section 149 (9) of the Companies Act read with Rule 4 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, Independent Directors appointed by the Company are paid sitting fees of ₹ 20,000/- for each for the meeting of Board and Audit Committee attended by them and ₹10,000/- for each of the other committee meetings attended by them and such payment is within the ceiling prescribed.

They are not entitled to any Stock Option. They are reimbursed the expenses for participation in the meeting of the Board and its Committees.

2. Managing Directors/Whole-time Directors are paid remuneration within the ceiling prescribed under Section 197 of the Act and Schedule V to the Act. The remuneration paid during financial year 2015-16 is not in excess of 5% of the net profit computed in terms of Section 198 of the Act and 10% of such profit for all Managerial persons. Similarly overall managerial remuneration is within the ceiling of 11% of the said profit.

Remuneration is based on qualification, experience, past performance and contribution of individual director towards growth of the company.

Annual increment is considered upto the percentage of increase recommended by the Nomination & Remuneration Committee based on the performance of the Company for each financial year vis-à-vis performance of each managerial person based on evaluation, industry benchmark and approval by the Members of the Company in general meeting within statutory ceiling prescribed under the Section 197, 198, Schedule V of the Companies Act, 2013

Details of remuneration paid to Shri S. V. Kabra, Chairman & Managing Director and Shri S. N. Kabra, Vice-Chairman & Managing Director and Shri Anand S. Kabra, Managing Director are given under point no VI in the Extract of Annual return in form MGT 9 which is included in this Annual Report :

#### Criteria for appointment of Senior Managerial Personnel

While considering appointment of Senior Managerial Personnel, the Committee shall ensure satisfaction with following attributes/criteria:

- (a) Age Group
- (b) Education
- (c) Professional Qualification
- (d) Post Qualification field experience
- (e) Family background and personal competence
- (f) Individual achievements and recognition
- (g) Position held in previous employment
- (h) Performance in industry and target success
- (i) Ability, aptitude and commitment to shoulder the responsibility
- (j) Exposure to particular activities proposed to be assigned
- (k) Overall knowledge of industry in general

#### Guiding Principles for determining Remuneration Package

Nomination and Remuneration Committee while designing a remuneration package shall ensure that :

- (i) The level and composition of remuneration to be reasonable and adequate to attract, retain and motivate the person to ensure the quality required to perform the functional responsibility successfully;
- (ii) A balance between fixed and incentive pay reflecting short and long term performance objectives appropriate to the working of the Company and its goals;
- (iii) A significant part of such package is linked to the achievement of corporate performance targets and a strong alignment of interest with stakeholders;
- (iv) Pay and employment conditions with peers/elsewhere in the competitive market are considered to ensure that pay structure of the Company is appropriately aligned and tax efficient in the hands of employer and employees;
- (v) Remuneration is designed to motivate delivery of key business strategies of the Company, create a strong performance oriented environment and reward achievement of targets.

## 5. STAKEHOLDERS RELATIONSHIP COMMITTEE

Stakeholders Relationship Committee looks into various issues relating to shareholders/investors including transfer and transmission of shares held by shareholders in physical format as well as non-receipt of dividend, Annual Report etc. The Committee also looks into issues including status of dematerialisation/rematerialisation of shares and issue of duplicate shares certificates.

The Committee comprises of Shri B. L. Bagra, Independent Director as Chairman and Shri S. V. Kabra Chairman and Managing Director as member. During the year under review the committee met four (4) times. Shri Himanshu Mhatre, being Company Secretary acts as secretary to the Committee.

Details of Investor's correspondence received and disposed during the financial year 2015-16

Sr. No.	Nature of Correspondence	Received	Disposed
1.	Change of address & bank details	21	21
2.	Revalidation of Dividend Warrants	64	64
3.	Loss of Share Certificates & Duplicate request	19	19
4.	Transmission of shares	09	09
5.	Others	06	06
	<b>Total</b>	<b>119</b>	<b>119</b>

## 6. GENERAL BODY MEETINGS

Particulars of last three (3) Annual General Meeting held are as follows:

Financial Year	AGM Date	Venue	Time
2012-13	27-08-2013	Hotel Karl Residency, Andheri (West), Mumbai – 58	4:15 p.m.
2013-14	09-09-2014	-do-	4:30 p.m.
2014-15	27-08-2015	-do-	4:15 p.m.

All special resolutions as set out in the notice of Annual General Meeting were passed by the shareholders at respective meeting with requisite majority. Neither any resolution was passed through postal ballot last year nor is any resolution proposed to be passed through postal ballot this year.

## 7. DISCLOSURES

### Disclosures regarding Materially Significant Related Party Transactions:

All transactions with related parties were in the ordinary course of business and at arm's length. The Company has not entered into any transaction of a material nature with any of the related parties. Particulars of the Related Party Transactions have been disclosed in Note No. 38 of the accounts.

### Familiarisation Programme for Independent Directors

The Company has a detailed familiarization programme for Independent Directors the details of which are available on weblink <http://www.plastiblends.com/Upload/CorporateGovernance/PLASTIBLENDS-FAMILIARISATION-POLICY.pdf>

### Disclosure regarding certain Non-Compliances related to Capital Markets

There are no penalties or strictures imposed on the company by the Stock Exchanges or SEBI or any statutory authorities relating to the above. There were no instances of non-compliance of any matter related to the capital market during the last three (3) years.

### Whistle Blower Policy

The Board of directors have framed Whistle Blower Policy for the directors and employees. The policy has been disclosed on the website of the Company.

### Compliance of mandatory requirements

Certificate from the auditors of the company confirming compliance with the mandatory requirements under Schedule V(E) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 is annexed to this report.

## 8. MEANS OF COMMUNICATION

Quarterly/Half yearly results are published in leading English & Marathi newspapers.

The financial results, shareholding pattern and quarterly report on Corporate Governance are filed electronically through NSE Electronic Application Processing System

(NEAPS) portal i.e. [www.connect2nse.com/listing](http://www.connect2nse.com/listing) and BSE portal i.e. <http://listing.bseindia.com>.

Quarterly, Half Yearly and Annual Financial Results of the Company are sent to the Stock Exchange immediately after they have been approved by the Board. Quarterly and Annual Results are published in the prominent newspapers and also uploaded on company's website [www.plastiblends.com](http://www.plastiblends.com)

Annual Report containing, inter alia, Directors' Report, Auditors' Report, Audited Annual Accounts, and other important information is circulated to Members of the Company prior to the AGM. The Report on Management Discussion and Analysis forms part of the Annual Report. The Annual Report of the Company is also available on the website of the Company.

## 9. GENERAL SHAREHOLDERS INFORMATION

### Annual General Meeting :

#### Day, Date & Time:

Thursday, the 21st day of July, 2016 at 4:15 p.m.

#### Venue:

Hotel Karl Residency, 36, Lallubhai Park Road, Next to Lallubhai Park, Andheri (West), Mumbai – 400 058

#### Date of Book Closure:

Friday, the 15th July, 2016 to Thursday, the 21st July, 2016 (both days inclusive)

#### Reporting of Unaudited / Audited Financial Results:

In respect of Financial Year 2016 – 17

#### First Quarter Results:

on or before 14th August, 2016

#### Second Quarter Results with half Yearly results:

on or before 14th November, 2016

#### Third Quarter Results:

on or before 14th February, 2017

#### Fourth Quarter Results for the year:

within 60 days from the end of the Financial Year

#### Annual General Meeting:

Within statutory time limit

### LISTING ON STOCK EXCHANGE

Name	Address	Stock Code
BSE Ltd.(BSE)	Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai – 400 001	523648
National Stock Exchange of India Ltd (NSE)	Exchange Plaza, Plot no. C/1, G-Block, Bandra-Kurla Complex, Bandra (East), Mumbai - 400 051	PLASTIBLEN

Annual Listing Fees for the Financial Year 2016-17 have been paid to the above Stock Exchanges.

Stock Market Data : Monthly High/Low price of the Equity Shares of the Company during the financial year 2015-16 with the volume traded on BSE & NSE.

Month	BSE Ltd			National Stock Exchange of India Ltd		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
Apr, 2015	241.00	215.00	59553	244.80	215.40	127517
May, 2015	266.00	215.00	59904	269.00	216.30	150320
Jun, 2015	297.00	226.00	114482	297.80	220.10	284364
Jul, 2015	390.00	282.20	302871	389.00	282.20	774074
Aug, 2015	399.00	308.50	167149	399.50	301.25	398779
Sep, 2015	350.00	290.00	32281	348.00	303.15	319427
Oct, 2015	387.30	330.00	51193	386.30	328.55	156036
Nov, 2015	426.70	336.00	165906	426.90	331.10	696523
Dec, 2015	452.00	356.40	126095	452.00	355.00	376297
Jan, 2016	523.80	385.00	185294	523.25	385.00	456312
Feb, 2016	429.00	320.00	66573	430.00	322.30	171833
Mar, 2016	426.60	345.00	34984	427.00	340.00	104319

Performance of share price of your Company in comparison to BSE Sensex for the Financial Year is presented on inside back Cover page :-

#### Share Transfer System :

The Company's equity shares which are in dematerialized form are dealt through the depositories in electronic mode. Transfer of shares in physical form is processed by the Company's Registrars & Transfer Agents (RTA) within statutory time limit from the date of receipt, provided the documents are complete in all respects. All requests for transfer/ transmission in physical mode are processed by the RTA and then submitted to the Company for approval.

Pursuant to Regulation 40(9) of the SEBI (Listing Obligations & Listing Requirements) Regulations, 2015, the Company obtains the certificate from a Practicing Company Secretary on half yearly basis to the effect that the requests for share transfers, transmission, sub-division, consolidation, renewal and exchange of certificates comprising equity shares have been effected within the stipulated time period subject to all the documents being in order. A copy of the certificate so received is submitted to the BSE Limited (BSE) and the National Stock Exchange of India Limited (NSE) where the Company's shares are listed.

#### Distribution of Shareholding as on 31st March, 2016

Number of Equity Shares	Number of Shareholders	% of Shareholders	Number of Shares	% of Shares
Upto- 100	4184	42.30	182006	1.40
101-200	3467	35.05	669544	5.15
201-500	1054	10.66	389506	3.00
501-1000	646	6.53	512614	3.94
1001-5000	422	4.27	919194	7.07
5001-10000	53	0.54	390461	3.00
10001-100000	55	0.56	1537683	11.83
100001 & Above	10	0.10	8393592	64.59
<b>TOTAL</b>	<b>9891</b>	<b>100.00</b>	<b>12994600</b>	<b>100.00</b>

#### Category of Shareholders as on 31st March, 2016

Sr.	Category	Number of Shares	% of Shareholding	Number of Shareholders	% of Shareholders
1.	Promoters	80,64,869	62.06	9	0.09
2.	Banks & Mutual Funds	25,214	0.19	4	0.04
3.	Private Corporate Bodies	2,88,789	2.22	178	1.80
4.	NRIs & FFI	4,46,644	3.44	192	1.94
5.	Indian Public & Others	41,69,084	32.08	9508	96.13
	<b>TOTAL</b>	<b>129,94,600</b>	<b>100.00</b>	<b>9891</b>	<b>100.00</b>

### Reconciliation of Share Capital Audit Report :

A qualified practicing Company Secretary conducts the Share Capital Reconciliation Audit to reconcile the total admitted capital with National Securities Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL) and the total issued and listed capital. The

Share Capital Reconciliation Audit Report confirms that the total issued/paid up capital is in agreement with the total number of shares in physical form and the total number of dematerialized shares held with NSDL and CDSL. The said report is submitted to the BSE Limited and National Stock Exchange of India Limited and is also placed before the Board of Directors on a quarterly basis.

Mode of Holding	Number of Shareholders	% of Shareholders	Number of Shares	% of Shares
Physical	1834	18.54	9,09,826	7.00
Electronic	8057	81.46	120,84,774	93.00
<b>TOTAL</b>	<b>9891</b>	<b>100.00</b>	<b>129,94,600</b>	<b>100.00</b>

- Details of shares held by Non-Executive Directors are given in Extract of Annual return in form MGT-9.
- Details of use of Public Funds obtained in last three years : No funds have been raised from public in last three years.
- Dematerialisation of Shares: As on 31<sup>st</sup> March, 2016 93% shares have been dematerialized.
- Outstanding GDRs/ADRs/Warrants or any Convertible :There are no outstanding instruments and hence Instruments, its date of conversion and likely impact on there will be no dilution of the equity.

such shares shall remain frozen till the rightful owner claims such shares.

### Address for Correspondence :

Shareholders holding shares in physical mode are requested to lodge share transfer, transmission and intimate changes, if any, in their registered address, bank account and mandate details, residential status etc. quoting their folio number/(s) to Company's Share Transfer Agent at Sharex Dynamic (India) Pvt. Ltd., Unit 1, Luthra Ind. Premises, Safed Pool, Andheri-Kurla Road, Andheri (East), Mumbai – 400 072.

Queries on Annual Report and Dividend be addressed to Secretarial Department, Plastiblends India Limited, Fortune Terraces, A-Wing, 10th Floor, New Link Road, Opp. Citi Mall, Andheri (West), Mumbai-400 053.

Designated email id for investors : pbi\_sd@kolsitegroup.com  
Corporate Identity Number : L25200MH1991PLC059943  
ISIN:INE083C01022

For and on behalf of the Board

### Unclaimed Suspense Account

In compliance with SEBI's notification no. CIR/CFD/DIL/10/2010 dated 16th December, 2010, the Company has sent reminders to those shareholders who have yet not claimed their Share Certificates issued upon sub-division of Equity shares of the company during financial year 2011-12. The Company has re-delivered share certificates to all those claimants who have responded to the reminder. After further reminders as necessary, the Company shall initiate laid down procedure to transfer the unclaimed share to "Unclaimed Suspense Account" in due course. All corporate benefits in terms of securities accruing on such shares shall be credited to such suspense account and voting rights on

Place : Mumbai  
Date : 24th May, 2016

**S. V. Kabra**  
Chairman & Managing Director



### DECLARATION ON COMPLIANCE OF THE COMPANY'S CODE OF CONDUCT

The Company has formed a Code of Conduct for the Members of the Board of Directors and Senior Management of the Company pursuant to Regulation 17(5) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and the all the members of the board of directors and senior management have affirmed compliance with the code of conduct for the financial year 2015-16.

For and on behalf of the Board

Place : Mumbai  
Date : 24th May, 2016

**S. V. Kabra**  
Chairman & Managing Director

### AUDITORS' CERTIFICATE

To, The Members of Plastiblends India Limited,

We have examined the compliance of conditions of Corporate Governance by Plastiblends India Limited, for the year ended on March 31, 2016, as stipulated in SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (Listing Regulations) of the said company with Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Regulations subject to following :-

The Board of Directors comprises nine directors of which three are Executive Directors (including the Chairman cum Managing Director); two are Non-Executive Directors and four are Independent Directors. As per the Listing Regulations, the Composition of the Board in this case should comprise at least half of the board of directors to be Independent Directors.

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Stakeholders Relationship Committee. We further state that such compliance is neither an assurance as to the further viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

**FOR A.G.OGALE &CO.**  
Chartered Accountants

**CA.Pramod K. Gugale**  
Partner  
M.No. 113775  
Firm Regn. No 114115 W

Place: Mumbai.  
Date : 24th May, 2016

**Form No. MGT-9**
**EXTRACT OF ANNUAL RETURN as on the financial year ended on 31<sup>st</sup> March, 2016**

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

**I. REGISTRATION AND OTHER DETAILS :**

i) CIN :-	L25200MH1991PLC059943
ii) Registration Date	21 <sup>st</sup> January, 1991
iii) Name of the Company	Plastiblends India Limited
iv) Category / Sub-Category of the Company	Public Limited
v) Address of the Registered office	Fortune Terraces, 10 <sup>th</sup> Floor, A-Wing, Opp. Citi Mall, New Link Road, Andheri (West), Mumbai – 400 053.
vi) Whether listed company	Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any	Sharex Dynamic (India) Pvt. Ltd., Unit 1, Luthra Ind. Premises, Safed Pool, Andheri –Kurla Road, Andheri (East), Mumbai – 400 072. Tel. : 022-28515606, 28515644 Fax : 022-28512885 Email : <a href="mailto:sharexindia@vsnl.com">sharexindia@vsnl.com</a>

**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.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Masterbatches	20131	100%

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

No holding, subsidiary and associate companies.

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

Sr.	Category of shareholder	No. of Shares held at the beginning of the year (31.03.2015)				No. of Shares held at the end of the year (31.03.2016)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(A)	<b>Promoter and Promoter Group<sup>2</sup></b>									
(1)	<b>Indian</b>									
(a)	Individuals/Hindu Undivided Family	4735464	—	4735464	36.44	4735464	—	4735464	36.44	—
(b)	Central Government/State Government(s)	—	—	—	—	—	—	—	—	—
(c)	Bodies Corporate	3289437	200	3289637	25.32	3327405	2000	3329405	25.62	1.21
(d)	Financial Institutions/Banks	—	—	—	—	—	—	—	—	—
(e)	Any Other (Total)	—	—	—	—	—	—	—	—	—
	<b>Sub-Total (A)(1)</b>	<b>8024901</b>	<b>200</b>	<b>8025101</b>	<b>61.76</b>	<b>8062869</b>	<b>2000</b>	<b>8064869</b>	<b>62.06</b>	<b>0.50</b>
(2)	<b>Foreign</b>									
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	—	—	—	—	—	—	—	—	—
(b)	Bodies Corporate	—	—	—	—	—	—	—	—	—
(c)	Institutions	—	—	—	—	—	—	—	—	—
(d)	Qualified Foreign Investor	—	—	—	—	—	—	—	—	—
(e)	Any Other (Total)	—	—	—	—	—	—	—	—	—
	<b>Sub-Total (A)(2)</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>	<b>—</b>
	<b>Total Shareholding of Promoter and Promoter Group (A)= (A)(1)+(A)(2)</b>	<b>8024901</b>	<b>200</b>	<b>8025101</b>	<b>61.76</b>	<b>8062869</b>	<b>2000</b>	<b>8064869</b>	<b>62.06</b>	<b>0.50</b>

Sr. (I)	Category of shareholder (II)	No. of Shares held at the beginning of the year (31.03.2015)				No. of Shares held at the end of the year (31.03.2016)				% Change during the year
		Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>(B)</b>	<b>Public shareholding<sup>3</sup></b>									
<b>(1)</b>	<b>Institutions</b>									
(a)	Mutual Funds/UTI	—	3400	3400	0.03	—	3400	3400	0.03	—
(b)	Financial Institutions/Banks	4977	800	5777	0.04	21014	800	21814	0.17	277.60
(c)	Central Government/State Government(s)	—	—	—	—	—	—	—	—	—
(d)	Venture Capital Funds	—	—	—	—	—	—	—	—	—
(e)	Insurance Companies	—	—	—	—	—	—	—	—	—
(f)	Foreign Institutional Investors	—	229800	229800	1.77	—	229800	229800	1.77	—
(g)	Foreign Venture Capital Investors	—	—	—	—	—	—	—	—	—
(h)	Qualified Foreign Investor	—	—	—	—	—	—	—	—	—
(i)	Any Other (Total)	—	—	—	—	—	—	—	—	—
	<b>Sub-Total (B)(1)</b>	<b>4977</b>	<b>234000</b>	<b>238977</b>	<b>1.84</b>	<b>21014</b>	<b>234000</b>	<b>255014</b>	<b>1.96</b>	<b>6.71</b>
<b>(2)</b>	<b>Non-institutions</b>									
(a)	Bodies Corporate	483371	400	483771	3.72	288389	400	288789	2.22	(40.30)
(b)	Individuals - i. Individual Shareholders Holding Nominal Share Capital Up To >₹ 1 Lakh.	2529290	615426	3144716	24.20	2539201	582826	3122027	24.03	(0.72)
	Individuals - ii. Individual Shareholders Holding Nominal Share Capital In Excess Of ₹ 1 Lakh	778201	90000	868201	6.68	935659	90000	1025659	7.89	18.14
(c)	Qualified Foreign Investor	—	—	—	—	—	—	—	—	—
(d)	Any Other (Total)	—	—	—	—	—	—	—	—	—
(d1)	Non resident indians	214834	400	215234	1.66	211444	400	211844	1.63	(1.58)
(d2)	clearing member	18600	—	18600	0.14	26398	—	26398	0.20	41.92
	<b>Sub-Total (B)(2)</b>	<b>4024296</b>	<b>706226</b>	<b>4730522</b>	<b>36.40</b>	<b>4001091</b>	<b>673626</b>	<b>4674717</b>	<b>35.97</b>	<b>(1.18)</b>
	<b>Total Public Shareholding (B)= (B) (1)+(B)(2)</b>	<b>4029273</b>	<b>940226</b>	<b>4969499</b>	<b>38.24</b>	<b>4022105</b>	<b>907626</b>	<b>4929731</b>	<b>37.94</b>	<b>(0.80)</b>
	<b>TOTAL (A)+(B)</b>	<b>12054174</b>	<b>940426</b>	<b>12994600</b>	<b>100.00</b>	<b>12084974</b>	<b>909626</b>	<b>12994600</b>	<b>100.00</b>	<b>0.00</b>
<b>(C)</b>	<b>Shares held by Custodians and against which Depository Receipts have been issued</b>	—	—	—	—	—	—	—	—	—
	<b>GRAND TOTAL (A)+(B)+(C)</b>	<b>12054174</b>	<b>940426</b>	<b>12994600</b>	<b>100.00</b>	<b>12084974</b>	<b>909626</b>	<b>12994600</b>	<b>100.00</b>	<b>0.00</b>

**(ii) Shareholding of Promoters**

Sr	Name	Shareholding at the beginning of the year			Share holding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	Kolsite Corporation LLP	1596856	12.29	—	2161124	16.63	—	4.33
2	Varun Satyanarayan Kabra	1305204	10.04	—	1305204	10.04	—	—
3	Kabra Extrusiontechnik Ltd.	1692781	13.03	—	1168281	8.99	—	(4.04)
4	Anand Shreevallabh Kabra	1263924	9.73	—	1263924	9.73	—	—
5	Shreevallabh Gopilal Kabra	679836	5.23	—	679836	5.23	—	—
6	Satyanarayan Gopilal Kabra	598928	4.61	—	598928	4.61	—	—
7	Saritadevi Satyanarayan Kabra	463600	3.57	—	463600	3.57	—	—
8	Veenadevi Shreevallabh Kabra	373172	2.87	—	373172	2.87	—	—
9	Ekta Anand Kabra	50800	0.39	—	50800	0.39	—	—
	<b>Total</b>	<b>8025101</b>	<b>61.76</b>	<b>—</b>	<b>8064869</b>	<b>62.06</b>	<b>—</b>	<b>—</b>

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

Sr.	Name	Shareholding at the beginning of the year			Cumulative Shareholding during the year			% of total shares of the company
		No. of shares	% of total shares of the company	Date	Increase / Decrease in Promoters Share Holding	Reason	No. of shares	
1	Kolsite Corporation LLP	15,96,856	12.29	01/04/2015				
				12/05/2015	200	transfer	15,97,056	12.29
				16/06/2015	600	Transfer	15,97,656	12.29
				23/06/2015	500	transfer	15,98,156	12.30
				22/07/2015	2,500	transfer	16,00,656	12.32
				27/07/2015	32,468	transfer	16,33,124	12.57
				04/08/2015	700	transfer	16,33,824	12.57
				27/08/2015	800	transfer	16,34,624	12.58
				04/09/2015	2,04,500	transfer	18,39,124	14.15
				12/11/2015	2,20,000	transfer	20,59,124	15.85
				24/11/2015	1,00,000	transfer	21,59,124	16.62
				28/12/2015	400	transfer	21,59,524	16.62
				17/03/2016	1,600	transfer	21,61,124	16.63
	Closing balance	21,61,124	16.63	31/03/2016	—	21,61,124	16.63	
2	Kabra Extrusionstechnik Ltd	16,92,781	13.03	01/04/2015				
				04/09/2015	(2,04,500)	Transfer	14,88,281	11.45
				12/11/2015	(2,20,000)	Transfer	12,68,281	9.76
				24/11/2015	(1,00,000)	transfer	11,68,281	8.99
	Closing balance	11,68,281	8.99	31/03/2016	—	11,68,281	8.99	

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

Sr.	Name	Shareholding at the beginning of the year			Cumulative Shareholding during the year			% of total shares of the company
		No. of shares	% of total shares of the company	Date	Increase / Decrease in Promoters Share Holding	Reason	No. of shares	
1	Colloids (Widnes) Ltd Pension Fund	229800	1.77	01/04/2015				
				31/03/2016			229800	1.77
2	Champion Commercial Company Limited	58588	0.45	01/04/2015				
				24/07/2015	(700)	Transfer	57888	0.45
	Closing balance	57888	0.45	31/03/2016			57888	0.45
3	Rajkishore Mundra	53480	0.41	01/04/2015				
				31/03/2016			53480	0.41
4	Seema Jain	60470	0.47	01/04/2015				
				31/03/2016			60470	0.47
5	Punamchand Ramnarayan Rathi	58685	0.45	01/04/2015				
				31/03/2016			58685	0.45
6	Tejas B. Trivedi	500	0.01	12/06/2015				
				19/06/2015	17816	Transfer	18316	0.14
				26/06/2015	41558	Transfer	59874	0.46
				03/07/2015	25562	Transfer	85436	0.66
				10/07/2015	15000	Transfer	100436	0.77
				14/08/2015	7538	Transfer	107974	0.83
				21/08/2015	8045	Transfer	116019	0.89
				13/11/2015	1908	Transfer	117927	0.91
				20/11/2015	12632	Transfer	130559	1.01
				27/11/2015	11164	Transfer	141723	1.09
		18/12/2015	10000	Transfer	151723	1.17		

Sr.	Name	Shareholding at the beginning of the year			Cumulative Shareholding during the year			% of total shares of the company
		No. of shares	% of total shares of the company	Date	Increase / Decrease in Promoters Share Holding	Reason	No. of shares	
	Closing balance	151723	1.17	31/03/2016			151723	1.17
7	Rahul Ramkumar Rathi	66800	0.51	01/04/2015				
	Closing balance	66800	0.51	31/03/2016			66800	0.51
8	Shivani T. Trivedi	59266	0.46	01/04/2015				
				29/05/2015	20532	Transfer	79798	0.61
				05/06/2015	29531	Transfer	109329	0.84
				12/06/2015	26745	Transfer	136074	1.05
				19/06/2015	12711	Transfer	148785	1.15
				06/11/2015	(1506)	Transfer	147279	1.13
				20/11/2015	100	Transfer	147379	1.13
				18/12/2015	1061	Transfer	148440	1.14
				08/01/2016	(18575)	Transfer	129865	1.00
				05/02/2016	(7192)	Transfer	122673	0.94
				12/02/2016	(22814)	Transfer	99859	0.77
				19/02/2016	(1322)	Transfer	98537	0.76
	Closing balance	98537	0.76	31/03/2016			98537	0.76
9	Dharmesh Prema Tandel	70000	0.54	01/04/2015				
	Closing balance	70000	0.54	31/03/2016			70000	0.54
10	Shaileshkumar Premabhai Tandel	70000	0.54	01/04/2015				
				04/12/2015	(7400)	Transfer	62600	0.48
				25/12/2015	(2600)	Transfer	60000	0.46
	Closing balance	60000	0.46	31/03/2016			60000	0.46
11	Navneet Ghanshyamlal Kabra	69964	0.54	01/04/2015				
	Closing balance	69964	0.54	31/03/2016			69964	0.54

**(v) Shareholding of Directors and Key Managerial Personnel :**

Sr.	Name	Shareholding at the beginning of the year			Cumulative Shareholding during the year			% of total shares of the company
		No. of shares	% of total shares of the company	Date	Increase / Decrease in Promoters Share Holding	Reason	No. of shares	
1	Shreevallabh G. Kabra	679836	5.23	01/04/2015				
	Closing balance	679836	5.23	31/03/2016			679836	5.23
2	Satyanarayan G. Kabra	598928	4.61	01/04/2015				
	Closing balance	598928	4.61	31/03/2016			598928	4.61
3	Anand S. Kabra	1263924	9.73	01/04/2015				
	Closing balance	1263924	9.73	31/03/2016			1263924	9.73
4	Pushp Raj Singhvi	3972	0.03	01/04/2015				
	Closing balance	3972	0.03	31/03/2016			3972	0.03
5	Sudarshan K. Parab	1000	0.01	01/04/2015				
	Closing balance	1000	0.01	31/03/2016			1000	0.01
6	Yatish B. Vasudeo	—	—	01/04/2015				
	Closing balance	—	—	31/03/2016			—	—
7	Bajrang Lal Bogra	—	—	01/04/2015				
	Closing balance	—	—	31/03/2016			—	—
8	Varun S. Kabra	1305204	10.04	01/04/2015				
	Closing balance	1305204	10.04	31/03/2016			1305204	10.04
9	Ekta A. Kabra	50800	0.39	01/04/2015				
	Closing balance	50800	0.39	31/03/2016			50800	0.39
10	Rohit Vashistha	—	—	01/04/2015				
	Closing balance	—	—	31/03/2016			—	—
11	Anand R. Mundra	—	—	01/04/2015				
	Closing balance	—	—	31/03/2016			—	—
12	Himanshu S. Mhatre	—	—	01/04/2015				
	Closing balance	—	—	31/03/2016			—	—

## V. INDEBTEDNESS

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

₹ In Lacs

	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	1754.95	275.05	-	2030.00
ii) Interest due but not paid				
iii) Interest accrued but not due				
<b>Total (I + ii + iii)</b>	<b>1754.95</b>	<b>275.05</b>	<b>-</b>	<b>2030.00</b>
<b>Change in Indebtedness during the financial year</b>				
· Addition	6400.92			6400.92
· Reduction		181.60	-	181.60
<b>Net Change</b>	<b>6400.92</b>	<b>181.60</b>		<b>6219.32</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	8146.31	93.45	-	8239.76
ii) Interest due but not paid	9.56			9.56
iii) Interest accrued but not due				
<b>Total (I + ii + iii)</b>	<b>8155.87</b>	<b>93.45</b>	<b>-</b>	<b>8249.32</b>

## VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

₹ In Lacs

Sr.	Particulars of Remuneration	Name of MD/WTD/Manager			Total Amount
		S.V. Kabra	S.N. Kabra	Anand S. Kabra	
1.	Gross salary				
	(a) Salary as per provisions contained in sec17(1) of the Income-tax Act,1961	42.77	42.77	46.66	132.20
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	0.82	4.32	5.14
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others, specify ...	-	-	-	-
5.	Others, please specify				
	Total (A)	42.77	43.59	50.98	137.34
	Ceiling as per the Act				533.39

### B. Remuneration to other directors :

₹ In Lacs

Sr.	Particulars of Remuneration	Fee for attending board / committee meetings	Commission	Others	Total Amount
<b>A</b>	<b>Independent Directors</b>				
1	Shri P. R. Singhvi	1.90	-	-	1.90
2	Shri Y. B. Vasudeo	1.30	-	-	1.30
3	Shri S. K. Parab	2.10	-	-	2.10
4	Shri B. L. Bagra	2.10	-	-	2.10
	<b>Total (B)</b>	<b>7.40</b>	<b>-</b>	<b>-</b>	<b>7.40</b>
<b>B</b>	<b>Other Non-Executive Directors</b>				
5	Shri Varun S. Kabra	1.00	-	-	1.00
6	Smt Ekta A. Kabra	0.80	-	-	0.80
	<b>Total (B)</b>	<b>1.80</b>	<b>-</b>	<b>-</b>	<b>1.80</b>
<b>C</b>	<b>Total = (A+B)</b>	<b>9.20</b>	<b>-</b>	<b>-</b>	<b>9.20</b>
	Total Managerial Remuneration				146.54
	Overall Ceiling as per the Act				586.73

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

₹ In Lacs

Sr.	Particulars of Remuneration	Key Managerial Personnel			
		CEO*	Company Secretary	CFO**	Total
1.	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	38.39	8.40	27.82	74.61
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission				
	- as % of profit	-	-	-	-
	- others, specify....	-	-	-	-
5.	Others, please specify	-	-	-	-
	<b>Total</b>	<b>38.39</b>	<b>8.40</b>	<b>27.82</b>	<b>74.61</b>

\*CEO appointed w.e.f. 16/11/2015 \*\*CFO appointed w.e.f. 24/6/2015

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There were no penalties, punishment or compounding of offences during the year ended March 31, 2016

**SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31<sup>st</sup> MARCH, 2016**

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

To,  
The Members,  
Plastiblends India Limited  
CIN: L25200MH1991PLC059943

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by 'Plastiblends India Limited' (hereinafter called "the Company") having CIN: L25200MH1991PLC059943. 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 31<sup>st</sup> March, 2016 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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 31<sup>st</sup> March, 2016 according to the provisions of:

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

- a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 and Regulations 2015;
- c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; #
- d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; and Securities and Exchange Board Of India (Share Based Employee Benefits) Regulations, 2014 #;
- e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 #;
- f. The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
- g. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 #; and
- h. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 #.

# The Regulations or Guidelines as the case may be was not applicable to the Company for the period under review.

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

- i) Secretarial Standards issued by The Institute of Company Secretaries of India;
- ii) The Listing Agreements entered into by the Company with Stock Exchange(s);
- iii) The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations").

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



The Board of Directors comprises nine directors of which three are Executive Directors (including the Chairman cum Managing Director); two are Non-Executive Directors and Four are Independent Directors. As per the clause 49 of the erstwhile Listing Agreement and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Composition of the Board in this case should comprise at least half of the board of directors to be independent directors.

**We further report that -**

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

Adequate notices were 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.

**‘Annexure A’**

To,  
 The Members,  
 PLASTIBLENDS INDIA LIMITED  
 [CIN: L25200MH1991PLC059943]

Our Secretarial Audit Report for the Financial Year ended on March 31, 2016 of even date is to be read along with this letter.

1. Maintenance of secretarial record is the responsibility of the management of the company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the 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.

During the period under review, majority decisions were carried through unanimously and no dissenting views were captured while reviewing the minutes.

**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 audit period the company has no specific events/actions, having a major bearing on the Company’s affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards etc.

**For Bhandari & Associates**  
 Company Secretaries

**S. N. Bhandari**  
 FCS No: 761; C P No. : 366  
 Mumbai, May 24, 2016

This report is to be read with our letter of even date which is annexed as Annexure ‘A’ and forms an integral part of this report.

3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the company

**For Bhandari & Associates**  
 Company Secretaries

**S. N. Bhandari**  
 FCS No: 761; C P No. : 366  
 Mumbai, May 24, 2016

# INDEPENDENT AUDITORS' REPORT

To,  
The Members,  
Plastiblends India Ltd.  
Mumbai,

## **Report on the Financial Statements**

We have audited the accompanying financial statements of Plastiblends India Ltd. ("the Company"), which comprise the Balance Sheet as at March 31, 2016, and the Statement of Profit and Loss and 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 of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of 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 internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

## **Auditor's Responsibility**

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under. We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the financial statements.

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

## Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- i. In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2016,
- ii. In the case of Statement of Profit and Loss, of the profit for the year ended on that date: and
- iii. In the case of the Cash Flow Statement, for the year ended on that date.

## Report on Other Legal and Regulatory Requirements

As required by Section 143 (3) of the Act, we report 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, Statement of Profit and Loss and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
- (d) In our opinion, Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to under Section 133 of the Companies Act, 2013, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- (e) On the basis of the written representations received from the directors as on 31st March, 2016 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2016 from being appointed as a director in terms of Section 164 (2) of the Companies Act 2013.
- (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 A.
- (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 No. 27 to the financial statements;
- ii. The Company has made provision, as required under the applicable law or Accounting Standards, for material foreseeable losses, on long-term contracts. There are no derivative contracts
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

**FOR A.G. OGALE & CO.**  
Chartered accountants

Place: Mumbai  
Date: 24<sup>th</sup> May 2016

**CA. Pramod K. Gugale**  
Partner  
M. No. 113775  
Firm Regn. No. 114115W

## Annexure to the Independent Auditors' Report

Referred to in paragraph 1 of our Report on **Other Legal and Regulatory Requirements**

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification.
- (c) The title deeds of immovable properties are held in the name of the company.
- ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us the procedures of physical verification of inventory followed by the management are reasonable and adequate, considering the size of the company and the nature of its business.
- (c) The company has maintained proper records of inventories. As explained to us the discrepancies noticed on verification between physical stocks & book stocks were not material & the same have been properly dealt with in books of accounts.

- (iii) The Company has not granted unsecured loan to any party covered in the register maintained under section 189 of the Companies Act, 2013 ('the Act').
- (iv) According to the information and explanations given to us Provisions of section 185 and 186 of the Companies Act, 2013, in respect of loans, investment, guarantees and security are complied with by the Company.
- (v) The Company has not accepted any deposits from the public.
- (vi) The Central Government has prescribed for maintenance of cost records under section 148 (1) of the Companies Act and the Company has made and maintained such accounts and records.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees'

state insurance, income tax, sales tax, wealth tax, service tax, duty of customs, duty of excise, value added tax, cess and other statutory dues with the appropriate authorities. According to the information and explanations given to us, there are no arrears of statutory dues which have remained outstanding as at 31st March 2016 for a period of more than six months from the date they became payable.

According to the information and explanations given to us, no undisputed amounts payable in respect of provident fund, income tax, sales tax, wealth tax, service tax, duty of customs, value added tax, cess and other material statutory dues were in arrears as at 31 March 2016 for a period of more than six months from the date they became payable.

- (b) According to information and explanations given to us, the following dues of service tax and Income Tax have not been deposited by the Company on account of disputes:

Name of the statute	Nature of dues	Amount (₹ in lacs)	Period to which the amount relates	Forum where dispute is pending
Service tax	Service tax and penalty	1203.19	Various year from 2004-05 to 2015-16	Commissioner (Appeals)/ Tribunal.
Income Tax	Income Tax	6.53	F.Y. 2012-13	Commissioner of Income Tax

- (viii) The Company did not have any outstanding dues to financial institutions, banks or debenture holders during the year.
- (ix) According to the information and explanations given to us and on the basis of our examination of the records of the Company, Company has not raised any money by way of any public offer during the year. Term loans were applied for the purpose for which loans were obtained.
- (x) According to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the course of our audit.
- (xi) According to the information and explanations given to us, managerial remuneration has been paid or provided in accordance with the provisions of Section 197 read with Schedule V to the Companies Act.
- (xi) According to the information and explanations given to us, provisions of Nidhi Company are not applicable to the Company.
- (xii) According to the information and explanations given to us and on the basis of our examination of the records of the Company, transactions with related parties are

in compliance with section 188 of the Companies Act, 2013. Details of such transactions are disclosed as per the requirements of applicable Accounting Standards.

- (xiii) According to the information and explanations given to us, the Company has not made any preferential allotment or private placement of shares or debentures.
- (xiv) According to the information and explanations given to us and on the basis of our examination of the records of the Company, Company has not entered any non cash transaction with directors or persons connected with him.
- (xv) According to the information and explanations given to us the provisions of section 45 – IA of the Reserve Bank of India Act, 1934 are not applicable to the Company.

**FOR A.G. OGALE & CO.**  
Chartered accountants

Place: Mumbai  
Date: 24<sup>th</sup> May 2016

**CA. Pramod K. Gugale**  
Partner  
M. No. 113775  
Firm Regn. No. 114115W

## ANNEXURE TO THE INDEPENDENT AUDITOR'S REPORT OF PLASTIBLENDS INDIA LIMITED.

Internal Financial 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 Plastiblends India Limited ("the Company") as of March 31, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

### Management's Responsibility for Internal Financial Controls

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

### Auditors' Responsibility

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the "Guidance Note") and the Standards on Auditing, to the extent applicable to an audit of internal financial controls, 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 March 31, 2016, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal

Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India.

**FOR A.G. OGALE & CO.**  
Chartered accountants

Place: Mumbai  
Date: 24<sup>th</sup> May 2016

**CA. Pramod K. Gugale**  
Partner  
M. No. 113775  
Firm Regn. No. 114115W

## BALANCE SHEET

₹ In Lacs

Particulars	Note	As At 31st March, 2016	As At 31st March, 2015
<b>I EQUITY &amp; LIABILITIES</b>			
<b>1 SHAREHOLDERS' FUNDS</b>			
a) Share Capital	1	649.73	649.73
b) Reserves & Surplus	2	17,776.45	15,109.33
<b>2 NON-CURRENT LIABILITIES</b>			
a) Long Term Borrowings	3	3,409.56	-
b) Deferred Tax Liabilities (Net)	4	1,108.05	788.31
c) Other Long Term Liabilities	5	1,952.65	1,507.91
<b>3 CURRENT LIABILITIES</b>			
a) Short-Term Borrowings	6	4,839.75	2,030.00
b) Trade Payables	7	4,965.29	2,880.51
c) Other Current Liabilities	8	798.98	1,371.41
d) Short-Term Provisions	9	612.35	1,417.22
<b>TOTAL</b>		<b>36,112.81</b>	<b>25,754.42</b>
<b>II ASSETS</b>			
<b>1 NON-CURRENT ASSETS</b>			
a) Fixed Assets	10		
(i) Tangible Assets		15,076.11	7,262.08
(ii) Intangible Assets		47.72	27.97
(iii) Capital Work-in-Progress		116.62	470.92
b) Non Current Investments	11	310.68	330.86
c) Other Non-Current Assets	12	368.04	237.81
<b>2 CURRENT ASSETS</b>			
a) Inventories	13	5,687.76	4,451.62
b) Trade Receivables	14	10,805.30	9,247.21
c) Cash & Cash Equivalents	15	268.39	282.84
d) Short Term Loans & Advances	16	3,020.55	2,354.17
e) Other Current Assets	17	411.64	1,088.94
<b>TOTAL</b>		<b>36,112.81</b>	<b>25,754.42</b>

Significant Accounting Policies Notes on Financial Statement

1-43

As per our report on even date

**For A. G. OGALE & CO.,**

Chartered Accountants

Firm Regn. No. : 114115W

**Pramod K. Gugale**

(Partner)

M.No. 113775

**Shreevallabh G. Kabra**  
(Chairman & Mg. Director)

**Pushp Raj Singhvi**  
(Independent Director)

**Bajrang Lal Bagra**  
(Independent Director)

**Anand R. Mundra**  
(Chief Financial Officer)

**Satyanarayan G. Kabra**  
(Vice-Chairman & Mg. Director)

**Yatish B. Vasudeo**  
(Independent Director)

**Varun S. Kabra**  
(Director)

**Himanshu S. Mhatre**  
(Company Secretary)

For and on behalf of the Board

**Anand S. Kabra**  
(Managing Director)

**Sudarshan K. Parab**  
(Independent Director)

**Ekta A. Kabra**  
(Director)

Place :- Mumbai

Date :- May 24, 2016

Place :- Mumbai

Date :- May 24, 2016

## STATEMENT OF PROFIT AND LOSS

₹ In Lacs

Particulars	Note	Year Ended	Year Ended
		31st March, 2016	31st March, 2015
I Revenue From Operations	18	51,816.15	49,435.40
II Other Income	19	236.03	185.90
<b>III TOTAL REVENUE</b>		<b>52,052.18</b>	<b>49,621.30</b>
<b>IV EXPENSES :</b>			
Cost of Material Consumed	20	36,281.42	34,284.18
Purchase of Stock In Trade		21.14	11.20
Changes in Inventory of Finished Goods, Work in Progress	21	(161.49)	954.60
Employee Benefits Expenses	22	2,041.82	1,610.65
Finance Cost	23	354.88	360.28
Depreciation & Amortization Expenses	10	623.50	623.88
Other Expenses	24	7,704.17	7,495.18
<b>TOTAL EXPENSES</b>		<b>46,865.44</b>	<b>45,339.97</b>
<b>V PROFIT BEFORE TAX</b>		<b>5,186.74</b>	<b>4,281.33</b>
<b>VI TAX EXPENSES</b>			
(1) Current Tax		1,100.00	1,386.25
(2) Deferred Tax		319.74	(19.34)
(3) (Excess)/Short Provision for earlier year		(0.08)	(90.70)
<b>VII PROFIT/( LOSS ) FOR THE YEAR AFTER TAX</b>		<b>3,767.08</b>	<b>3,005.12</b>
<b>VIII EARNING PER EQUITY SHARE (in ₹)</b>			
(1) Basic		28.99	23.13
(2) Diluted		28.99	23.13
Significant Accounting Policies Notes on Financial Statement	1-43		

As per our report on even date

**For A. G. OGALE & CO.,**

Chartered Accountants

Firm Regn. No. : 114115W

**Pramod K. Gugale**

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(Managing Director)

**Sudarshan K. Parab**  
(Independent Director)

**Ekta A. Kabra**  
(Director)

Place :- Mumbai

Date :- May 24, 2016

For and on behalf of the Board

Place :- Mumbai

Date :- May 24, 2016

## CASH FLOW STATEMENT

₹ in Lacs

Particulars	Year Ended 31st March, 2016	Year Ended 31st March, 2015
<b>(A) CASH FLOW FROM OPERATING ACTIVITIES :</b>		
1 Net Profit Before Tax	5,186.74	4,281.33
Less: Provision For Wealth Tax	-	1.25
Less: Surplus on sale of Investments	0.04	0.98
Less: Dividend Received	41.33	47.25
	<b>5,145.37</b>	4,231.85
2 Add: Adjustment for		
i) Depreciation	623.50	623.89
ii) Loss on Sale of Assets	(0.70)	(0.82)
iii) Interest Paid	354.88	360.28
iv) Bad Debts	1.89	(0.24)
	<b>979.57</b>	983.11
Net Cash from Operation	<b>6,124.94</b>	5,214.96
3 Less: Adjustment for Working Capital Change.		
i) Inventory	1,236.14	(1,300.08)
ii) Sundry Debtors	1,559.98	410.32
iii) Other Current Assets Loans and Advances	53.40	651.86
	<b>2,849.52</b>	(237.90)
Less: Trade Payable & Provisions	5,343.25	(139.07)
	<b>(2,493.73)</b>	(98.83)
	<b>8,618.67</b>	5,313.79
Less: Interest Paid	354.88	360.28
Less: Income Tax Paid	1,150.69	1,281.43
	<b>(A) 7,113.10</b>	3,672.08
<b>(B) CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Sale of Assets	2.46	2.11
Dividend Received	41.33	47.25
Surplus on sale of Investments	0.04	0.98
Sale of Investments / Refund of Capital	20.18	1.91
	<b>64.01</b>	52.25
Less:		
i. Purchase of Fixed Assets including Capital W.I.P.	8,104.74	1,978.17
ii. Investment Made	-	-
	<b>8,104.74</b>	1,978.17
	<b>(B) (8,040.73)</b>	(1,925.92)



## CASH FLOW STATEMENT

Particulars	₹ in Lacs	
	Year Ended 31st March, 2016	Year Ended 31st March, 2015
<b>(C) CASH FLOW FROM FINANCING ACTIVITIES</b>		
Secured Loans	2,809.75	(463.73)
	<b>2,809.75</b>	(463.73)
Less : I C D Repaid / Given	-	613.00
: Dividend Paid	<b>1,896.57</b>	755.43
	<b>(1,896.57)</b>	(1,368.43)
	<b>(C) 913.18</b>	(1,832.16)
<b>(D) NET INCREASE / (DECREASE) IN CASH &amp; CASH EQUIVALENTS :</b>		
(A)+(B)+(C)	<b>(14.45)</b>	(86.00)
<b>(E) CASH &amp; CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR</b>	<b>282.84</b>	368.84
<b>(F) CASH &amp; CASH EQUIVALENTS AT THE END OF THE YEAR</b>	<b>268.39</b>	282.84
	<b>(14.45)</b>	(86.00)

As per our report on even date

**For A. G. OGALE & CO.,**

Chartered Accountants

Firm Regn. No. : 114115W

**Pramod K. Gugale**

(Partner)

M.No. 113775

**Shreevallabh G. Kabra**  
(Chairman & Mg. Director)

**Pushp Raj Singhvi**  
(Independent Director)

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**Varun S. Kabra**  
(Director)

**Himanshu S. Mhatre**  
(Company Secretary)

For and on behalf of the Board

**Anand S. Kabra**  
(Managing Director)

**Sudarshan K. Parab**  
(Independent Director)

**Ekta A. Kabra**  
(Director)

Place :- Mumbai

Date :- May 24, 2016

Place :- Mumbai

Date :- May 24, 2016

## NOTES ON FINANCIAL STATEMENT

### Significant Accounting Policies

#### A Basis of Accounting

The financial statements are prepared on an accrual basis in accordance with generally accepted accounting principles under the historical cost convention.

#### B Fixed Assets, Depreciation

##### Tangible Assets

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes all expenditure necessary to bring the asset to its working condition for its intended use. Borrowing cost attributable to acquisition and installation of fixed assets are capitalised and included in cost of fixed assets.

From the current year depreciation is provided on a pro-rata basis on the straight-line method over the useful lives of the assets as prescribed by Schedule II of the Companies Act, 2013 as against the past practice of computing depreciation at rates with reference to the life of assets subject to the minimum of rates provided by Schedule XIV of the Companies Act, 1956

##### Intangible Fixed Assets and Amortization

Intangible assets, have finite useful life and are amortized over expected useful economic life.

#### C Investments(Non-current)

Investments are long term & are carried at cost. There is no permanent diminution in value.

#### D Current Assets:

##### a. Inventories

Inventories are valued at lower of Weighted Moving Average cost or estimated net realisable value & are net of CENVAT & VAT. Finished goods are valued at cost or market value, whichever is less & is inclusive of central excise duty thereon. Cost includes cost of conversion and other costs incurred in bringing the inventories at their present location and condition. Cost of conversion for the purpose of valuation of WIP and finished goods includes fixed and variable production overheads incurred in converting the material into their present condition and location.

##### b. Sundry Debtors, Loans & Advances are stated after making adequate provisions for doubtful debts, if any.

#### E Revenue Recognition

Revenue comprises sale of Masterbatches, Labour Charges, Traded items, interest and dividend. Revenue in respect

of sale of goods is recognised at the time of despatch of goods from factory. Revenue is disclosed exclusive of Sales Tax, Service Tax, VAT or other taxes, as applicable. Sales of services (Labour charges) is recognised on completed contract basis.

#### Income from Investment

- i) Dividend income is recognized when the Company's right to receive dividend is established.
- ii) Interest is accrued over the period of investment.

#### F Government Grant

Grants received against specific Fixed Assets are adjusted to the cost of the assets & those in the nature of promoters contribution are credited to Capital Reserves.

#### G Foreign Currency Transactions

Transactions in foreign currencies are normally recorded at the exchange rate prevailing on the date on which transaction occurred. Outstanding balances of foreign currency monetary items are reported using the period end rates. Exchange differences arising as a result of the above are recognised as income or expense in the Statement of profit and loss except the following.

In pursuance to Notification No. G.S.R. 225 (E) 31.03.2009 issued by the Ministry of Corporate Affairs for amending Accounting Standard 11 "The Effect of changes in Foreign Exchange Rates", the Company has opted the option of capitalising Foreign Exchange gain/loss on long term foreign currency monetary assets.

#### H Payments & Benefits to Employees

- (a) Short term employee benefits are recognized as an expense in statement of Profit and Loss of the year in which the employee has rendered services.
- (b) Post employment and other long term benefits are recognised as an expense in statement of Profit and Loss of the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation. Actuarial gains and losses in respect of post employment and other long term benefits are charged to statement of Profit and Loss.

#### I Operating Lease

Assets acquired on lease where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating lease. Lease rentals are charged off to the statement of Profit and Loss as incurred.

## J Tax Expense

Current tax is measured after taking into consideration, the deductions and exemptions admissible under the provisions of the Income Tax Act, 1961.

Deferred tax is accounted for by computing the tax effect of timing differences which arise between book profits and tax profits and is accounted for at current rates of tax. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

## K Provisions and Contingent Liabilities

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

		₹in Lacs			
<b>NOTE 1 : SHARE CAPITAL</b>		<b>2016</b>	2015		
<b>Authorised Capital</b>					
2,00,00,000 Equity Shares of ₹ 5/- Each		<b>1,000.00</b>	1,000.00		
<b>Issued, Subscribed and Paid-up</b>					
1,29,94,600 Equity Shares of ₹ 5/- each		<b>649.73</b>	649.73		
<b>Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year</b>					
Number of Shares outstanding at the beginning of the year		<b>1,29,94,600</b>	1,29,94,600		
Add : Number of Shares allotted during the year		-	-		
Number of Shares outstanding at the end of the year		<b>1,29,94,600</b>	1,29,94,600		
<b>Shares in the company held by each shareholder holding more than 5 % Shares</b>					
Sr.	Name of shareholder	No. of Shares	%	No. of Shares	%
1.	Kolsite Corporation LLP	<b>21,61,124</b>	<b>16.63</b>	15,96,856	12.29
2.	Varun Satyanarayan Kabra	<b>13,05,204</b>	<b>10.04</b>	13,05,204	10.04
3.	Anand Shreevallabh Kabra	<b>12,63,924</b>	<b>09.73</b>	12,63,924	09.73
4.	Kabra Extrusiontechnik Ltd.	<b>11,68,281</b>	<b>08.99</b>	16,92,781	13.03
5.	Shreevallabh G Kabra	<b>6,79,836</b>	<b>05.23</b>	6,79,836	05.23

	₹ in Lacs	
<b>NOTE 2 : RESERVES AND SURPLUS</b>	<b>2016</b>	2015
<b>a) Capital Reserves</b>		
Opening Balance	30.23	30.23
	<b>30.23</b>	<b>30.23</b>
<b>b) General Reserves</b>		
Opening Balance	3,055.95	2,810.62
Add: Transferred From Statement of Profit and Loss	400.00	300.00
Retention Earning	-	(54.68)
	<b>3,455.95</b>	<b>3,055.94</b>
<b>c) Statement of Profit and Loss</b>		
Opening Balance	12,023.15	10,182.28
Add : Profit for the year	3,767.08	3,005.12
Less : Interim & Special Dividend on Equity Shares	909.62	-
Less : Proposed Dividend on Equity Shares	-	714.70
Less : Tax on Distributed Profit on Equity Shares	190.34	149.55
Less : Transfer to General Reserve	400.00	300.00
	<b>14,290.27</b>	<b>12,023.16</b>
<b>Total</b>	<b>17,776.45</b>	<b>15,109.33</b>

	₹ in Lacs	
<b>NOTE 3 : LONG - TERM BORROWINGS</b>	<b>2016</b>	2015
<b>SECURED</b>		
Long Term Loan	3,409.56	-
<b>Total</b>	<b>3,409.56</b>	<b>-</b>

**Note :**

There is no default, continuing or Otherwise as at the Balance Sheet Date, in repayment of any of the above borrowings.

	₹ in Lacs	
<b>NOTE 4 : DEFERRED TAX LIABILITIES (NET)</b>	<b>2016</b>	2015
Deferred Tax liability at beginning of the year	788.31	807.65
Addition during the year	319.74	(19.34)
Deferred Tax liability at close of the year	<b>1,108.05</b>	<b>788.31</b>

	₹ in Lacs	
<b>NOTE 5 : OTHER LONG - TERM LIABILITIES</b>	<b>2016</b>	2015
<b>Trade Payables</b>		
Security Deposits From Dealers	1,913.06	1,497.37
Others		
Bond	0.52	0.31
Retention Money	39.07	10.23
<b>Total</b>	<b>1,952.65</b>	<b>1,507.91</b>

₹ in Lacs		
<b>NOTE 6 : SHORT - TERM BORROWINGS</b>	<b>2016</b>	2015
<b>From Banks</b>		
Working Capital facilities from Banks	4,746.30	1,754.95
<b>From other Parties</b>		
Other Parties	93.45	275.05
<b>Total</b>	<b>4,839.75</b>	<b>2,030.00</b>

**Note :**

There is no default, continuing or otherwise as at the Balance Sheet date, in repayment of any of the above borrowings.

₹ in Lacs		
<b>NOTE 7 : TRADE PAYABLES</b>	<b>2016</b>	2015
Creditors for Raw material	792.37	699.16
Sundry Creditors -Import RM	979.58	334.37
Creditors for Engineering & Others	1,794.14	391.30
Creditors for Commission & Discount	1,399.20	1,455.68
<b>Total</b>	<b>4,965.29</b>	<b>2,880.51</b>

₹ in Lacs		
<b>NOTE 8 : OTHER CURRENT LIABILITIES</b>	<b>2016</b>	2015
Other liabilities	680.43	1,320.50
Unclaimed Dividend	56.54	50.91
Interim & Special Dividend	62.01	-
<b>Total</b>	<b>798.98</b>	<b>1,371.41</b>

₹ in Lacs		
<b>NOTE 9 : SHORT - TERM PROVISIONS</b>	<b>2016</b>	2015
Provisions For Expenses	305.15	279.09
Provisions For Leave Encashments	196.28	133.24
Provisions For Gratuity	33.82	12.77
Proposed Dividend	-	714.70
Distribution Tax on Dividend	-	149.55
Provision for Income Tax (Net of Tax paid )	77.10	127.87
<b>Total</b>	<b>612.35</b>	<b>1,417.22</b>

**NOTE 10 : FIXED ASSETS**

₹ in Lacs

FIXED ASSETS	GROSS BLOCK				ACCUMULATED DEPRECIATION/AMORTISATION				NET BLOCK	
	Balance as at 01.04.2015	Additions during the year	Disposals during the year	Balance as at 31.03.2016	Balance as at 01.04.2015	Charged for the year	On disposal	Retention Earning	Balance as at 31.03.2016	Balance as at 31.03.2015
<b>TANGIBLE ASSETS</b>										
Land	1,053.48	1,144.86	-	2,198.34	-	-	-	-	2,198.34	1,053.48
Building	2,408.56	1,386.91	-	3,795.47	592.26	78.53	-	-	3,124.68	1,816.31
Plant & Equipments	6,969.45	4,837.96	-	11,807.41	3,066.03	414.48	-	-	8,326.90	3,903.41
R & D equipments	221.72	215.60	-	437.32	79.68	23.48	-	-	334.16	142.04
Furniture & Fixture	168.85	452.16	-	621.01	115.95	21.42	-	-	483.64	52.90
Vehicles	216.90	29.59	8.23	238.26	75.84	25.22	6.52	-	143.72	141.06
Electrical Installation & Fittings	199.84	248.28	-	448.12	102.35	26.22	-	-	319.55	97.50
Office Equipments	268.57	114.51	1.13	381.95	213.18	24.73	1.08	-	145.12	55.38
<b>Sub Total</b>	<b>11,507.37</b>	<b>8,429.87</b>	<b>9.36</b>	<b>19,927.88</b>	<b>4,245.29</b>	<b>614.08</b>	<b>7.60</b>	<b>-</b>	<b>15,076.11</b>	<b>7,262.08</b>
<b>INTANGIBLE ASSETS</b>										
Software	129.59	29.17	-	158.76	101.62	9.42	-	-	47.72	27.97
<b>Sub Total</b>	<b>129.59</b>	<b>29.17</b>	<b>-</b>	<b>158.76</b>	<b>101.62</b>	<b>9.42</b>	<b>-</b>	<b>-</b>	<b>47.72</b>	<b>27.97</b>
Capital work In Progress	470.92	8,104.74	8,459.04	116.62	-	-	-	-	116.62	470.92
<b>Grand Total</b>	<b>12,107.88</b>	<b>16,563.78</b>	<b>8,468.40</b>	<b>20,203.26</b>	<b>4,346.91</b>	<b>623.50</b>	<b>7.60</b>	<b>-</b>	<b>15,240.45</b>	<b>7,760.97</b>
Previous Year	10,141.67	3,556.81	1,590.59	12,107.89	3,679.02	623.88	10.67	54.68	7,760.98	6,462.66

		₹ in Lacs	
<b>NOTE 11 : NON - CURRENT INVESTMENTS:(Valued at Cost)</b>	<b>2016</b>	2015	
NON TRADE INVESTMENT			
<b>Investments in Shares</b>			
a) Kabra Extrusiontechnik Ltd. 8,27,372 Equity Shares of ₹ 5/- each	46.91	46.91	
<b>Unquoted Investments fully paid up</b>			
a) Urban Infrastructure Opportunity Fund - Growth Plan 300 Units @ ₹ 79,930/- each (Previous year of ₹ 86,160/-each)	239.79	258.48	
b) Urban Infrastructure Opportunity Fund - Growth Plan 24 Units @ ₹ 99,930/- each (Previous year of ₹ 1,06,160/-each)	23.98	25.47	
<b>Total</b>	<b>310.68</b>	<b>330.86</b>	
<b>NOTES :</b>			
Aggregate Value of Quoted Investments	46.91	46.91	
Market Value of Quoted Investments	689.20	595.29	
Aggregate Value of Unquoted Investments	263.77	283.95	

		₹ in Lacs	
<b>NOTE 12 : OTHER NON - CURRENT ASSETS</b>	<b>2016</b>	2015	
Deposits	368.04	237.81	
<b>Total</b>	<b>368.04</b>	<b>237.81</b>	

		₹ in Lacs	
<b>NOTE 13 : INVENTORIES</b>	<b>2016</b>	2015	
Raw Materials	3,461.08	2,541.88	
Packing Materials	85.71	72.89	
Work-in-Process	188.60	166.64	
Finished Goods	1,597.95	1,458.42	
Stores & Spares	346.39	196.43	
Stock-in-Trade	8.03	15.36	
<b>Total</b>	<b>5,687.76</b>	<b>4,451.62</b>	

	₹ in Lacs	
<b>NOTE 14 : TRADE RECEIVABLES</b>	<b>2016</b>	<b>2015</b>
<b>Secured Considered Good</b>		
Outstanding for the period less than six months		
Domestic	18.34	100.45
Export	408.53	283.32
<b>Unsecured, Considered good</b>		
Outstanding for the period more than six months from the date they are due for Payment	553.95	380.22
Outstanding for the period less than six months from the date they are due for payments	9,824.48	8,483.22
<b>Total</b>	<b>10,805.30</b>	<b>9,247.21</b>
Firm in which director is a partner	1.39	1.13
Private company in which director is a member	0.54	29.50
<b>Total</b>	<b>1.93</b>	<b>30.63</b>

	₹ in Lacs	
<b>NOTE 15 : CASH &amp; CASH EQUIVALENTS</b>	<b>2016</b>	<b>2015</b>
Balance with Banks	148.16	229.59
Earmarked Balances		
Unpaid Dividend Account	118.55	50.91
Cash - on - Hand	1.68	2.34
<b>Total</b>	<b>268.39</b>	<b>282.84</b>

	₹ in Lacs	
<b>NOTE 16 : SHORT - TERM LOANS AND ADVANCES</b>	<b>2016</b>	<b>2015</b>
(Unsecured, Considered good)		
A. Loans & Advances to related parties	-	-
B. Others		
Advances Recoverable In Cash or in kind	34.99	34.02
Advances to suppliers Domestic	540.61	311.12
Capital Advances to Suppliers	1,087.23	940.93
Other Deposits	100.00	100.00
Balance with Government Authorities	1,181.13	891.34
Prepaid Expenses	76.59	76.76
<b>Total</b>	<b>3,020.55</b>	<b>2,354.17</b>

	₹ in Lacs	
<b>NOTE 17 : OTHER CURRENT ASSETS</b>	<b>2016</b>	<b>2015</b>
Others	411.64	1,088.94
<b>Total</b>	<b>411.64</b>	<b>1,088.94</b>



	₹ in Lacs	
<b>NOTE 18 : REVENUE FROM OPERATIONS</b>	<b>2016</b>	2015
Sales of Products	55,884.61	52,969.51
Less : Excise Duty	4,118.23	3,580.59
	<b>51,766.38</b>	49,388.92
Other Operating Revenues	34.68	22.72
Sales of Services / Labour Job	15.09	23.76
<b>Total</b>	<b>51,816.15</b>	<b>49,435.40</b>

	₹ in Lacs	
<b>NOTE 19 : OTHER INCOME</b>	<b>2016</b>	2015
Dividend Income	41.33	47.25
Net Gain / ( Loss ) on sale of Investments	0.04	0.98
Other Non operating Revenue		
- Rent Received	5.04	4.80
- Exchange Fluctuation Gain	167.97	114.34
- Other	21.65	18.53
<b>Total</b>	<b>236.03</b>	<b>185.90</b>

	₹ in Lacs	
<b>NOTE 20 : COST OF MATERIAL CONSUMED</b>	<b>2016</b>	2015
Raw Material Consumed	35,823.00	33,783.35
Packing Material Consumed	458.42	500.83
<b>Total</b>	<b>36,281.42</b>	<b>34,284.18</b>

	₹ in Lacs	
<b>NOTE 21 : CHANGES IN INVENTORIES</b>	<b>2016</b>	2015
STOCK AT CLOSE		
Finished Goods	1,597.94	1,458.42
Work in Progress	188.60	166.64
	<b>1,786.54</b>	1,625.06
STOCK AT BEGINNING		
Finished Goods	1,458.42	2,384.18
Work in Progress	166.63	195.48
	<b>1,625.05</b>	2,579.66
<b>Total</b>	<b>(161.49)</b>	<b>954.60</b>

	₹ in Lacs	
<b>NOTE 22 : EMPLOYEE BENEFITS EXPENSES</b>	<b>2016</b>	2015
Salaries, Wages, Bonus and Allowances	1,729.57	1,325.59
Contribution to Provident and other funds	203.37	171.15
Welfare expenses	108.88	113.91
<b>Total</b>	<b>2,041.82</b>	<b>1,610.65</b>

		₹ in Lacs	
<b>NOTE 23 : FINANCE COST</b>		<b>2016</b>	2015
Interest on			
Cash Credit		142.95	69.25
Security Deposits		190.24	141.80
Bills Discounting		0.39	82.43
Others		21.30	66.80
	<b>Total</b>	<b>354.88</b>	<b>360.28</b>

		₹ in Lacs	
<b>NOTE 24 : OTHER EXPENSES</b>		<b>2016</b>	2015
Stores & Spares Consumed		447.63	331.50
Power & Fuel Consumed		1,341.07	1,280.65
Repairs to Plant & Machinery		67.15	71.41
Repairs to Building		47.38	24.97
Repairs to Others		70.24	59.46
Insurance		125.88	96.79
Rent		223.25	145.05
Travelling expenses - Directors		31.27	27.77
Travelling expenses - Others		254.60	190.57
Postage, Telephone etc.		49.73	51.37
Commission on Sales		2,073.21	2,263.93
Discount on Sales		884.76	1,031.17
Carriage Outward		863.37	785.92
Payments to Auditors		5.63	4.39
Rates & Taxes		15.90	12.35
Loss on sales of Assets		(0.70)	(0.82)
Advertisements		21.93	15.77
SAP related expenses		-	15.00
Legal & Professional fees		152.03	121.43
Factory expenses		84.72	75.90
Clearing charges on export		49.55	70.69
R & D expenses		185.50	165.48
Security Service Charges		4.65	4.12
Donations		3.14	3.11
Social Responsibility		35.10	40.00
Miscellaneous expenses		667.18	607.20
	<b>Total</b>	<b>7,704.17</b>	<b>7,495.18</b>

		₹ in Lacs	
<b>NOTE 25 : Capital Commitments</b>		<b>2016</b>	2015
Estimated amount of contracts remaining to be executed on capital account & not provided		1,130.42	3,796.58
Paid as advance		1,087.23	940.93

		₹ in Lacs	
<b>NOTE 26 : Other Commitments</b>		<b>2016</b>	2015
Liability on account of Forward Contracts entered during the year & outstanding as on end of the year		83.77	938.86

	₹ in Lacs	
<b>NOTE 27 : Contingent Liabilities not provided for:</b>	<b>2016</b>	<b>2015</b>
Bank Guarantees	<b>160.47</b>	208.73
Letter of Credit	<b>39.53</b>	449.66
Claim against the company not acknowledged as debts	<b>26.00</b>	26.00
Disputed Income Tax /TDS Demand	<b>17.24</b>	-
Service Tax matter under dispute**	<b>1,203.19</b>	470.63
Bonus arising out of retrospective amendment to the Payment of Bonus Act and stay granted by various courts on such payments against case filed by various entities.	<b>26.47</b>	-

\*\* Service Tax is under dispute & The Company is expected to succeed.

**NOTE 28 : Amount Due to Small, Medium and Micro enterprises:**

Company is in process of inviting information from its vendors for their status under "The Small, Medium and Micro Enterprises Development Act 2006", however in absence of any information, no disclosures have been made in this regards.

	₹ in Lacs	
<b>NOTE 29 : Details of Raw Materials Consumed</b>	<b>2016</b>	<b>2015</b>
Polymer	<b>16,505.98</b>	15,149.21
Titanium Dioxide	<b>4,940.63</b>	6,456.46
Pigment	<b>6,034.68</b>	5,162.40
Others	<b>8,180.22</b>	7,969.88
<b>Total</b>	<b>35,661.51</b>	<b>34,737.95</b>

	₹ in Lacs			
<b>NOTE 30 : Value of Imported &amp; Indigenous raw materials consumed.</b>	<b>2016</b>		<b>2015</b>	
	<b>Value</b>	<b>%</b>	<b>Value</b>	<b>%</b>
Imported	<b>13,571.87</b>	<b>38.06</b>	14,588.49	42.00
Indigenous	<b>22,089.64</b>	<b>61.94</b>	20,149.46	58.00
<b>Total</b>	<b>35,661.51</b>	<b>100.00</b>	<b>34,737.95</b>	<b>100.00</b>

	₹ in Lacs	
<b>NOTE 31 : CIF Value of Imports:</b>	<b>2016</b>	<b>2015</b>
Purchase of Raw Material	<b>13,034.75</b>	14,484.07
Purchase of Stores & Spares	<b>93.78</b>	63.20
Purchase of Capital Items	<b>786.29</b>	18.08
<b>Total</b>	<b>13,914.82</b>	<b>14,565.35</b>

	₹ in Lacs	
<b>NOTE 32 : Earnings in Foreign Currency:</b>	<b>2016</b>	2015
FOB Value of Exports	<b>13,858.56</b>	14,167.70
<b>Total</b>	<b>13,858.56</b>	<b>14,167.70</b>

	₹ in Lacs	
<b>NOTE 33 : Expenditure in Foreign Currency</b>	<b>2016</b>	2015
Travelling expenses	<b>75.63</b>	52.59
Commission & Discount	<b>419.37</b>	586.67
Interest	<b>16.36</b>	42.10
Others	<b>30.67</b>	49.19
<b>Total</b>	<b>542.03</b>	<b>730.55</b>

	₹ in Lacs	
<b>NOTE 34 : Remittance in foreign currency on account of dividend to non-resident shareholders</b>	<b>2016</b>	2015
Number of shareholders	<b>1</b>	1
Number of shares on which dividend is paid	<b>2,29,800</b>	2,29,800
Year to which dividend relates	<b>31.03.2015</b>	31.03.2014
Amount of Dividend	<b>12.64</b>	11.49
Year to which dividend relates	<b>31.03.2016</b>	-
Amount of Interim and Special Dividend	<b>16.09</b>	-

	₹ in Lacs	
<b>NOTE 35 : Auditor's Remuneration: (Net of Service Tax):</b>	<b>2016</b>	2015
Audit Fees	<b>3.00</b>	1.70
Tax Audit Fees	<b>0.50</b>	0.30
Other Services	<b>1.33</b>	1.74
Reimbursement of out of pocket expenses	<b>0.80</b>	0.65
<b>Total</b>	<b>5.63</b>	<b>4.39</b>

		₹ in Lacs	
<b>NOTE 36 : Employee Benefits as per Accounting Standard – 15</b>		<b>2016</b>	<b>2015</b>
<b>1</b>	<b>Defined Contribution plans</b>		
	The Company has recognised following amounts in the statement of Profit & Loss for the year :		
	Contribution to Employees Provident Fund	77.67	63.38
	Contribution to Super Annuation Fund	15.40	11.95
<b>2</b>	<b>Defined Benefit Plans/ compensated absence- as per actuarial valuation on 31st March, 2016</b>		
<b>a</b>	<b>Reconciliation of opening and closing balance of present value of the Defined Benefit Obligation(DBO):</b>		
	1. Obligation at beginning of the year	304.14	234.28
	2. Current service cost	28.85	20.41
	3. Interest cost	24.30	21.81
	4. Actuarial (gain)/losses	9.02	44.89
	5. Benefits paid	(4.48)	(17.25)
	6. Present value of obligations at end of the year	361.83	304.14
<b>b</b>	<b>Reconciliation of the opening and closing balances of the fair value of plan assets:</b>		
	1. Opening fair value of plan asset at period beginning	291.38	240.52
	2. Expected returns on plan assets	23.28	22.39
	3. Actuarial gain/(losses)	(12.16)	15.72
	4. Contribution by the employer	30.00	30.00
	5. Benefits paid	(4.48)	(17.25)
	6. Fair value of plan assets at period closing	328.02	291.38
<b>c</b>	<b>Net assets / (liabilities) recognised in the Balance Sheet as on 31st March, 2016:</b>		
	1. Present value of funded obligations	(361.83)	(304.14)
	2. Fair marker value of plan assets	328.02	291.38
	3. Present value of unfunded obligations	-	-
	4. Net assets / (liabilities) recognized in the balance sheet	(33.81)	(12.77)
<b>d</b>	<b>Total expenses recognized in the Statement of Profit and Loss :</b>		
	1. Current service cost	9.02	20.41
	2. Interest on defined benefit obligation	12.16	21.81
	3. Expected returns on plan assets	23.28	(22.39)
	4. Actuarial (gains)/losses	(12.16)	29.18
<b>e</b>	<b>Compensated Leave:</b>		
	Privilege leave entitlements are recognised as liability in the calendar year of rendering of service as per rules of the Company. As accumulated leave can be availed and / or encashed at any time during the tenure of employment, the liability is recognised at the higher of the actual accumulated obligation or actuarially determined value.		
<b>f</b>	<b>Actuarial Assumptions:</b>		
	1. Discount Rate	8.04%	7.99%
	2. Expected return on plan asset	8.04%	7.99%
	3. Retirement age	58	58
	4. Salary escalation rate	6.50%	6.50%
<b>g</b>	<b>Gratuity is administered through group gratuity scheme with Kotak Life Insurance under Kotak Gratuity Group Plan.</b>		

**Note 37 : Information about Business Segments**

The company is operating in only one segment only i.e. Manufacturing of Masterbatches.

**Note 38 : Related Party Disclosures**
**(a) List of related parties and relationships:**
**A. Associate Concern**

Kabra Extrusiontechnik Ltd.

**B. Enterprises over which Executive Directors exercise significant influence.**

Rambalab Ramnarayan, Maharashtra Plastic Industries, Maharashtra Plastic & Industries, Smartech Global Solutions Ltd., Kolsite Industries., Kolsite Corporation LLP, Kolsite Packaging Systems Pvt. Ltd., Kabra Gloucester Engineering Limited, Shima Polymers.

**C. Executive Directors, Directors and their Relatives**

Shri S V Kabra, Shri S N Kabra, Shri A S Kabra, Shri Varun S Kabra, Smt. Veenadevi S Kabra, Smt Saritadevi S Kabra, Smt Ekta A Kabra, Miss Khushi A Kabra

**(b) Related party transactions:**

₹ in Lacs

Aggregate of Transactions	Associate concerns		Enterprises over which Executive Directors exercise significant influence		Executive Directors, Directors and their Relatives		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
1. Sales & other Income	219.17	287.82	-	-	-	-	219.17	287.82
2. Purchases & Sevices	477.73	423.77	75.57	14.10	-	61.00	553.30	498.87
3. Purchase of Assets	3,738.67	561.27	-	-	-	-	3,738.67	561.27
4. Directors sitting fees	-	-	-	-	9.20	8.30	9.20	8.30
5. Interest paid during the year	-	-	-	9.15	33.09	57.13	33.09	66.28
6. Deposits Received	-	-	-	-	151.35	216.30	151.35	216.30
7. Deposit Refund	-	613.00	-	-	230.35	960.51	230.35	1,573.51
8. Interest Received during the year	-	-	0.63	0.07	-	-	0.63	0.07
9. Deposits Given	-	-	113.60	-	-	-	113.60	-
10. Rent paid	241.37	150.81	-	-	8.98	8.64	250.35	159.45
11. Salaries paid	-	-	-	-	137.34	125.96	137.34	125.96

**(c) Balance outstanding at end of financial year:**

₹ In lacs

Aggregate of Transactions	Associate companies & Promoter Companies		Enterprises over which Executive Directors exercise significant influence		Executive Directors, Directors and their Relatives		Total	
	2016	2015	2016	2015	2016	2015	2016	2015
<b>Debit Balances outstanding</b>								
Debtors	0.54	29.50	1.39	1.13	-	-	1.93	30.63
Deposits Given	-	-	121.60	-	-	-	121.60	-
<b>Credit Balances outstanding</b>								
Loans Taken/SD	-	-	112.25	-	93.45	284.70	205.70	284.70
Creditors	1,050.57	-	2.25	-	-	7.16	1,052.82	7.16

	₹ In lacs	
<b>Note 39 : Disclosure for Operating Leases:</b>	<b>2016</b>	<b>2015</b>
The Company has taken on lease Factory at Daman, Bombay office, residential flats for employees, under operating leases. The lease payments to be made in respect of non cancellable lease in future are as follows:		
Lease payment debited to Statement of Profit & Loss	<b>235.53</b>	<b>151.83</b>
Lease obligation		
Up to 1 year	<b>371.94</b>	158.78
Greater than 1 year but less than 5 years	<b>1,008.01</b>	185.00
<b>Total</b>	<b>1,379.95</b>	<b>343.78</b>

	₹ in Lacs	
<b>Note 40 : Statement of Computation of Deferred Tax Liabilities/Assets (Net)</b>	<b>2016</b>	<b>2015</b>
A) Deferred Tax Liability		
Depreciation	1,174.77	833.60
<b>Total (A)</b>	<b>1,174.77</b>	<b>833.60</b>
B) Deferred Tax Assets		
Provision for Employee Benefit	66.72	45.29
<b>Total (B)</b>	<b>66.72</b>	<b>45.29</b>
Deferred tax (assets) / liability (A-B) as on 31.03.2016	1,108.05	788.31
Net Deferred tax (assets) / liability as on 01.04.2015	788.31	807.65
Deferred Tax expense / (benefit) recognised in Statement of profit and loss	319.74	(19.34)

	₹ in Lacs	
<b>Note 41 : Earnings per Share</b>	<b>2016</b>	<b>2015</b>
The earnings per share have been computed in accordance with the "AS 20".		
Profit / (loss) after tax	3,767.08	3,005.12
Profit / (loss) attributable to equity shareholders	3,767.08	3,005.12
Number of ordinary shares, (face value ₹ 5/-)	1, 29, 94, 600	1, 29, 94, 600
Basic & Diluted earning per share - ₹	28.99	23.13

	₹ in Lacs	
<b>Note 42 : Research &amp; Development Expenditure</b>	<b>2016</b>	<b>2015</b>
Revenue expenditure	185.50	165.48
Capital expenditure	215.60	37.13
<b>Total</b>	<b>401.10</b>	<b>202.61</b>

**Note 43 :** Previous year's figures have been regrouped/recast wherever necessary.

As per our report on even date

For and on behalf of the Board

**For A. G. OGALE & CO.,**

Chartered Accountants

Firm Regn. No. : 114115W

**Shreevallabh G. Kabra**  
(Chairman & Mg. Director)

**Satyanarayan G. Kabra**  
(Vice-Chairman & Mg. Director)

**Anand S. Kabra**  
(Managing Director)

**Pramod K. Gugale**

(Partner)

M.No. 113775

**Pushp Raj Singhvi**  
(Independent Director)

**Yatish B. Vasudeo**  
(Independent Director)

**Sudarshan K. Parab**  
(Independent Director)

**Bajrang Lal Bagra**  
(Independent Director)

**Varun S. Kabra**  
(Director)

**Ekta A. Kabra**  
(Director)

Place :- Mumbai

Date :- May 24, 2016

**Anand R. Mundra**  
(Chief Financial Officer)

**Himanshu S. Mhatre**  
(Company Secretary)

Place :- Mumbai

Date :- May 24, 2016

### Registration for E-Communication

Members who have not availed the e-communication facility can do so by submitting their email address with the Company to support the "Green Initiative in Corporate Governance". Members holding shares in electronic mode are requested to register their email address with their Depository Participant only.

Member are requested to register their e-mail address for receiving all communication including Annual Report, Notices, Circulars etc. from the Company electronically.

#### 1. FORMAT FOR REGISTERING EMAIL ID

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

Name of the sole / first holder: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Postal Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Email Address: \_\_\_\_\_

Contact Telephone No: \_\_\_\_\_

#### 2. FORMAT OF MANDATE FOR PAYMENT OF DIVIDEND BY NECS / NEFT

Folio No: \_\_\_\_\_

Name of the sole / first holder: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Postal Address: \_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

Email Address: \_\_\_\_\_

Contact Telephone No: \_\_\_\_\_

I hereby authorize M/s Plastiblends India Limited to make payment of dividend by direct credit to my bank account the details of which are furnished below:

Bank Name : \_\_\_\_\_

Branch Name: \_\_\_\_\_

Branch Address: \_\_\_\_\_

MICR code: \_\_\_\_\_

IFSC code: \_\_\_\_\_

Account Type: \_\_\_\_\_

Account No: \_\_\_\_\_

I enclose herewith the following documents in proof of the above details:

Photocopy of Bank Pass Book / Bank Statement

Photocopy of a Blank cheque leaf of the account

Signature

Signature



# PLASTIBLENDS INDIA LIMITED

Regd. Office : Fortune Terraces, A - Wing, 10th Floor, New Link Road,  
Opp. Citi Mall, Andheri (West), Mumbai – 400 053  
CIN :- L25200MH1991PLC059943

## ATTENDANCE SLIP

Only Shareholders or the Proxies will be allowed to attend this meeting

Name of the Member			
D.P. ID*		L.F. No.	
Client ID*		No. of shares held	

I / We hereby record my / our presence at the 25<sup>th</sup> Annual General Meeting of the Company being held on Thursday, the 21<sup>st</sup> day of July, 2016 at 4:15 p. m. at Hotel Karl Residency, 36, Lallubhai Park Road, Next to Lallubhai Park, Andheri (West), Mumbai – 400 058 and / or at any adjournment thereof.

Signature of Shareholder(s) : (1) \_\_\_\_\_ (2) \_\_\_\_\_

Signature of Proxy Holder : \_\_\_\_\_

\* Applicable for investors holding shares in electronic form.

**Note** : Shareholders attending the meeting in person or by Proxy are requested to complete the attendance slip and hand it over at the entrance of the meeting venue.

# PLASTIBLENDS INDIA LIMITED

Regd. Office : Fortune Terraces, A - Wing, 10th Floor, New Link Road,  
Opp. Citi Mall, Andheri (West), Mumbai – 400 053  
CIN :- L25200MH1991PLC059943

## PROXY FORM

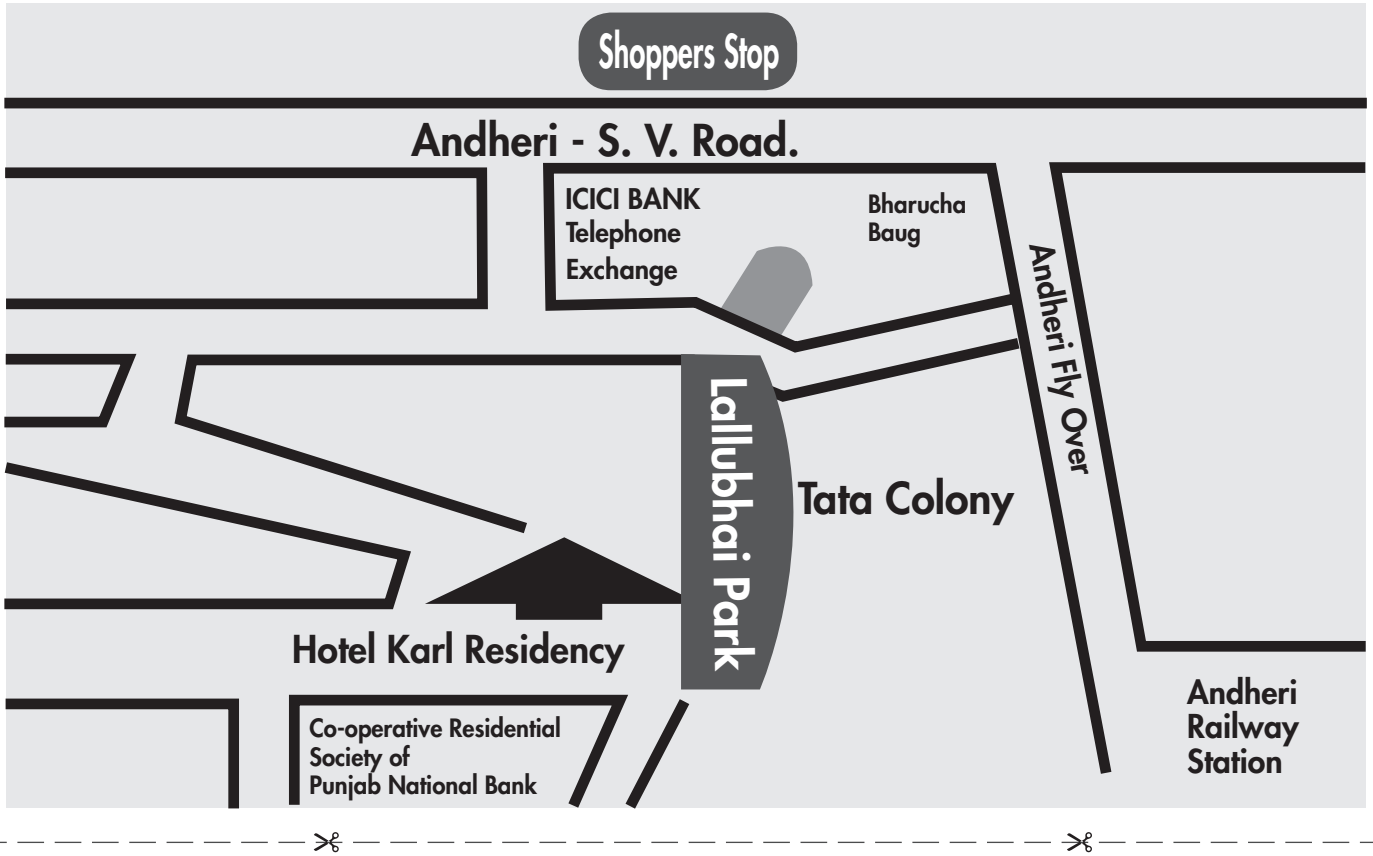
[Pursuant to Section 105(6) of the Companies Act, 2013 and  
Rule 19(3) of the Companies (Management and Administration) Rules, 2015]

Name of the Member(s)	
Registered Address	
Email ID.	
Folio No. / Client ID.	
DP ID	

I / We, being the Member(s) of \_\_\_\_\_ Shares of the above named company, hereby appoint:

- Name : \_\_\_\_\_ Email Id : \_\_\_\_\_  
Address : \_\_\_\_\_  
Signature \_\_\_\_\_ or failing him;
- Name : \_\_\_\_\_ Email Id : \_\_\_\_\_  
Address : \_\_\_\_\_  
Signature \_\_\_\_\_ or failing him;
- Name : \_\_\_\_\_ Email Id : \_\_\_\_\_  
Address : \_\_\_\_\_  
Signature \_\_\_\_\_ or failing him;

**Route Map to the Venue of AGM**



as my / our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 25<sup>th</sup> Annual General Meeting of the Company, to be held on Thursday, the 21<sup>st</sup> day of July, 2016 at 4:15 p. m. at Hotel Karl Residency, 36, Lallubhai Park Road, Next to Lallubhai Park, Andheri (West), Mumbai – 400 058 and / or at any adjournment thereof in respect of such resolutions as are indicated below:

Sr.	Resolutions	Optional*	
		For	Against
1.	Consider and adopt Audited Financial Statement, Reports of the Board of Directors and Auditors		
2.	Confirm the payment of interim dividend and special silver jubilee dividend as dividend for the financial year 2015-16.		
3.	Re-appointment of Shri Satyanarayan G. Kabra, who retires by rotation		
4.	Re-appointment of Shri Anand S. Kabra, who retires by rotation		
5.	Ratification of appointment of M/s. A.G. Ogale & Co., Chartered Accountants as Auditors and fixing their remuneration		
6.	Re-appointment of Shri Shreevallabh G. Kabra as Chairman & Managing Director		
7.	Re-appointment of Shri Anand S. Kabra as Managing Director		
8.	Appointment of Shri Varun S. Kabra as Director-Business Development		
9.	Appointment of Smt Ekta A. Kabra as Director-Materials		
10.	Variation in the terms of remuneration of Shri Satyanarayan G. Kabra		
11.	Approval of the Remuneration of the Cost Auditors		

Signed this ..... day of ..... 2016

Signature of Member

Signature of Proxy Holder(s)

**Notes :**

- (1) 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.
- (2) For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 25<sup>th</sup> Annual General Meeting
- (3) \* It is optional to put a 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' and 'Against' column blank against any or all Resolutions, your proxy will be entitled to vote in the manner as he / she thinks appropriate.

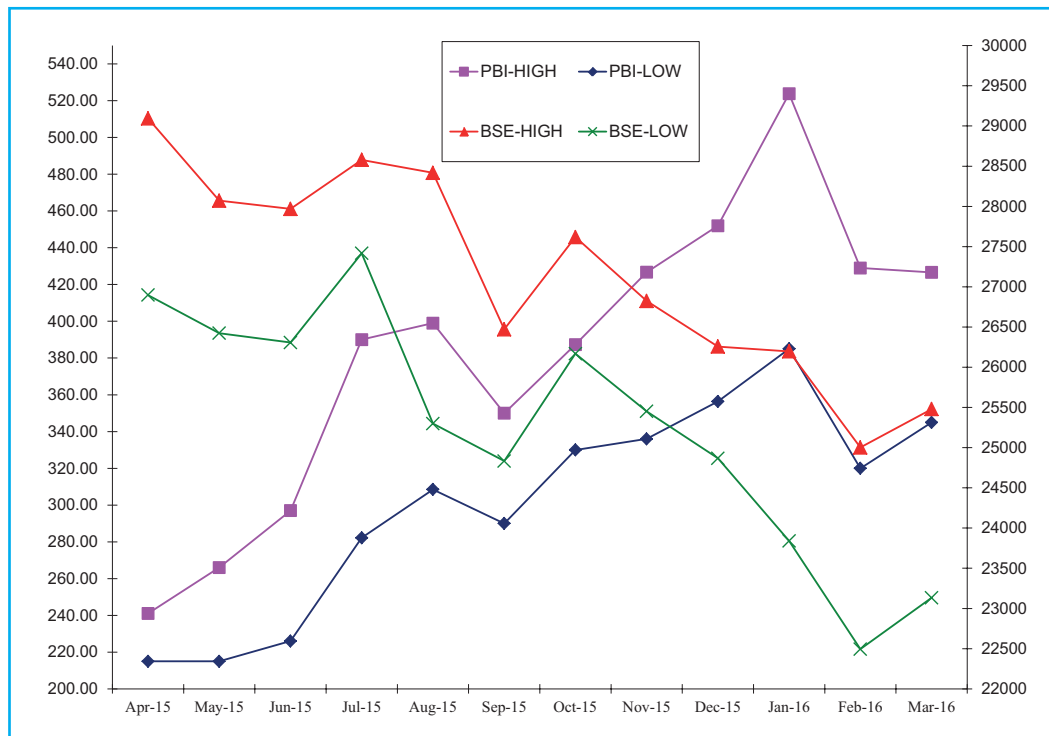
# FINANCIAL HIGHLIGHTS

(₹ in Lacs)

	2015-16	2014-15	2013-14	2012-13	2011-12
Sales and Other Income	<b>52,052.18</b>	<b>49,621.30</b>	46,929.50	41,050.15	34,142.44
Profit before Depreciation, Interest & Tax	<b>6,165.12</b>	<b>5,265.49</b>	5,068.04	3,288.99	3,246.41
Less : Depreciation	<b>623.50</b>	<b>623.88</b>	430.52	408.05	401.26
Finance Cost	<b>354.88</b>	<b>360.28</b>	578.81	577.92	447.63
Profit before Tax (PBT)	<b>5,186.74</b>	<b>4,281.33</b>	4,058.71	2,303.02	2,397.52
Net Profit after Tax (PAT)	<b>3,767.08</b>	<b>3,005.12</b>	2,723.85	1,536.50	1,671.17
Share Capital	<b>649.73</b>	<b>649.73</b>	649.73	649.73	649.73
Reserves	<b>17,776.45</b>	<b>15,109.33</b>	13,023.14	11,029.44	10,025.06
Total shareholders funds	<b>18,426.18</b>	<b>15,759.06</b>	13,672.87	11,679.17	10,674.79
Number of Equity Shares	<b>1,29,94,600</b>	<b>1,29,94,600</b>	1,29,94,600	1,29,94,600	1,29,94,600
Face Value of Shares (₹)	<b>5.00</b>	<b>5.00</b>	5.00	5.00	5.00
Book Value Per Share (₹)	<b>141.8</b>	<b>121.27</b>	105.22	89.87	82.15
Earning Per Share (EPS) (₹)	<b>28.99</b>	<b>23.13</b>	20.96	11.82	12.86
Dividend Per Share (₹)	<b>7.00</b>	<b>5.50</b>	5.00	3.50	3.50

## STOCK PERFORMANCE

(Share Price / BSE Sensex)



**REGISTERED OFFICE**

Fortune Terraces, A-Wing, 10th Floor, Opp. Citi Mall, New Link Road, Andheri (West), Mumbai – 400 053

**Tel. No. :** +91-22-67205200 **Fax :** +91-22-26736808 **E-mail :** pbi@kolsitegroup.com

**Website :** www.plastiblends.com

**WORKS**

**Daman :** Daman Industrial Estate, Kadaiya Village, Daman - 396 210.

**Roorkee :** Khasara No. 216, Village Raipur, Pargana : Bhagwanpur, Tehsil : Roorkee, Distt. Haridwar, Uttarakhand - 247 667.

**Palsana :** Block No. 18-A, 15, Makhinga, Palsana, Surat, Gujarat – 394 315