



STANPACKS (INDIA) LTD

26th
2016-17

**ANNUAL
REPORT**



WE SHARE OUR JOY

ANNUAL REPORT

2016 - 17

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CORPORATE INFORMATION

BOARD OF DIRECTORS

(As on 31st May 2017)

SRI G.P.N.GUPTA	Chairman
SRI G.V.GOPINATH	Managing Director
SRI G.S.SRIDHAR	Joint Managing Director & CFO
SRI S.RAMAKRISHNAN	Director
SRI M.V.CHANDRASHEKAR	Director
SRI M.RAVINDRA REDDY	Director
SRI SANJAY RAMASWAMI	Director
MS. SHOBHA GUPTA	Director
SRI R SUKUMAR	Director
SRI G.S.RAJASEKAR	Additional Director

REGISTERED OFFICE

‘S.K. ENCLAVE’ New No. 4, (Old No. 47),
Nowroji Road, Chetpet,
Chennai – 600 031
Phone: 26451722, 26461415, 26452325
Fax: 91-44-26451720,
E-Mail: info@blissgroup.com
Website: www.blissgroup.com
CIN: L36991TN1991PLC021888

WORKS

Sholiyapalayam Village, Sholavaram,
Ponneri Taluk, Chennai 600 067, Tamil Nadu

REGISTRARS AND SHARE TRANSFER AGENT

Cameo Corporate Services Ltd.
Subramaniam Building, No.1,
Club House Road, Mount Road
Chennai-600 002
Phone: 044–28460390 Fax: 044-28460129

LISTING

Bombay Stock Exchange Limited

BANKERS

Karnataka Bank Limited

COMPANY SECRETARY AND COMPLIANCE OFFICER

Ms. M. Uma Maheswari

STATUTORY AUDITORS

M/s. M.Srinivasan & Associates,
Chartered Accountants ,
No.5, 9th Floor, B Wing Parsn Manere,
602, Anna Salai, Chennai - 600 006

SECRETARIAL AUDITORS

M/S. Lakshmmi Subramanian & Associates,
Practising Company Secretaries, Chennai

ANNUAL GENERAL MEETING

Date & Time	14th September 2017, Thursday @ 03.00 p.m.
Venue	Andhra Mahila Sabha, No. 109, Luz Church Road, Mylapore, Chennai - 600004

IMPORTANT COMMUNICATION

The Ministry of Corporate Affairs has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars, stating that service of notice/ documents including Annual Report can be sent by e – mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e – mail addresses, so far, are requested to register their e – mail addresses in respect of electronic holdings with the depository through their concerned Depository Participants. Members who hold shares in physical form are requested to register their mail address with the Registrar and Share Transfer Agent viz. Cameo corporate Services Ltd, Chennai.

NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty Sixth Annual General Meeting of the Members of the Stanpacks (India) Limited is scheduled to be held at 03.00 P.M on Thursday, the 14th September 2017 at Andhra Mahila Sabha, No. 109, Luz Church Road, Mylapore, Chennai - 600004 to transact the following business:

ORDINARY BUSINESS:

Item No. 01: Adoption of Annual Accounts:

To receive, consider and adopt the audited Balance Sheet of the Company as at 31st March, 2017 and the Statement of Profit and Loss for the Financial Year ended on that date and the report of the Board of Directors' and Auditor's thereon.

Item No. 02: Reappointment of Director:

To appoint a director in place of Sri G.S. Sridhar (DIN: 01966264) who retires by rotation and being eligible, offers himself for re-appointment.

Item No. 03: Appointment of Statutory Auditors

"RESOLVED THAT pursuant to the provisions of Sections 139, 142 and other applicable provisions, if any, 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. J.V. Ramanujam & Co, Chartered Accountants (Firm Registration Number. 002947S), be and is hereby appointed as the Statutory Auditors of the Company, in place of M/s. M. Srinivasan & Associates, Chartered Accountants, (Firm Registration No. 004050S), the retiring Statutory Auditors, to hold office for a term of five years from the conclusion of this Annual General Meeting till the conclusion of Thirty First Annual General Meeting of the Company, subject to ratification of their appointment by the Members at every Annual General Meeting, at such remuneration as may be fixed by the Board of Directors of the Company.

SPECIAL BUSINESS:

Item No. 04:

To consider and if thought fit, to pass with or without modification(s), the following resolution as Ordinary Resolution for appointing Sri G.S. Rajasekar (DIN: 00086002) as Non-Executive Director of the company.

"RESOLVED THAT pursuant to the provisions of Section 149, 152 and other applicable provisions of the Companies Act, 2013 read with the Companies (Appointment and Qualification of Directors) Rules, 2014, (including any statutory modification(s) or re-enactment thereof for the time being in force), Sri G.S. Rajasekar (DIN: 00086002), who was appointed as an Additional Director of the Company with effect from 30th May, 2017 by the Board of Directors pursuant to Section 161 of the Companies Act, 2013, who holds office upto the date of this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of Director, be and is hereby appointed as Non Executive Director of the Company,".

Item No 05:

To consider and if thought fit, to pass with or without modification(s), the following resolution as Special resolution for alteration of Articles of Association of the company:

RESOLVED THAT pursuant to provisions of section 14 and other applicable provisions of the Companies Act, 2013 read with the Companies (Incorporation) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force), the approval of the shareholders of the Company be and is hereby accorded for altering the Articles of Association of the company by way of deletion of the below given clause:

146 - Common Seal

The Board shall provide a common seal of the company and shall have power from time to time to destroy the same and substitute a new seal in lieu thereof. The common seal shall be kept at the registered office of the Company and committed to the custody of the Directors of Principal Officers.

147 - Affixture of Common Seal

The seal shall not be affixed to any instrument except by authority of a resolution of the Board or Committee and unless the Board otherwise determines every deed or other instrument to which the seal is required to be affixed shall, unless the same is executed by a duly constituted attorney for the Company, be signed by two Directors, and the Secretary in whose presence the seal shall have been fixed or such other person as may from time to time be authorised by the board and provided nevertheless that only instrument bearing the seal of the company issue for valuable consideration shall be binding on the Company issued notwithstanding any irregularity touching the authority to issue the same provided also counter signature of the Chairman or the joint Chairman or other authorised person shall not be necessary in the case of instrument executed in favour of the Chairman or the joint Chairman, which shall be sealed in the presence of any one Director and signed by him on behalf of the Company.

RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorised to take all such actions as may be necessary, desirable or expedient and to do all such necessary acts, deeds and things that may be incidental or pertinent to give effect to the aforesaid resolution.

**By Order of the Board
For Stanpacks (India) Limited**

**Place : Chennai
Date : 30th May 2017**

**M. Uma Maheswari
Company Secretary**

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
2. Pursuant to the provisions of Section 105 of the Companies Act, 2013, a person can act as a proxy on behalf of not more than fifty members and holding in aggregate not more than ten percent of the total Share Capital of the Company. Members holding more than ten percent of the total Share Capital of the Company may appoint a single person as proxy, who shall not act as a proxy for any other Member. The proxy form duly stamped and executed should be deposited / lodged at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. Proxies submitted on behalf of Limited Companies, Societies etc., must be supported by an appropriate resolution / authority, as applicable.
3. Members / Proxies should bring the Attendance slip duly filled in for attending the meeting. Members are requested to bring their copy of the Annual Report. No additional copies will be provided at the venue.
4. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the company, provided that not less than three days of notice in writing is given to the Company.
5. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, which sets out details relating to Special Business at the meeting, is annexed hereto.
6. Additional information pursuant to Regulation 36(3) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 in respect of the Director seeking appointment/re-appointment as mentioned under item no. 2 & 4 of this notice is appended. Further, the Company has received relevant disclosure/ consent from the Director seeking appointment.
7. The Register of Directors' and Key Managerial Personnel and their shareholding maintained under Section 170 of the Companies Act, 2013, the Register of contracts or arrangements in which the Directors are interested under Section 189 of the Companies Act, 2013 will be available for inspection by the Members at the Annual General Meeting.
8. Members are requested to intimate the Company, queries, if any, regarding the accounts/notice, not less than seven days before the meeting to enable the management to keep the required information readily available at the meeting.

9. The Register of Members and Share Transfer Books of the Company will remain closed from 7th September 2017 to 14th September 2017 (both days inclusive) in terms of the provisions of Section 91 of the Companies Act, 2013 and the applicable clauses of the SEBI (Listing Obligations and Disclosures Requirements Regulations) 2015 entered into with the Stock Exchanges.
10. A route map along with prominent landmark for easy reach to the venue of annual general meeting is annexed with this notice.
11. Annual Report 2017 with Attendance Slip and Proxy form are being sent by electronic mode only to all the members whose email addresses are registered with the Company/Depository Participant (s) for communication purpose unless a member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2017 are being sent by the permitted mode.
12. Members may note that the Notice of the 26th Annual General Meeting and the Annual Report 2017 will also be available on the Company's website www.blissgroup.com. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection between working hours 11.00 A.M to 1.00 P.M. except on holidays. Members who require communication in physical form in addition to e-communication, or have any other queries, may write to us at cs-sl@blissgroup.com.
13. The Securities and Exchange Board of India has mandated submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in demat form are, therefore, requested to submit PAN details to the Depository Participants with whom they have demat accounts. Members holding shares in physical form can submit their PAN details to M/s. Cameo Corporate Services Limited, the Registrar & Share Transfer Agent of the Company.
14. SEBI has also mandated that for registration of transfer of securities, the transferee(s) as well as transferor(s) shall furnish a copy of their PAN card to the Company for registration of transfer of securities.
15. **The Company is concerned about the environment and utilizing natural resources in a suitable way. We request you to update your email address with your Depository participant to enable us to send all the communications via email.**
16. E Voting & its procedures:

Voting through Electronic Means:

- In compliance with provisions of Section 108 of the Companies Act 2013 read with the Companies (Management and Administration) Rules, 2014, as substituted by the Companies (Management and Administration) Amendment Rules, 2015 ('Amended Rules 2015') and Regulation 44 of the Listing Regulations and Secretarial Standard on General Meetings (SS2) issued by the Institute of Company Secretaries of India, the Company is pleased to provide its members facility to exercise their right to vote on resolutions proposed to be considered, the Company is pleased to offer E-Voting facility as an alternate, for its shareholders to enable them to cast their votes electronically at the 26th Annual General Meeting (AGM) through e-voting service provided by Central Depository Services (India) Limited. E-Voting is optional.
- 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 remote e-voting period commences at 9.00 a.m. on Monday, 11th September 2017 and will end at 5.00 p.m. on Wednesday, 13th September, 2017. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 7th September, 2017, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- The Company has appointed Smt. Lakshmmi Subramanian, Practicing Company Secretary, to act as the Scrutinizer, for conducting the scrutiny of the votes cast and she has communicated her willingness to be appointed. The Scrutinizer, after scrutinising the votes cast at the meeting (Insta Poll) and through remote e-voting, will, not later than 48 hours

of conclusion of the Meeting, make a consolidated scrutinizer's report and submit the same to the Chairman. The results declared along with the consolidated scrutinizer's report shall be placed on the website of the Company www.blissgroup.com and CDSL website. The results shall simultaneously be communicated to the Bombay Stock Exchange Limited.

The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter:

In case of members receiving e-mail:

- (i) Log on to the e-voting website www.evotingindia.com
- (ii) Click on "Shareholders" tab.
- (iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"
- (iv) Now Enter your User ID (For CDSL: 16 digits beneficiary ID, For NSDL: 8 character DP ID followed by 8 Digits Client ID, Members holding shares in Physical Form should enter Folio Number registered with the Company and then enter the Captcha Code as displayed and Click on Login.
- (v) If you are holding shares in Demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used. If you are a first time user follow the steps given below.
- (vi) Now, fill up the following details in the appropriate boxes:

	For Members holding shares in Demat Form	For Members holding shares in Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)	
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.	
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio.	

*Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of your name and the sequence number in the PAN field. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.

Please enter any one of the details in order to login. In case either of the details is not recorded with the depository, please enter the <Default Value> in the Dividend Bank details field.

- (vii) After entering these details appropriately, click on "SUBMIT" tab.
- (viii) Members holding shares in physical form will then reach directly 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.
- (ix) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (x) Click on <Company Name> on which you choose to vote.
- (xi) 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.
- (xii) Click on the "Resolutions File Link" if you wish to view the entire Resolutions.
- (xiii) 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.
- (xiv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

- (xv) You can also take out print of the voting done by you by clicking on “Click here to print” option on the Voting page.
- (xvi) If Demat account holder has forgotten the changed password then enter the User ID and Captcha Code click on Forgot Password & enter the details as prompted by the system.
- (xvii) Institutional shareholders (i.e. other than Individuals, HUF, NRI etc. are required to log on to <https://www.evotingindia.co.in> and register themselves as Corporates. After receiving the login details they have to link the account(s) which they wish to vote on and then cast their vote. They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.
- (xviii) Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively. Please follow the instructions as prompted by the mobile app while voting on your mobile

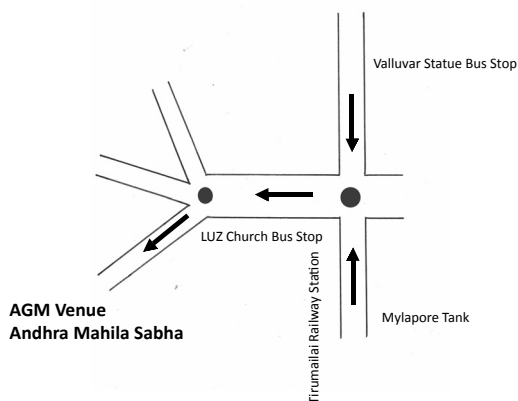
In case of members receiving the physical copy:

- (A) Please follow all steps from s. no. (i) to s. no. (xvii) above to cast vote.
- (B) The voting period begins on 11.09.2017 and ends on 13.09.2017. During this period shareholders’ of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of 07.09.2017, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (C) 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.co.in under help section or write an email to helpdesk.evoting@cdslindia.com:

Please note that by virtue of providing the e-voting facility by the company as per Rule 20 of Companies (Management and Administration) Rules, 2014 the following will be applicable

- (i) The manner of voting for the members being present in the General Meeting will be on “proportion principle” i.e. one share – one vote unlike one person one vote principle, further provision of the Companies Act, 2013 relating to demand for poll will not be relevant.
- (ii) The option of voting by show of hands will not be available for members present in the General Meeting in view of clear provision of section 107 of the Companies Act, 2013, i.e. voting by show of hands would not be allowable in cases where Rule 20 of Companies (Management and Administration) Rules, 2014 is applicable.
- (iii) Any member who has voted through e-voting facility provided by the company may also participate in the General Meeting in person, but such a member will not be able to exercise his vote again in the meeting, and the earlier vote casted through electronic means will be treated as final.

For your immediate reference, we also give below the location / route map to reach the venue of the Annual General Meeting of the Company



EXPLANATORY STATEMENT IN RESPECT OF THE SPECIAL BUSINESS PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013:
Item no. 4:

The Board of Directors, on the recommendation of Nomination and Remuneration Committee appointed Sri G.S. Rajasekar (DIN: 00086002) as an Additional Director of the Company under Section 161 of the Companies Act, 2013 effective from 30th May 2017 who holds office up to the date of this Annual General Meeting.

The Company has received a notice in writing from a member under the provisions of Section 160 of the Act together with the requisite deposit amount proposing the candidature of Sri G.S. Rajasekar for the office of Director. The Company has received from Sri G.S. Rajasekar the requisite disclosures/declarations pursuant to the provisions of the Act.

Except Sri G.S. Rajasekar, being an appointee and Sri G.S. Sridhar, Joint Managing Director & CFO, relative of the appointee, none of the Directors and Key Managerial Personnel and their relatives is interested or concerned financial or otherwise in the proposed resolution. The Board of Directors recommend passing of the resolution set out in Item No - 4 of the Notice.

Item no. 5:

Pursuant to the Companies (Amendment) Act, 2015, use of Common seal has become optional for the Companies. The company has to execute various agreements, documents etc. towards its business and other administrative necessities. In view of the same and to facilitate administrative convenience for execution of such documents on behalf of the Company it is proposed to alter the existing Articles of Association of the Company by removing the clauses related to common seal.

Pursuant to Section 14 of the Companies Act, 2013 and relevant rules, the said alteration can be effected only with the approval of Shareholders by passing a special resolution. Thus the Board recommends the resolution set forth in Item no. 5 for the approval of the members.

Articles of Association of the Company would be available for inspection for the members at the registered office of the company during the business hours on any working day.

None of the Directors and Key Managerial Personnel of the Company and their relatives is concerned or interested, financial or otherwise, in the Resolution at Item No - 5 of the Notice.

As required under Regulation 36(3) of SEBI Listing (Obligations and Disclosures Requirements) Regulations 2015, a brief profile of the Director getting appointed / reappointed along with the nature of their expertise, is provided in this Annual Report:

Item No.	2	4
Name of Director	Sri. G.S. Sridhar	Sri G.S. Rajasekar
Age	50 years	46 years
Qualification	Graduate in B.E. Electronics	B.Com, ASM, AICWA, MBA (University of Mississippi, Oxford, USA.), CISA (Information Systems Audit and Control Association, USA)
Brief profile including expertise	Sri G.S. Sridhar has more than 26 years of successful career behind him and has served as Director for a period of more than 9 years in the Company. His array of exposure has extended to areas like Finance & Production Planning, Operational techniques, Legal Matters, Management Quality Systems etc. He is taking care of Finance, Production and Operations of the Company.	Sri G.S. Rajasekar has over 22 years of rich and exhaustive experience in the areas of Accounting, BPO, Finance, Taxation, Audit, Consulting, Information Technology, Operations, Banking, Corporate Planning Investment Advisory and has held senior management positions during his career. He started his career in year 1994 with Hello World Inc., in New York, USA as Accounting and System Analyst. During the year 1995, he joined Council on International Educational Exchange, New York., USA as Manager & Senior Cost Accountant, Flown Revenue.

		<p>He joined BLISS Group of Companies, Chennai, India in 1997 as Vice President - Corporate Planning, Projects & IT and later on appointed as Group CFO & Head IT.</p> <p>He was then appointed as a Chief Executive Officer ACTIVEPOINT Business Consultants (P) Ltd., Chennai in March 2005.</p>
Date of Appointment	25.09.2008	30.05.2017
Directorships in other companies	Balaji Trading Enterprises Private Limited	Activepoint Business Consultants Private Limited
List of Directorship/ Membership / Chairmanship of Committees of other Board.	None	None
Relationship with other Directors	Relative of Sri. G.S. Rajasekar, Additional Director.	Relative of Sri. G.S. Sridhar, Joint Managing Director & CFO.
Terms and Conditions of appointment or re-appointment	As per Nomination and Remuneration Policy of the Company	As per Nomination and Remuneration Policy of the Company
Shareholding in Stanpacks India Limited	26,568 (0.44%)	49,000 (0.80%)
No. of Board meetings attended during the year	7	None

**By Order of the Board
For Stanpacks (India) Limited**

**Place : Chennai
Date : 30th May 2017**

**M. Uma Maheswari
Company Secretary**

BOARD'S REPORT

To

The Members

Your Directors have pleasure in presenting the Twenty Sixth Annual Report, together with the Audited Accounts of the Company for the year ended 31st March 2017.

FINANCIAL RESULTS:

The Company's financial results for the period under review are as follows:-

(Rs. In lakhs)

PARTICULARS	2016-17	2015-16
GROSS REVENUE FROM OPERATIONS	3,167.54	2734.94
NET REVENUE FROM OPERATIONS & OTHER INCOME	2,788.57	2410.85
PROFIT BEFORE INTEREST, DEPRECIATION & TAXES	344.87	363.47
INTEREST	243.01	264.66
DEPRECIATION	65.17	61.30
PROFIT BEFORE TAX	36.69	37.51
DEFERRED TAX	-	-
PROFIT / (LOSS) AFTER TAX	36.69	37.51
PROFIT/ (LOSS) OF EARLIER YEARS	(442.62)	(480.13)
PROFIT / (LOSS)	(405.93)	(442.62)

DIVIDEND:

Considering the current financial position, the Board of Directors does not recommend any dividend for the financial year 2016-17.

REVIEW OF OPERATIONS:

During the year under review, your Company reported gross Revenue from Operations of Rs. 3167.54 lakhs as against Rs. 2734.94 lakhs during the corresponding period of the previous year, representing a growth of 16% and improved its market share. The Net profit after depreciation, interest and tax stood at Rs. 36.69 lakhs as compared to Rs. 37.51 lakhs in the previous year. The accumulated losses as on 31st March 2017 have been decreased to Rs. 405.93 lakhs. The Company has also achieved reasonable sales in terms of exports.

Financial year 2016-2017 continued to remain a challenging year owing to intense competition, increase in the cost of key raw materials and sluggish market condition prevailing in industry. In spite of this, the company was able to achieve higher turnover with greater operational efficiency and better cost management. Despite a challenging macroeconomic environment, the Company reported consistent performance on pursuance of aggressive marketing policies and continued to strengthen its presence in market.

Your Directors are confident that the Company will continue to maintain rates of growth since its products are well received by a wide range of customers and continues to earn recognition. The management has been continuously monitoring the trend for striving to meet the consumer's expectations. The Company expects better performance during the year 2017-18 with expected major utilization of its capacity for the manufacture of BOPPACK bags. The growth of the Company is directly proportional to the growth of the packaging industries. Since the outlook for the industry appears to be positive, your Directors are hopeful in achieving better results over the terms. It is expected that subject to favorable economic condition, the prospects for the current year is likely to be better

TRANSFER TO RESERVES:

The Company has made no transfers to reserves during the financial year 2016-17.

MATERIAL CHANGES AND COMMITMENTS:

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of this report.

MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

As required under Regulation 34(2) of the SEBI Listing (Obligations and Disclosures) Requirements Regulations, the Management Discussion and Analysis Report is enclosed as *Annexure 1*.

EXTRACT OF ANNUAL RETURN:

The details forming part of the extract of Annual Return in form MGT-9 as required under Section 92 of the Companies Act, 2013 is included in this Report as *Annexure – 2* and forms an integral part of this Report.

DIRECTORS AND KEY MANAGERIAL PERSONNEL (KMP):

Sri G. Radhakrishna has tendered his resignation from the post of Director with effect from 30th May 2017. The Board of Directors has acknowledged the resignation and expressed their sincere appreciation for his contribution to the Company during his tenure of Director.

The Board of Directors has appointed Sri G.S. Rajasekar as Additional Director (Non-Executive) with effect from 30th May 2017 holds office up to the date of ensuing Annual General Meeting. Accordingly, the Board recommends appointment of Sri G.S. Rajasekar as Non-Executive Director for shareholders' approval. The above business forms part of Notice of the 26th Annual General Meeting.

Sri. G.S. Sridhar Director retires by rotation at the ensuing Annual General Meeting and being eligible, offers himself for re-appointment. The subject forms part of the ordinary business in the Notice of the 26th Annual General Meeting.

Ms. Uma Maheswari was appointed as the Company Secretary in the place of Mr. S Chandrasekar from 14th November, 2016.

NUMBER OF MEETINGS OF THE BOARD AND BOARDS' COMMITTEE:

The Board meets at regular intervals to discuss and decide on business strategies / policies and review the financial performances of the Company. The Board Meetings are pre-scheduled and a tentative annual calendar of the Board is circulated to the Directors well in advance to facilitate the Directors to plan their schedules.

Meeting	No. of Meeting during the Financial Year 2016-17	Date of the Meeting
Board Meeting	7	2nd May 2016, 25th May 2016, 28th July 2016, 22nd September 2016, 28th October 2016, 9th November 2016 & 8th February 2017.
Audit Committee	4	25th May 2016, 28th July 2016, 9th November 2016 & 8th February 2017.
Nomination & Remuneration Committee	1	9th November 2016
Share transfer Committee	3	07th April 2016, 18th April 2016 & 22nd June 2016
Stakeholders' Grievances Committee	-	No meeting held during the year.

The interval between two Board Meetings was well within the maximum period mentioned under section 173 of the Companies Act, 2013, and SEBI Listing (Disclosures and Obligations Requirements) Regulations, 2015

DIRECTORS' RESPONSIBILITY STATEMENT:

As required under Section 134(3)(C) of the Companies Act, 2013 the Directors hereby state and confirm that they have:

- In the preparation of the annual accounts for the year ended 31st March 2017, the applicable accounting standards had been followed along with proper explanation relating to material departures;

- b) They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at the end of the Financial Year and of the profit and loss of the Company for the year ended on that date;
- c) They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- d) They have prepared the annual accounts on a going concern basis;
- e) They have laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and operating effectively.
- f) They have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

During the year under review, there were no frauds reported by the Auditors on the employees or officers of the Company under section 143(10) of the Companies Act, 2013.

INDEPENDENT DIRECTORS:

The Company is managed and controlled by professional Board of Directors with an optimum combination of Executive, Non-Executive and Independent Directors including one Woman Director. The Non – Executive Independent Directors fulfills the conditions of independence specified in Section 149(6) of the Companies Act, 2013. The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Act, that they meet the criteria of independence as laid down in Section 149(6) of the Act.

Whenever new Non-executive and Independent Directors are inducted in the Board they are introduced to our Company's culture through appropriate orientation session and they are also introduced to our organization structure, our business, constitution, board procedures, our major risks and management strategy. The appointment letters of Independent Directors has been placed on the Company's website at www.blissgroup.com.

SEPARATE MEETING OF THE INDEPENDENT DIRECTORS:

As required under Clause VII of Schedule IV of the Companies Act, 2013, the Independent Directors held a Meeting on 8th February 2017, without the attendance of Non-Independent Directors and members of Management.

NOMINATION AND REMUNERATION POLICY:

Pursuant to Section 178(3) of the Companies Act, 2013, the Board of Directors has framed a policy which lays down a framework in relation to remuneration of Directors, Key Managerial Personnel and Senior Management of the company. The policy also lays down the criteria for selection and appointment of Board Members.

Nomination & remuneration Policy:

In accordance with the Nomination and Remuneration Policy, the Nomination and Remuneration Committee has, inter alia, the following responsibilities:

1. The Committee shall formulate the criteria for determining qualifications, positive attributes and independence of a director.
2. The Committee shall identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy.
3. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel.
4. The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly).
5. The remuneration/ compensation/ commission etc. to the Whole-time Director, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration/ compensation/ commission etc. shall be subject to the prior/ post approval of the shareholders of the Company and Central Government, wherever required.

6. Increments to the existing remuneration/ compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Whole-time Director.
7. Where any insurance is taken by the Company on behalf of its Whole-time Director, Chief Executive Officer, Chief Financial Officer, the Company Secretary and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.
8. The Non- Executive/ Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof provided that the amount of such fees shall not exceed Rs. One lakh per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.
9. Commission to Non-Executive/ Independent Directors may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

BOARD EVALUATION:

Pursuant to the provision of the Companies Act, 2013, a structured questionnaire was prepared after taking into consideration of the various aspects of the Boards' functioning, composition of the Board and its committees, culture, execution and performance of specific duties, obligations and governance.

The performance evaluation of the Independent Directors was completed. The performance evaluation of the Chairman and the Non-Independent Directors was carried out by the Independent Directors. The Board of Director expressed their satisfaction with the evaluation process.

AUDIT COMMITTEE RECOMMENDATION:

During the year all the recommendations of the Audit Committee were accepted by the Board. Pursuant to Section 177(8) of the Companies Act, 2013, the Composition of Audit Committee is given as under:

Composition of Audit Committee:

The Composition of the Audit Committee as on 31st March 2017 is as follows:

- Sri R Sukumar – Chairman cum Member
- Sri S Ramakrishnan – Member
- Sri G P N Gupta – Member
- The Company Secretary shall act as the Secretary of the Committee

INTERNAL COMPLAINTS COMMITTEE:

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee ("ICC") has been set up to redress the complaints received regarding sexual harassment. All employees are covered under this policy. No Complaints were received and disposed off during the year under review. Further, in the meeting held on 30th May 2017, the Board has approved the reconstitution of the Committee with the following members:

1. Ms. Jeyalakshmi – Presiding Officer
2. Sri. Maria Augustin – Member
3. Ms. Rathi Kumari– Independent Member
4. Ms. Vasantha Sagayee - Member

VIGIL MECHANISM:

Pursuant to Section 177(9) of the Companies Act, 2013, your Company has established a Vigil Mechanism policy for directors and employees to report concerns about unethical behaviors, actual or suspected fraud, violations of Code of Conduct of the Company etc. The mechanism also provides for adequate safeguards against victimization of employees who avail of the mechanism and also provides for direct access by the Whistle Blower to the Audit Committee. It is affirmed that during the Financial Year 2016-17, no employee has been denied access to the Audit Committee. The vigil mechanism policy is also available in the company's website www.blissgroup.com

RISK MANAGEMENT

The Board of Directors has developed and implemented the risk management policy for the Company which provides for identification, assessment, control of risks and details the procedures to be followed by the Company with regard to risk management. The Management identifies and controls risks through a properly defined framework in terms of the aforesaid policy.

STATUTORY AUDITORS:

Pursuant to the provisions of Section 139 of the Companies Act, 2013, and Rules made thereunder the term of office of M/s. M.Srinivasan & Associates (Firm Registration No. 004050S), Chartered Accountants, as the Statutory Auditors of the Company will conclude from the close of ensuing Annual General Meeting of the Company.

The Board of Directors of the Company has recommends the appointment of M/s..J.V. Ramanujam & Co, Chartered Accountants (Firm Registration No. 002947S) as the Statutory Auditors of the Company

INDEPENDENT AUDITOR'S REPORT:

Clarification on Auditor's observation is given below:

'Emphasis of Matter' of the Independent Auditor's Report:

We draw attention to Note no. 4 of the notes to accounts to the financial statements prepared on going concern basis which is self explanatory. Our opinion is not modified in respect of this matter.

Management's Reply:

As mentioned in Note no 4 of notes on accounts, the accumulated losses have reduced to Rs. 405.93 lakhs resulting with erosion of 66.59% of Networth. The Company has shown positive bottom-line performance from the previous year 2015-16.

Having regard to improved operational performance, financial support from bankers and promoters, the Company is confident of achieving better results in the years to come. The Company intends to monetize its identified assets. Further, the management is continuously implementing several measures to improve operational efficiencies and along with minimizing cost. The management is confident that with the above measures and continuous efforts will improve the business and recoup the erosion of net worth.

COST AUDIT:

Pursuant to notification of Companies (Cost Records and Audit) Rules, 2014 read with Companies (Cost Records and Audit) amendment rules, 2014, the Company's product does not fall under the purview of Cost Audit from the financial year 2014-15. The Company has also intimated the non-applicability of Cost Audit to the Registrar of Companies.

SECRETARIAL AUDITORS:

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and rules made thereunder, the Company has appointed M/s. Lakshmmi Subramanian & Associates, Practising Company Secretaries to undertake the Secretarial Audit of the Company. The Secretarial Audit Report for the year 2016-17 is included as **Annexure 3** and forms an integral part of this Report. There is no secretarial audit qualification for the year under review.

LOANS, GUARANTEES AND INVESTMENTS:

The Company has not granted loan or guarantee in respect of a loan to any person or body corporate or acquisition of shares in other body corporate under section 186 of the Companies Act, 2013.

RELATED PARTY TRANSACTIONS:

All related party transactions that were entered into during the financial year were on an arm's length basis and were in the ordinary course of business. There are no materially significant related party transactions made by the Company with Promoters, Directors, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Thus, disclosure in Form AOC-2 is not required.

The related party transactions as required under Section 134(3)(h) of the Companies Act 2013, r/w Rule 8 of the Companies (Accounts) Rules, 2014 are detailed under Note 12 – Notes annexed to and forming part of the Balance Sheet of the company.

REMUNERATION RATIO OF THE DIRECTORS / KEY MANAGERIAL PERSONNEL (KMP) / EMPLOYEES:

The information required pursuant to Section 197 read with Rule 5 of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 in respect of employees of the Company and Directors is furnished hereunder:

(Rs. in lakhs)

S. No	Name	Designation as on 31st March 2017	Remuneration paid FY 2016-17	Remuneration paid FY 2015-16	Increase in remuneration from previous year	Ratio / times per median of employee remuneration
1	G.V. Gopinath	Managing Director	11.52	7.68	50%	9.88
2	G.S. Sridhar	Joint Managing Director and Chief Financial Officer	11.52	7.68	50%	9.88
3	*M. Uma Maheswari	Company Secretary	1.68	-	-	-

Note:

- The remuneration payable to the KMP / Whole time directors are in accordance with the Industry and Geographical standards and as per the Remuneration policy of the Company.
- The percentage increase in the median remuneration of employees in the financial year is 13.32%
- The number of permanent employees on the rolls of company as on 31st March 2017 is 46
- The average increase in salaries of employees other than managerial personnel in 2016-17 was 17%.
- No remuneration is paid to the Independent Directors of the Company other than the sitting fees of Rs.10,000/- for attending Board / Committee Meetings. The details of sitting fees paid to the Directors are set out in Extract of Annual Return (Annexure 2)
- * M. Uma Maheswari, Company Secretary was appointed with effect from 14th November, 2016. Hence disclosures with respect to median and increase in remuneration is not applicable.

PERSONNEL:

None of the employees of the Company drew remuneration which in the aggregate exceeded the limits fixed under Section 134(3)(q) read with Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:

The Particulars relating to conservation of energy, technology absorption and foreign exchange earnings and outgo as required under Sec.134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 are enclosed as part of the Report as **Annexure – 4**.

CORPORATE GOVERNANCE:

As prescribed under the provisions of Regulation 15(2) of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015, your Company does not fall under the purview of complying with the provisions of Corporate Governance. During the year, with the approval of Board of Directors, your Company has informed the non-applicability provision to the Bombay Stock Exchange.

Since, the provision of Corporate Governance is not applicable for the entire Financial Year 2016-17, a separate report of Corporate Governance is not disclosed in the Annual Report 2016-17.

LISTING FEES:

The Company confirms that it has paid the annual listing fees for the year 2017-18 before the due date to the Bombay Stock Exchange.

CLOSURE OF REGISTER OF MEMBERS AND SHARE TRANSFER BOOKS:

The Register of Members and Share Transfer books of the company will be closed with effect from 7th September 2017 to 14th September 2017 (both days inclusive).

FIXED DEPOSITS:

During the financial year 2016-17, your Company has not accepted any deposit under the provisions of the Companies Act, 2013 read together with the Companies (Acceptance of Deposits) Rules, 2014.

Your company has repaid all the deposits accepted under Companies Act, 1956 with interest and no such amount of principal or interest was outstanding as on the Balance Sheet date.

SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE COURTS OR REGULATORS OR TRIBUNALS:

During the year, the Company has not received any significant and material orders passed by the Regulators or courts or tribunals which would affect the going concern status of the Company and its future operations.

INTERNAL FINANCIAL CONTROLS:

The company has in place Internal Financial Control system, commensurate with size & complexity of its operations to ensure proper recording of financial and operational information & compliance of various internal controls & other regulatory & statutory compliances. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls

QUALITY MANAGEMENT SYSTEMS:

Your Directors are happy to resort that as a commitment in meeting global quality standards, your company continues to have ISO 9001:2008 quality management systems a certificate from Intertek Certification Limited.

FORWARD LOOKING STATEMENTS:

Statements in this management discussion and analysis describing the Company's objectives, projections, estimates and expectations may be 'forward-looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important factors that could make a difference to the Company's operations include economic conditions affecting demand/supply and price conditions in the domestic and overseas markets in which the company operates, changes in the Government regulations, tax laws and other statutes and other incidental factors.

ACKNOWLEDGEMENT:

Your Directors take this opportunity to express their sincere gratitude to the encouragement, assistance, co-operation and support given by the Central Government, the Government of Tamil Nadu, the Karnataka Bank Ltd. during the year. They also wish to convey their gratitude to all the customers, Auditors, suppliers, dealers and all those associated with the company for their continued patronage during the year.

Your Directors also wish to place on record their appreciation for the hard work and unstinting efforts put in by the employees at all levels. The directors are thankful to the esteemed stakeholders for their continued support and the confidence reposed in the Company and its management.

For and on behalf of the Board

Place : Chennai
Date : 30th May 2017

G V Gopinath
Managing Director

G S Sridhar
Joint Managing Director and CFO

ANNEXURE - 1**MANAGEMENT DISCUSSION AND ANALYSIS REPORT****ECONOMIC OVERVIEW:**

The environment for global trade has probably undergone a paradigm shift in the aftermath of Brexit. Global economy remained passive in 2016 after deceleration in China. The growth is likely to be derived from developing economies and expected to revive 2017 onwards. Market conditions in several large economies currently in distress are also expected to normalise. Global economic growth projections for 2017 and 2018 are 3.4% and 3.6%, respectively. The change in the outlook for global interest rates as a result of the US elections and the implied change in expectations of US fiscal and monetary policy will impact on India's capital flows and exchange rates.

Last year was marked by two major domestic policy developments, the passage of the Constitutional amendment, paving way for implementing the transformational Goods and Services Tax (GST) and the action to demonetise the two highest denomination notes. These actions would allow growth to return to trend in 2017-18, following a temporary decline in 2016-17. India has been a major driver of global economic growth with an expected growth of 7.5 per cent for 2017-18 against 7.1 per cent in 2016-17. India fastest growing economy in the world and these reforms will help India to outperform its peers.

INDUSTRY STRUCTURE AND DEVELOPMENTS:

Given the increasing consumption of plastic products, plastic manufacturers are bullish about the growth prospects of the sector in FY18. According to industry sources, polymers sector will grow 10-12 percent. As application of polymers is increasing in new products and sectors, the per capita consumption of plastic is set to rise spurring the growth of plastic manufacturing sector by at least 10 per cent. New technologies are being developed and usage of polymers is increasing in newer areas there by increasing the demand for plastic products.

Polypropylene (PP) is the second most widely traded polymer in the world after polyethylene. Polypropylene largely used plastic raw-material by Indian industry. The major end users of polypropylene are the packaging industry, which consumes about 30% of the total, followed by the electrical and equipment manufacturing. Global demand for polymers has reached about 218 million tonnes and the share of polypropylene in total polymer consumption is about 25%. In India, polypropylene is used in a host of applications due to its versatility, ease of manufacturing, cost efficiency and affordability. Packaging currently accounts for the largest consumption of plastics in India, at 24% of overall consumption. Domestic PP production is forecast to grow at a CAGR of about 6.1%. The global rigid polypropylene packaging market has exhibited considerable growth during the past few years. Polypropylene packaging is used in various industries such as food & beverages, pharmaceuticals, and personal care, among others.

SCOT ANALYSIS:**OPPORTUNITIES AND STRENGTHS:**

In India, strong demand for the Polypropylene by various end user industries and rapid industrialization are expected to steer India Polypropylene market during 2017-2030. Expanding packaging industries are the highlights of growing Polypropylene market in the country during the forecast period. Growing urbanization along with rising disposable income and changing lifestyle will bolster the demand for packaging, thereby escalating the market of Polypropylene in the country. Furthermore, various special plastic industrial zones have been launched across India which would fuel the demand of Polypropylene, further contributing to its market during the forecast period.

According to a Research report "India Polypropylene Market Study", the polypropylene market in India is projected to grow at a CAGR of over 11% during 2017 - 2030. India accounted for a share of around 10 percent in the global propylene market in 2015. We expect robust demand growth over the next five years and rate of growth of demand will be 10.3% per annum.

The demand for PP in packaging applications has the best growth potential among the various end-use applications. Continuous innovation in packaging applications is helping replace traditional packaging materials with polypropylene. Packaging applications of polypropylene, is driving demand for packaging in developing and developed countries alike. Polypropylene in packaging applications is driven by retail sector and this sector will register growth in all the major regions of the world.

CHALLENGES AND THREATS:

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 industries to which it caters. Availability of raw materials continues to remain as areas of concern for the industry. Apart from this, the industry is also facing the problem of shortage of skilled labour.

Undoubtedly keeping costs low is key in many areas, but other market drivers also create opportunities for innovation and knowing these is key to developing and offering further value, helping in maintaining competitive position in the market. The major players have been aggressively pursuing quality improvement programmes, coupled with capacity additions and increasingly, more up-to-date technologies are implemented.

INTERNAL CONTROL SYSTEM:

The Company has put in place an adequate internal control system to commensurate with the size of operations. These controls ensure that transactions are authorized, recorded and reported on time. The system meticulously records all transaction details. They ensure that assets are safe guarded and ensure operational excellence.

Internal Audit are conducted in different areas of Company's operations. The internal audit reports are periodically reviewed by the Audit Committee of the Board of Directors. Wherever necessary, internal control systems are strengthened and corrective actions initiated. The company ensures adherence to all statutes.

HUMAN RESOURCES:

The overall industrial relations atmosphere continued to be cordial. The company promotes just and fair employment practices and also employee-friendly policies and processes ensuring their career aspirations are met through professional growth and personal development. The quality of the employees is the key to its success in the long run and the company is committed to provide necessary human resource development.

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The Internal Complaints Committee (ICC) has been set up to redress complaints received regarding sexual harassment. During the period under review, there were no complaints received by the ICC.

OUTLOOK

The performance in recent years of the company has been very encouraging. The strategy for growth is clear. Extensive customer engagement and focused business development efforts have made the company a well-regarded packaging solution provider. The Company believes that it is well positioned to deliver superior performance driven by the strong brand equity. In view of these factors, the outlook for the year remains positive and the company's performance is expected to improve substantially during the year 2017-18.

CAUTIONARY STATEMENT:

Statements in the Directors' Report and Management Discussion & Analysis contain forward looking statements. Actual results, performances or achievements may vary materially from those expressed or implied, depending upon the economic conditions, Government policies, subsequent developments and other incidental factors

For and on behalf of the Board

Place : Chennai
Date : 30th May 2017

G V Gopinath
Managing Director

G S Sridhar
Joint Managing Director and CFO

ANNEXURE – 2
EXTRACT OF ANNUAL RETURN
FORM MGT 9

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

Financial Year ended on 31.03.2017

I. REGISTRATION AND OTHER DETAILS:

CIN	L36991TN1991PLC021888
Registration Date	20.12.1991
Name of the Company	Stanpacks (India) Limited
Category / Sub-Category of the Company	Company Limited by shares / Indian Non-Government Company
Address of the Registered office and contact details	“S.K.Enclave”, No.4, Nowroji Road, Chetpet, Chennai – 600 031 Ph: 044 26452325 Fax: 91-44-26451720
Whether listed company	Yes (Listed in BSE)
Name, Address and Contact details of Registrar and Transfer Agent, if any	M/s.Cameo Corporate Services Ltd. No.1, Club House Road, Mount Road, Chennai – 600 002

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:-

S. No.	Name and Description of main products/ services	NIC Code of the Product/ service	% to total turnover of the company
1	Articles of Plastics and Polymers	3923	100%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

S. No.	Name and address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
NIL					

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

Category of Shareholders	No. of Shares held at the beginning of the year*				No. of Shares held at the end of the year*				% change during the year*
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/ HUF	1479527	-	1479527	24.27	1479527	-	1479527	24.27	-
b) Central Govt	-	-	-	-	-	-	-	-	-
c) State Govt (s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp	675395	-	675395	11.08	675395	-	675395	11.08	-
e) Banks/FI	-	-	-	-	-	-	-	-	-
f) Any other	-	-	-	-	-	-	-	-	-
Sub-total (A) (1):	2154922	-	2154922	35.35	2154922	-	2154922	35.35	-
(2) Foreign									
a) NRIs - Individuals	-	-	-	-	-	-	-	-	-
b) Other - Individuals	-	-	-	-	-	-	-	-	-
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks/FI	-	-	-	-	-	-	-	-	-
e) Any Other	-	-	-	-	-	-	-	-	-
Sub-total (A)(2):	-	-	-	-	-	-	-	-	-
Total shareholding of Promoter(A)= (A)(1)+(A) (2)	2154922	-	2154922	35.35	2154922	-	2154922	35.35	-
B. Public Shareholding									
1. Institutions									
a) Mutual Funds	87625	-	87625	1.44	87625	-	87625	1.44	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Government(s)	-	-	-	-	-	-	-	-	-
d) State Government(s)	-	-	-	-	-	-	-	-	-

e) Venture Capital Funds	-	-	-	-	-	-	-	-	-
f) Insurance Companies	-	-	-	-	-	-	-	-	-
g) FIIs	-	1100	1100	0.02	-	1100	1100	0.02	-
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
i) Others (Specify)	-	-	-	-	-	-	-	-	-
Sub-total (B)(1):	87625	1100	88725	1.46	87625	1100	88725	1.46	-
2. Non-Institutions									
a) Bodies Corporate									
i) Indian	105578	4100	109678	1.80	108058	4100	112158	1.84	0.04
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lakhs	1389297	889243	2278540	37.38	1335036	880743	2215779	36.35	(1.03)
ii) Individual shareholders holding nominal share capital in excess of Rs.2 lakhs	1136792	37200	1173992	19.26	1185504	37200	1222704	20.05	0.79
c) Others (specify)									
Hindu Undivided Family (HUF)	74044	-	74044	1.21	99413	-	99413	1.63	0.42
Non Resident Indians	92099	124000	216099	3.54	78299	124000	202299	3.32	(0.22)
Sub-total (B)(2):	2797810	1054543	3852353	63.19	2806310	1046043	3852353	63.19	-
Total Public Shareholding (B) = (B)(1)+(B)(2)	2885435	1055643	3941078	64.65	2893935	1047143	3941078	64.65	-
C. Shares held by Custodian for GDRs & ADRs	-	-		-	-	-	-	-	-
Grand Total (A+B+C)	5040357	1055643	6096000	100.00	5048857	1047143	6096000	100.00	-

ii) Shareholding of Promoters:

S. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledge/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledge/ encumbered to total shares	
1	Balaji Trading Enterprises Private Limited	675395	11.08	-	675395	11.08	-	-
2	Radhakrishna G	242900	3.98	-	242900	3.98	-	-
3	Gupta G P N	189800	3.11	-	189800	3.11	-	-
4	Chalapathi G V	107500	1.76	-	107500	1.76	-	-
5	Sudhakar Gorantla	100000	1.64	-	100000	1.64	-	-
6	G V Jayalakshmi	96800	1.59	-	96800	1.59	-	-
7	Latharani G	79000	1.30	-	79000	1.30	-	-
8	G S Sarojini	77800	1.28	-	77800	1.28	-	-
9	M V Chandrashekar	75759	1.24	-	75759	1.24	-	-
10	Pragathi G R	51600	0.85	-	51600	0.85	-	-
11	Rajasekar G S	49000	0.80	-	49000	0.80	-	-
12	Srinivas G S	42600	0.70	-	42600	0.70	-	-
13	G R Mahalakshmi	41300	0.68	-	41300	0.68	-	-
14	G Sangeetha	37200	0.61	-	37200	0.61	-	-
15	Sathishkumar G V	34667	0.57	-	34667	0.57	-	-
16	Anil kumar G S	32600	0.53	-	32600	0.53	-	-
17	Jwala G S	31800	0.52	-	31800	0.52	-	-
18	Ramraj G P	27900	0.46	-	27900	0.46	-	-
19	Sridhar G S	26568	0.44	-	26568	0.44	-	-
20	Rachitha G B	23466	0.38	-	23466	0.38	-	-
21	Nandhini G A	22500	0.37	-	22500	0.37	-	-
22	Gorantla Ravichandran	20700	0.34	-	20700	0.34	-	-
23	Balaji GV	18700	0.31	-	18700	0.31	-	-
24	Vijaya lakshmi GS	12800	0.21	-	12800	0.21	-	-
25	Reena G R	9600	0.16	-	9600	0.16	-	-
26	G Ahalya	7500	0.12	-	7500	0.12	-	-
27	Achyutha G R	6000	0.10	-	6000	0.10	-	-
28	Sadavaktra Pravan G	5000	0.08	-	5000	0.08	-	-
29	Gopinath G V	4967	0.08	-	4967	0.08	-	-
30	Ravindra Reddy Madupu	3500	0.06	-	3500	0.06	-	-

(iii) Change in Promoters' Shareholding**-NIL-**

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

Sl. No.	Name of the Top 10 Shareholders	Date of Change	Shareholding at the beginning of the year		Cumulative Shareholding during the year		Shareholding at the end the year	
			No. of shares	% of total shares of the company	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Muralidar G		298762	4.90	298762	4.90	298762	4.90
2	Hitesh Ramji Javeri JT1: Radhabai Ramji Javeri JT2 : Harsha Hitesh Javeri		200000	3.28	200000	3.28	200000	3.28
3	S Raja Mannar		110110	1.81	110110	1.81	110110	1.81
4	A R Ganeshwar		103943	1.71	103943	1.71	103943	1.71
5	Harsha Hitesh Javeri JT1 : Hitesh Ramji Javeri JT2 : Radhabai Ramji Javeri		99490	1.63	99490	1.63	99490	1.63
6	Indian Bank Mutual Fund		87625	1.44	87625	1.44	87625	1.44
7	Indumouli M C		55200	0.91	55200	0.91	55200	0.91
8	Darshan J. Bhagat		50000	0.82	50000	0.82	50000	0.82
9	Dipak Kanayalal Shah JT1 : Mita Dipak Shah JT2 : Sharad Kanayalal Shah	23/12/2016	0.00	0.00	44833	0.74		
		10/03/2017	-	-	3879	0.06	48712	0.80
10	BITS Limited		43140	0.71	43140	0.71	43140	0.71

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.	Shareholding of each Directors and Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1	Sri G.Radhakrishna				
	At the beginning of the year	242900	3.98	242900	3.98
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year	242900	3.98	242900	3.98
2	Sri G.V.Gopinath				
	At the beginning of the year	4967	0.08	4967	0.08
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year	4967	0.08	4967	0.08

3	Sri G.S.Sridhar				
	At the beginning of the year	26568	0.44	26568	0.44
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year	26568	0.44	26568	0.44
4	Sri G.P.N.Gupta				
	At the beginning of the year	189800	3.11	189800	3.11
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year	189800	3.11	189800	3.11
5	Sri M.Ravindra Reddy				
	At the beginning of the year	3500	0.06	3500	0.06
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year	3500	0.06	3500	0.06
6	Sri M.V.Chandrashekar				
	At the beginning of the year	75759	1.24	75759	1.24
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	-	-	-	-
	At the End of the year	75759	1.24	75759	1.24

(v) INDEBTEDNESS

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

(Rs. in lakhs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits (*)	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	812.05	679.42	12.50	1503.97
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
Total (i+ii+iii)	812.05	679.42	12.50	1503.97
Change in Indebtedness during the financial year				
• Addition	29.26	-	-	-
• Reduction	-	(31.34)	(12.50)	(14.58)
Net Change	29.26	(31.34)	(12.50)	(14.58)
Indebtedness at the end of the financial year				
i) Principal Amount				
ii) Interest due but not paid				
iii) Interest accrued but not due				
Total (i+ii+iii)	841.31	648.08	-	1489.39

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

(Rs. in lakhs)

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Sri G.V.Gopinath	Sri G.S.Sridhar	
1.	Gross salary (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	11.52 1.26 -	11.52 1.98 -	23.04 3.24 -
2.	Stock Option	-	-	-
3.	Sweat Equity	-	-	-
4.	Commission - as % of profit - others	- -	- -	- -
5.	Others – Retirement benefits Provision for leave salary	2.88 2.32	3.12 2.52	6.00 4.84
	Total (A)	17.98	19.14	37.12
	Ceiling as per the Act			42.00

B. Remuneration to other directors:

(Rs. in lakhs)

S No	Particulars of Remuneration	Name of Directors							Total Amount
		Sri G.Radhakrishna	M.V. Chandrashekar	S. Ramakrishnan	M. Ravindra Reddy	Sanjay Ramaswami	R Sukumar	Shobha Gupta	
1.	Independent Directors • Fee for attending board / committee meetings • Commission • Others	- - -	0.50 - -	1.10 - -	0.50 - -	0.40 - -	0.80 - -	0.60 - -	3.90 - -
	Total (1)	-	0.50	1.10	0.50	0.40	0.80	0.60	3.90
2.	Other Non-Executive Directors								
	• Fee for attending board / committee meetings • Commission • Others	0.70 - -	- - -	- - -	- - -	- - -	- - -	- - -	- - -
	Total (2)	0.70	-	-	-	-	-	-	0.70
	Total (B)=(1+2)	0.70	0.50	1.10	0.50	0.40	0.80	0.60	4.60
	Total Managerial Remuneration (A+B)								4.60

C. Remuneration To Key Managerial Personnel Other Than Md/Manager/Wtd

S.No.	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 (b) Value of perquisites u/s 17(2) of the Income-tax Act, 1961 (c) Profits in lieu of salary under section 17(3) of the Income-tax Act, 1961	-	1.68*	11.52 (Joint Managing Director is CFO of the Company)	-
2.	Stock Option	-	-	-	-
3.	Sweat Equity	-	-	-	-
4.	Commission - as % of profit - others	- -	- -	- -	- -
5.	Others Retirement benefits Provision for leave salary	- -	- -	3.12 2.52	-
	Total	-	1.68	17.16	

*- the present company secretary was appointed w.e.f. 14th November 2016 (remuneration of previous Company Secretary for the FY 2016-17 was Rs. 3.65 lakhs)

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:

Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT					
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

For and on behalf of the Board

Place : Chennai
Date : 30th May 2017

G V Gopinath
Managing Director

G S Sridhar
Joint Managing Director and CFO

ANNEXURE-3
SECRETARIAL AUDIT REPORT
FOR THE FINANCIAL YEAR ENDED 31.03.2017

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

To the Members

Stanpacks (India) Limited
S.K.Enclave, New no:4 (Old no:47),
Nowroji Road, Chetpet,
Chennai-600031.

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

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March, 2017, complied with the statutory provisions 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 Stanpacks (India) Limited ("the Company") for the financial year ended on 31st March, 2017 according to the provisions as applicable to the Company during the period of audit:

- i. The Companies Act, 2013 (the Act) and the rules made there under and the Companies Act, 1956 to the extent applicable;
- ii. The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- iii. The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- iv. 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 the Securities and Exchange Board of India (Prohibition of Insider Trading Regulations, 2015;
 - c) 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;
- v. Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (As informed by the Company, there is only an insignificant amount of transaction; hence no action is required.)
- vi. The Listing Agreements entered into by the Company with the Stock Exchanges, where the Securities of the Company are listed and the uniform listing agreement with the said stock exchanges pursuant to the provisions of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.
- vii. Secretarial Standards with respect to Meetings of Board of Directors (SS-1) and General Meetings (SS-2) issued by the Institute of Company Secretaries of India.

viii. In our opinion and as identified and informed by the Management, the company has no specific laws applicable since it is engaged in manufacturing of bags and other allied products except the following identified by the management:

1. Indian Boilers Act, 1923 and Rules made thereunder
2. The Petroleum Act, 1934 and Rules and Regulations Made thereunder
3. Hazardous waste (Management, Handling and Transboundary Movement) Rules, 2008
4. Water (Prevention and Control of Pollution) Act, 1974 and Rules made thereunder
5. Air (Prevention and Control of Pollution) Act, 1981 and Rules made thereunder
6. Environment (Protection) Act, 1986 and Rules made thereunder
7. Legal Metrology Act, 2009 and Rules made thereunder

It is reported that during the period under review, the Company has been regular in complying with the provisions of the Act, Rules, Regulations and Guidelines, as mentioned above.

We further report that there were no actions/events in the pursuance of

- a) The Securities and Exchange Board of India (Share Based employee Benefits) Regulations, 2014 and the Employees Stock Option Scheme, 2007 approved under the provisions of the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999;
 - b) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009
 - c) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998
 - d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
- requiring compliance thereof by the Company during the Financial Year under review.

We further report that, based on the information provided by the Company, its officers and authorized representatives during the conduct of the audit, in our opinion, with regard to point (viii) above, the company has adequate systems and processes to monitor and ensure compliance with applicable laws, rules, regulations and guidelines including other general laws viz Industrial laws, Human Resources and Labour laws and the following laws:

1. Employees Provident Fund and Miscellaneous Provisions Act, 1952
2. Employees' State Insurance Act, 1948
3. The Contract Labour (Regulation & Abolition) Act, 1970
4. The Factories Act, 1948
5. The Industrial Disputes Act, 1947
6. The Industrial Employment (Standing Orders) Act 1946
7. The Workmen's Compensation Act, 1923 & Rules
8. Payment of Gratuity Act 1972 & Rules
9. The Payment of Bonus Act, 1965
10. The Minimum Wages Act, 1948
11. The Maternity Benefit Act, 1961
12. Apprentices Act, 1961

We further report, that the compliance by the Company of applicable financial laws, like direct and indirect tax laws, has not been reviewed in this Audit since the same have been subject to review by statutory financial auditor and other designated professionals.

We further report that:

The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. There were no changes in the composition of the Board of Directors during the period under review.

Notices is given to all directors to schedule the Board meetings, agenda and detailed notes on agenda were delivered and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

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

We further report that during the audit period no events have occurred, which have a major bearing on the Company's affairs.

For LAKSHMMI SUBRAMANIAN & ASSOCIATES

Sd/-

Lakshmmi Subramanian

Senior Partner

FCS No. 3534

C.P.NO. 1087

Place: Chennai

Date: 30.05.2017

ANNEXURE-A

The Members

Stanpacks (India) Limited

S.K. Enclave, New No. 4 (Old No.47)

Nowroji Road, Chetpet,

Chennai - 600 031

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 the random test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
4. 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 the management. Our examination was limited to the verification of procedures on a random 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 LAKSHMMI SUBRAMANIAN & ASSOCIATES

Sd/-

Lakshmmi Subramanian

Senior Partner

FCS No. 3534

C.P.NO. 1087

Place: Chennai

Date: 30.05.2017

ANNEXURE-4**INFORMATION UNDER SECTION 134(3)(m) OF THE COMPANIES ACT, 2013, READ WITH THE COMPANIES (MANAGEMENT AND ADMINISTRATION) RULES, 2014****A. CONSERVATION OF ENERGY**

- (i) The steps taken or impact on conservation of energy
- (ii) The steps taken by the Company for utilizing alternate sources of energy
- (iii) The capital investment on energy conservation equipments

Energy conservation continues to receive priority attention at all levels. All efforts are made to conserve and optimize use of energy with continuous monitoring, improvement in maintenance and distribution systems and through improved operational techniques

Total energy consumption per unit of production is as follows:-

Sl.No.	Particulars	Current Year	Previous Year
		2016-17	2015-16
1	Electricity purchased from Electricity Boards		
	a. Total units purchased / consumed	16,32,336	1,674,894
	b. Total amount of Electricity bill (in Rs.)	133,23,871	13,605,719
	c. Rate per unit (in Rs.)	8.16	8.12
2	Own generation through Diesel generator		
	Diesel generator (in unit)	46,896	119,696
	Fuel (in ltrs.)	15,407	36,250
	Average unit generated per ltr.	3.04	3.30
	Rate per unit (in Rs.)	18.61	15.62

B. TECHNOLOGY ABSORPTION:

The Company has taken various efforts in utilizing the maximum available sources of technology and has increased its productivity during the year. There is no major technology absorption or research & development cost incurred during the year.

(Rs. in Lakhs)

C. FOREIGN EXCHANGE EARNINGS AND OUTGO	2016-17	2015-16
Foreign Exchange outgo		
Imports (CIF)	Nil	Nil
Travel	Nil	Nil
Foreign Exchange Earned:		
F.O.B. Value of Exports	53.35	201.30

For and on behalf of the Board

Place : Chennai
Date : 30th May 2017

G V Gopinath
Managing Director

G S Sridhar
Joint Managing Director and CFO

INDEPENDENT AUDITOR'S REPORT

To the Members of
STANPACKS (INDIA) LIMITED

Report on the Financial Statement

We have audited the accompanying (Standalone) financial statements of Stanpacks (India) Limited ("the Company") which comprise the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss, 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 (Standalone) financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these (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 thereunder.

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. 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 (Standalone) financial statements

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid (Standalone) 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:

- A) In the case of the Balance Sheet, of the state of affairs of the Company as on March 31, 2017;
- B) In the case of the Statement of Profit & Loss, of the Profit of the Company as on March 31, 2017;
- C) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Emphasis of Matters:

We draw attention to Note no.4 of the notes to accounts to the financial statements prepared on going concern basis which is self explanatory. Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), as amended, issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by section 143 (3) of the Act, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
 - c. the Balance Sheet, the Statement of Profit and Loss and the Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d. in our opinion, the aforesaid financial statements comply with the Accounting Standards specified under section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
 - e. On the basis of written representations received from the directors as on March 31, 2017 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017 from being appointed as a director in terms of Section 164 (2) of the Act.
 - f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
 - 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 does not have any pending litigations which would impact its financial position.
 - ii. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
 - iii. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company as on 31 March 2017
 - iv. The company has provided requisite disclosures in its standalone financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November 2016 to 30th December 2016 and these are in accordance with the books of accounts maintained by the company. Refer note no 24 to Notes forming part of financial statements.

For M.Srinivasan & Associates
Chartered Accountants,
(FRN No: 004050S)

Place: Chennai
Date: 30th May 2017

M. Srinivasan
Partner
M.No: 022959

“Annexure A” to the Independent Auditors’ Report

Statement of matters specified in Para 3 & 4 of the order referred to in sub section(11) of section 143

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the financial statements of the Company for the year ended March 31, 2017:

- 1) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;
- (b) The Fixed Assets have been physically verified by the management in a phased manner, designed to cover all the items over a period of three years, which in our opinion, is reasonable having regard to the size of the company and nature of its business. Pursuant to the program, a portion of the fixed asset has been physically verified by the management during the year and no material discrepancies between the books records and the physical fixed assets have been noticed.
- (c) The title deeds of immovable properties are held in the name of the company.
- 2) (a) The management has conducted the physical verification of inventory at reasonable intervals.
- (b) The discrepancies noticed on physical verification of the inventory as compared to books records which has been properly dealt with in the books of account were not material.
- 3) The Company has not granted any loans, secured or unsecured to companies, firms, Limited Liability partnerships or other parties covered in the Register maintained under section 189 of the Act. Accordingly, the provisions of clause 3 (iii) (a) to (C) of the Order are not applicable to the Company and hence not commented upon.
- 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 In respect of loans, investments, guarantees, and security.
- 5) The Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) The Company is not required to maintain cost records pursuant to the Rules made by the Central Government for maintenance of Cost Records under sub-section (1) of Section 148 of the Act.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess and any other statutory dues with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2017 for a period of more than six months from the date on when they become payable.
- (b) According to the information and explanations given to us and the records of the Company examined by us, the particulars of dues of sales tax including value added tax and duty of excise as at 31st March of 2017 which have not deposited on account of a dispute, are as follows:

S. No	Name of the Statute	Nature of Dues	Amt. (Rs. in lakhs)	Pertaining	Forum where the dispute is pending
i.	Sales Tax	Sales Tax Demand	3.53	1995-1996	On Appeal the case was remanded back to the assessing Officer
ii.	Sales Tax	Sales Tax Demand	1.28	1997-1998	- do -
iii.	Sales Tax	Sales Tax Demand	0.80	2001-2002	- do -
iv.	Central Excise	Excise Duty Demand	2.18	2007-2008	Appeal pending with The Assistant Commissioner of Central Excise, Chennai
v.	Central Excise	Excise Duty Demand	4.12	2008-2009	- do -

- c) According to the information and explanations given to us and the records of the Company examined by us, there are no dues of income tax, wealth tax and service tax which have not been deposited on account of any dispute.
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of dues to banks, financial institution or debenture holders.
- 9) Based upon the audit procedures performed and the information and explanations given by the management, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. According to the information and explanations given by the management, term loans were applied for the purpose for which the loans were obtained.
- 10) Based upon the audit procedures performed and the information and explanations given by the management, we report that no fraud by the Company or on the company by its officers or employees has been noticed or reported during the year.
- 11) Based upon the audit procedures performed and the information and explanations given by the management, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act;
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
- 14) Based upon the audit procedures performed and the information and explanations given by the management, the company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him as referred to in Sec 192 of the Companies Act 2013.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company

For M.Srinivasan & Associates
Chartered Accountants,
(FRN No: 004050S)

Place: Chennai
Date: 30th May 2017

M. Srinivasan
Partner
M.No: 022959

**“Annexure B” to the Independent Auditor’s Report of even date on
the Standalone Financial Statements of Stanpacks (India) Limited**

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

We have audited the internal financial controls over financial reporting of Stanpacks (India) Limited Company Limited (“the Company”) as of March 31, 2017 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting 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 judgement, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error.

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

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with 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, 2017, based on “the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India”.

For M.Srinivasan & Associates
Chartered Accountants,
(FRN No: 004050S)

Place: Chennai
Date: 30th May 2017

M. Srinivasan
Partner
M.No: 022959

BALANCE SHEET AS AT 31ST MARCH 2017

(Rs. in Lakhs)

Particulars	Note	As at 31 st March 2017	As at 31 st March 2016
<u>EQUITY AND LIABILITIES</u>			
Shareholders' Funds			
Share capital	2.1	609.60	609.60
Reserves and surplus	2.2	(405.93)	(442.62)
Non-Current Liabilities			
Long-term borrowings	2.3	674.80	693.19
Other long term liabilities	2.4	25.00	25.00
Long term provisions	2.5	76.66	81.23
Current liabilities			
Short-term borrowings	2.6	814.59	810.78
Trade payables	2.7	488.39	370.82
Other current liabilities	2.8	107.24	60.09
Short term provisions	2.9	138.11	143.68
		2,528.46	2,351.77
<u>ASSETS</u>			
Non current assets			
Fixed assets			
– Tangible assets	2.10	418.75	438.96
– Intangible assets		-	-
– Capital work in progress		-	-
– Intangible assets under development		-	-
Deferred tax assets (net)	2.3	30.15	30.15
Long term loans and advances	2.11	1.45	1.45
Other non current assets	2.12	156.65	169.25
Current assets			
Inventories	2.13	1,343.61	1,436.12
Trade receivables	2.14	475.20	247.49
Cash and cash equivalents	2.15	22.53	17.17
Short term loan and advances	2.16	4.77	11.18
Other current assets	2.17	75.35	0.00
		2,528.46	2,351.77

Significant accounting policies & Notes to accounts 1 to 17

As per our report attached

For **M. SRINIVASAN & ASSOCIATES**

Chartered Accountants

FRN : 004050S

For and on behalf of the Board

G V GOPINATH

Managing Director

G S SRIDHAR

Joint Managing Director and CFO

M.Srinivasan

Partner

Membership No. 022959

Place : Chennai

Date : 30th May 2017**M. UMA MAHESWARI**

Company Secretary

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

(Rs. in Lakhs)

Particulars	Note	For the year ended 31 st March 2017	For the year ended 31 st March 2016
Revenue from operations			
Sale of manufactured products		3,167.54	2,734.94
Less: Excise duty		356.74	247.78
Less: Sales Tax		110.50	89.82
Total revenue from operations		2,700.30	2,397.34
Other income	2.18	88.27	13.50
Total Revenue		2,788.57	2,410.84
Expenses			
Cost of materials consumed	2.19	1,583.91	1,527.69
Change in inventory of finished goods	2.20	49.75	18.95
Employee benefits expense	2.21	156.81	138.16
Finance costs	2.22	243.01	264.66
Depreciation and amortisation expense		65.17	61.30
Other expenses	2.23	653.23	362.57
Total expenses		2,751.88	2,373.33
Profit / (Loss) before exceptional and extraordinary items and tax		36.69	37.51
Exceptional items		-	-
Profit / (Loss) before extraordinary items and tax		36.69	37.51
Extraordinary items		-	-
Prior period items	2.24	-	-
Profit / (Loss) before tax		36.69	37.51
Tax expense		-	-
Profit / (Loss) for the period from continuing operations		36.69	37.51
Profit / (Loss) from discontinuing operations		-	-
Tax expense of discontinuing operations		-	-
Profit / (Loss) from discontinuing operations after tax		-	-
Profit / (Loss) for the period		36.69	37.51
Earning per equity share			
Basic and Diluted		0.60	0.62
Number of shares used in computing earnings per share			
Basic and Diluted		6,096,000	6,096,000

Significant accounting policies & Notes to accounts 18 to 24

As per our report attached
For **M. SRINIVASAN & ASSOCIATES**
Chartered Accountants
FRN : 004050S

M.Srinivasan
Partner
Membership No. 022959
Place : Chennai
Date : 30th May 2017

For and on behalf of the Board

G V GOPINATH
Managing Director

G S SRIDHAR
Joint Managing Director and CFO

M. UMA MAHESWARI
Company Secretary

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2017

(Rs. in Lakhs)

Particulars		Year Ended 31.03.2017		Year Ended 31.03.2016	
A	Cash Flow from Operating Activities				
	Net Profit Before Tax and Extraordinary Items		36.69		37.51
	Adjustments for Depreciation	65.17		61.30	
	Preliminary Expenses W/Off	-		-	
	Share Issue Expenses W/Off	-		-	
	Prior Period Adjustments	-		-	
	Profit on Sale of Fixed Assets	(1.00)		(0.50)	
	Loss on Sale of Fixed Assets	-		-	
	Interest Earned	(2.85)		(2.75)	
	Interest Paid	243.01		264.66	
			304.33		322.71
	Operating Profit before Working Capital Changes		341.02		360.22
	Adjustment for				
	Trade Receivables -(Increase)/Decrease	(284.05)		248.80	
	Inventories - (Increase) / Decrease	92.51		(14.73)	
	Trade Payables - Increase / (Decrease)	157.95		(156.79)	
			(33.59)		77.28
	Cash Generated from Operations		307.43		437.50
	Interest Earned		2.85		2.75
	Interest Paid		(243.01)		(264.65)
	Less : Direct Tax Paid		-		0.00
	Cash Flow before Extraordinary Items		67.27		175.60
	Extraordinary Items		-		-
	Net Cash from Operating Activities		67.27		175.60
B	Cash Flow from Investing Activities				
	Purchase of Fixed Assets	(44.96)		(45.66)	
	Sale of Fixed Assets	1.00		0.50	
			(43.96)		(45.16)
	Net Cash used for Investing Activities		(43.96)		(45.16)
C	Cash flow from Financial Activities				
	Proceeds from Long Term Borrowings	(17.95)		(132.54)	
	Dividend (Including Tax on dividend)	-		-	
	Net Cash Used in Financing Activities	-		-	
			(17.95)		(132.54)
	Net Increase in Cash & Cash equivalents A + B + C		5.36		(2.10)
	Opening Balance of Cash & Cash Equivalents		17.17		19.27
	Closing Balance of Cash & Cash Equivalents		22.53		17.17

As per our report attached

For **M. SRINIVASAN & ASSOCIATES**

Chartered Accountants

FRN : 004050S

For and on behalf of the Board

G V GOPINATH
 Managing Director

G S SRIDHAR
 Joint Managing Director and CFO

M.Srinivasan
 Partner
 Membership No. 022959
 Place : Chennai
 Date : 30th May 2017

M. UMA MAHESWARI
 Company Secretary

NOTES TO THE FINANCIAL STATEMENTS

CORPORATE INFORMATION:

Stanpacks (India) Limited is a Public Company in India, incorporated on 20th December 1991. The Company is engaged in the business of manufacturing Polypropylene Bags. The shares of the Company are being listed in the Bombay Stock Exchange.

1. STATEMENT OF SIGNIFICANT ACCOUNTING POLICIES:

1.1. Basis Of Preparation Of Financial Statements:

These financial statements are prepared in accordance with Indian Generally Accepted Accounting Principles (GAAP) under the historical cost convention on the accrual basis. GAAP comprises mandatory accounting standards as prescribed under Section 133 of the Companies Act, 2013 ('Act') read with Rule 7 of the Companies (Accounts) Rules, 2014, the provisions of the Act (to the extent notified) and guidelines issued by the Securities and Exchange Board of India (SEBI).

All the assets and liabilities have been classified as current and non-current as per the Company's normal operating cycle and other criteria as set out in Schedule III of the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets and processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be 12 months for the purpose of current – non-current classification of assets and liabilities.

The Stanpacks (India) Limited recorded a Net Profit of Rs. 36.69 lakhs for the year ended 31st March 2017. The accumulated losses have been reduced to Rs.405.93 lakhs resulting with erosion of 66.59% of Networth as on 31st March 2017 as against 72.60% of Networth as at the year ended 31st March 2016.

1.2. Use of Estimates:

The preparation of financial statements in conformity with Indian Generally Accepted Accounting Policies (GAAP) requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and the disclosure relating to contingent liabilities as at the date of the financial statements and the reported amounts of revenues and expenses during the reporting period. Actual results could differ from these estimates. Any revision to accounting estimates is recognized prospectively in the current and future periods.

1.3. Fixed Assets:

Fixed assets are carried at cost of acquisition, net of accumulated depreciation and impairment losses. The cost of fixed assets includes freight, duties, taxes and other incidental expenses relating to acquisition. Where fixed assets have been acquired from a country outside India, the cost of these fixed assets also includes exchange differences (favorable and unfavorable) arising in respect of foreign currency loans on other liabilities incurred specifically for the purpose of their acquisition. Borrowing costs related to the acquisition or construction of the qualifying fixed assets for the period up to the completion of their acquisition or constructions are capitalized. Losses arising from the retirement and the gains or losses arising from disposal of fixed assets which are carried at cost are recognized in the Statement of Profit & Loss.

1.4. Depreciation:

As prescribed under part C of schedule II of Companies Act, 2013, from the Financial Year 2014-15, Depreciation is systematically allocated over the useful life of an asset. The depreciation is provided on the Straight Line Method from the beginning of the month in which the asset is ready for use. Depreciation on additions to assets or on sale / disposal of assets, is calculated on pro rata basis from the month of such addition or upto the month of such sale / disposal as the case may be.

1.5. Revenue Recognition:

Revenue from sale of manufactured goods, including scrap, is recognized on transfer of all significant risks and rewards of ownership to the buyer. The amount recognized as sale is inclusive of excise duty sales tax, and net of, trade and quantity discounts on accrual basis. Interest on deployment of surplus funds is recognized using the time proportionate method based on underlying interest rates.

1.6. Inventories:

Inventories are carried at the lower of cost and net realizable value. The comparison of cost and net realizable value is made on an item by item basis.

Cost comprises of purchase price and all incidental expenses incurred in bringing the inventory to its present location and condition. The method of determination of cost is as follows:

- a. Raw materials, valued at cost net of cenvat
- b. Finished goods at lower of cost or net realizable value and inclusive of excise duty.
- c. Goods in Transit valued at cost excluding excise duty and taxes.
- d. Stock of scrap at estimated realizable value.
- e. Stores and spares – landed cost on a first in first out method

The provision for inventory obsolescence is assessed annually and is provided as and when considered necessary.

1.7. Foreign Exchange Transactions:

Foreign currency transactions are recorded at the rates of exchange prevailing on the dates of the respective transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of profit and loss of the year, except that exchange differences related to acquisition of fixed assets from a country outside India are adjusted in the carrying amount of the related fixed assets.

Monetary assets and liabilities denominated in foreign currencies as at the balance sheet date are translated at the closing exchange rates on that date; the resultant exchange differences are recognized in the statement of profit and loss except those related to acquisition of fixed assets from a country outside India which are adjusted in the carrying amount of the related fixed assets.

1.8. Provisions and contingent liabilities:

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

Provisions for onerous contracts, i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognized when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

1.9. Tax on Income:

Income-tax expense comprises current tax (i.e. amount of tax for the period determined in accordance with the income-tax law) and deferred tax charge or credit (reflecting the tax effects of timing differences between accounting income and taxable income for the year) provided in the books of accounts.

1.10. Excise Duty/Custom Duty:

Excise Duty in respect of goods manufactured by the company is being accounted for at the time of removal of goods from the factory for sale. Custom duty is accounted in the books as and when paid/incurred.

1.11. Earnings Per Share:

The basic and diluted earnings per share are computed by dividing the net profit attributable to equity shareholders for the year by the weighted average number of equity shares outstanding during the year. The company did not have any potentially dilutive equity shares outstanding during the year.

1.12. Retirement benefits to employees:

I. Short Term employee benefits:

Short term employee benefits falling due within are recognized as an expense as per the Company's Scheme based on expected obligations. The benefits like salaries, wages etc and the expected cost of bonus, ex-gratia are recognized in the period in which the employees renders the related service.

II. Retirement benefits:

Retirement benefits comprise of provident fund, superannuation and gratuity which are recognized as follows:

a. Provident fund:

This is a defined contribution plan. Contributions in respect of staff and workers are remitted to provident fund authorities in accordance with the relevant statute and are charged to statement of profit and loss as and when due. The Company has no further obligations for future provident fund benefits in respect of these employees other than its annual contributions.

b. Superannuation:

This is a defined contribution plan. The Company makes contribution as per the scheme to superannuation Fund administered by Life Insurance Corporation of India. The Company has no further obligation of future superannuation benefits other than its annual contributions and recognizes such contributions as expense as and when due.

c. Gratuity:

This is a defined benefit plan. Provision for gratuity is made based on actuarial valuation using projected unit credit method. Actuarial gains and losses, comprising of experience adjustments and the effects of changes in actuarial assumptions, are recognized immediately in the statement of profit and loss as income or expense.

1.13 Research & Development:

Research & Development expenditure of revenue nature is charged to Statement of Profit & Loss, while Capital Expenditure is added to the cost of fixed assets in the year in which they are incurred.

1.14 INTANGIBLE ASSETS:

Impairment of Assets:

The company assesses at each Balance Sheet date whether there is any indication that an asset may be impaired. If any such indication exists, the Company estimates the recoverable amount of the asset. If such recoverable amount of the asset or the recoverable amount of the cash-generating unit to which the asset belongs is less than its carrying amount, the carrying amount is reduced to its recoverable amount. The reduction is treated as an impairment loss and is recognized in the statement of profit and loss. If at the balance sheet date there is an indication that if a previously assessed impairment loss no longer exists, the recoverable amount is reassessed and the asset is reflected at the recoverable amount.

2. Notes on accounts

The previous period figures have been regrouped/reclassified, wherever necessary to conform to the current presentation.

2.1 Share capital

(Rs. in Lakhs)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Authorised		
Equity shares		
70,00,000 (previous year 70,00,000), Rs.10 par value	700.00	700.00
	700.00	700.00
Issued		
Equity shares		
60,96,000 (previous year 60,96,000), Rs. 10 par value	609.60	609.60
	609.60	609.60
Subscribed and fully Paid up		
Equity shares		
60,96,000 (previous year 60,96,000), Rs.10 fully paid up	609.60	609.60
	609.60	609.60

The reconciliation of the number of equity shares outstanding is set out below:

Particulars	As at 31 st March 2017	As at 31 st March 2016
	Number	Number
Shares outstanding at the beginning of the year	6,096,000	6,096,000
Shares Issued during the year	-	-
Shares bought back during the year	-	-
Shares outstanding at the end of the year	6,096,000	6,096,000

The details of shareholder holding more than 5% equity shares is set below:

Name of Shareholder	As at 31 st March 2017		As at 31 st March 2016	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Balaji Trading Enterprises Private Limited	675,395	11.08	675,395	11.08

2.2 Reserves and surplus

(Rs. in Lakhs)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Surplus / (deficit) balance in the statement of profit and loss account		
Opening Balance	(442.62)	(480.13)
Add: Profit/ (Loss) for the year	36.69	37.51
Add: / (Less) Depreciation as per Schedule II of the Companies Act, 2013	-	-
Less: Amount utilised	-	-
Transfer to capital reserves, Capital redemption reserve and other reserves	-	-
Closing Balance	(405.93)	(442.62)
	(405.93)	(442.62)

2.3 Long term borrowings

(Rs. in Lakhs)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Secured- Considered good		
Term loans		
from banks		
Karnataka Bank Limited	16.92	1.06
(secured by fixed assets of the Company and guaranteed by Directors in their personnel capacity)		
Long term maturities of finance lease obligations	9.80	12.71
(Secured by motor Vehicle under Hypothecation)		
Repayment tenure of 60 months ending April 2020 & 84 months ending Feb 2022 respectively)		
	26.72	13.77
Unsecured -considered good		
Public Deposits	-	-
Repayable on maturity depending on the period of deposit more than 1 year		
Loans and advances from others	160.43	240.40
(Repayable in 3 Years with Rate of Interest 12% PA)		

Loans and advances from related parties from Group Companies:	450.03	382.50
1. Balaji Trading Enterprises Pvt. Ltd.		
2. G F Impex Pvt. Ltd		
(Repayable with rate of interest of 14%; the maximum approval upto 22% PA)		
from Directors: Sri. G Radhakrishna, Sri. G S Sridhar & Sri. G V Gopinath		
(Repayable with the maximum rate of interest of 11.5%)		
Sales Tax Loan-IFST	37.62	56.52
(Repayable in 7(8) years and Rate of Interest NIL)		
	648.08	679.42
	674.80	693.19
Deferred tax assets (Net)		
As per last Balance Sheet	(30.15)	(30.15)
Add : Deferred tax liability for the year (Net)	-	-
Closing Balance	(30.15)	(30.15)

2.4 Other long term liabilities

(Rs. in Lakhs)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Trade Payables		
– due to micro and small enterprises	-	-
– others creditors	-	-
– acceptances	-	-
Others		
Advances from TIFAC for R & D	25.00	25.00
Advances from customers	-	-
	25.00	25.00

2.5 Long term provisions

(Rs. in Lakhs)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Provision for employee benefits		
Superannuation	-	-
Gratuity	28.04	32.83
Compensated absences	16.06	15.84
Others		
Provision for Income tax earlier years	32.14	32.14
Provision for pending sales tax forms and other disputes	0.42	0.42
	76.66	81.23

2.6 Short term borrowings

(Rs. in Lakhs)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Secured- Considered good		
Loans repayable on demand		
Cash credit		
from banks		
Karnataka Bank	814.59	798.28
(Secured by first charge on the entire current assets consisting of RM,SIP,FG, Receivables, spares, consumables and other current assets of the Company and also Guaranteed by the directors in their personnel capacity)		
	814.59	798.28

Unsecured - Considered Good		
Deposits		
Public Deposits	0.00	12.50
Repayable on maturity depending on the period of deposit less than 1 year		
	0.00	12.50
	814.59	810.78

2.7 Trade payables

(Rs. in Lakhs)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Trade Payables		
– due to micro and small enterprises		
– others creditors	488.39	370.82
– purchase of Fixed Assets	-	-
	488.39	370.82

2.8 Other current liabilities

(Rs. in Lakhs)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Current maturities of long-term debt (secured by hypothecation of Plant & machinery of the Company and Guaranteed by directors in their personnel capacity)	20.64	20.64
– There is no continuing default		
Current maturities of finance lease obligations (Secured by motor Vehicle under Hypothecation)	2.86	2.51
Repayment tenure of 60 months ending April 2020 & 84 months ending Feb 2022 respectively		
Current maturities of Sales Tax loan	21.85	25.52
Other payables		
Rent Payable	0.03	0.03
Others	37.56	0.08
Advances from customers	13.97	-
Amounts liable to be deposited in Investor Education and Protection Fund not yet due for deposit	-	-
– unclaimed dividends	-	-
Professional tax Payable	-	-
Bonus payable	3.50	3.50
Withholding and other tax payable	6.83	7.81
	107.24	60.09

2.9 Short term provisions

(Rs. in Lakhs)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Provision for employee benefits		
Salary & Reimbursements	-	-
Others		
Provision for Excise duty on Finished Goods	138.11	143.68
	138.11	143.68

2.10 Fixed Assets**(Rs in Lakhs)**

	GROSS BLOCK				ACCUMULATED DEPRECIATION				NET BLOCK		
	As at 1 st April 2016	Additions	Sub total	Disposals	As at 31 st March 2017	Depreciation charge for the Year	Disposal through demergers	Adjustment due to impairments/ reversals	Deductions/ Other adjustments	As at 31 st March 2017	As at 31 st March 2016
Fixed Assets											
Tangible Assets											
Land											
Owned	32.97	-	32.97	-	32.97	-	-	-	-	-	32.97
Buildings											
Owned	221.22	-	221.22	1.31	219.91	6.33	-	1.31	-	118.43	107.81
Leasehold improvements	1.00	-	1.00	-	1.00	0.03	-	-	-	0.64	0.39
Plant and Equipment											
Owned	914.68	33.11	947.79	145.03	802.75	43.38	-	145.03	-	568.42	244.61
Furniture and Fixtures											
Owned	36.75	-	36.75	34.23	2.53	0.31	-	34.23	-	2.15	0.68
Vehicles											
Owned	32.94	-	32.94	-	32.94	5.42	-	-	-	14.74	23.62
Air Conditioners											
Owned	-	-	-	-	-	-	-	-	-	-	-
Computers											
Owned	2.29	0.39	2.68	0.99	1.69	0.24	-	0.99	-	1.33	0.20
Electrical & Electronic equipments											
Owned	2.81	10.65	13.46	0.08	13.38	0.48	-	0.08	-	2.59	0.62
Lab equipments											
Owned	85.78	-	85.78	9.82	75.96	8.00	-	9.82	-	59.61	24.35
Office equipment											
Owned	2.87	-	2.87	-	2.87	0.02	-	-	-	2.83	0.06
	5.78	0.81	6.60	0.59	6.01	0.96	-	0.58	-	2.52	3.64
	1,339.09	44.96	1,384.06	192.05	1,192.01	65.17	-	192.04	-	773.26	438.96
Intangible Assets											
Intangible assets under Development	-	-	-	-	-	-	-	-	-	-	-
Total Fixed Asset	1,339.09	44.96	1,384.06	192.05	1,192.01	65.17	-	192.04	-	773.26	438.96

Disclosure pursuant to Note no.I (iv) and J (iii) of Part I of Schedule III to the Companies Act, 2013

The following disclosure should be made for each class of asset as required

Particulars	1st April 2012 to 31st March 2017	
	Asset details:	
Balance as at 1 April Revaluation increase / (reduction)	No Revaluation done for the last 5 Years	
Balance as at 31st March		

2.11 Long term loans and advances

(Rs. in Lakhs)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Capital Advances		
For purchase of fixed assets		
Unsecured, considered good	-	-
	-	-
Security Deposits		
Unsecured, considered good	1.45	1.45
	1.45	1.45
	1.45	1.45

2.12 Other non current assets

(Rs. in Lakhs)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Long term trade receivables (including trade receivables on deferred credit terms)		
Unsecured, considered good	47.4	51.16
	47.4	51.16
Other loans and advances		
unsecured, considered good		
Sales Tax deposit	12.69	17.00
MAT credit entitlement	49.68	46.30
Earnest Money deposit	1.36	1.51
Cenvat receivable	(10.83)	3.29
Electricity & other deposits	24.99	18.69
Rental deposits	30.85	30.79
Telephone deposits	0.51	0.51
	109.25	118.09
	156.65	169.25

2.13 Inventories

(Rs. in Lakhs)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Raw Materials and components (Valued at lower of cost or net realisable value)	44.76	79.24
Finished goods (Valued at lower of cost or net realisable value)	1,253.42	1,303.18
Stores and spares (Valued at lower of cost or net realisable value)	45.43	53.70
	1,343.61	1,436.12

2.14 Trade receivables

(Rs. in Lakhs)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Debts outstanding for period exceeding six months		8.08
Unsecured, considered good	-	-
	-	-
Other debts		
Unsecured, considered good	475.20	239.41
	475.20	239.41
	475.20	247.49

2.15 Cash and cash equivalents

(Rs. in Lakhs)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Cash on hand	5.53	1.35
Other Bank balances	-	-
Unclaimed Dividends	-	-
Bank deposits with more than 12 months maturity	17.00	15.82
	22.53	17.17

2.16 Short term loan and advances

(Rs. in Lakhs)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Others		
Unsecured, considered good		
Sales Tax Deposit	-	-
Travelling Advances	0.06	0.02
Cenvat receivable	0.18	4.92
Staff advances	0.68	1.20
Service tax receivable	0.41	0.73
Prepaid expenses	3.44	4.30
	4.77	11.17

2.17 Other current assets

(Rs. in Lakhs)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Claims receivables-TUFF/Insurance	75.35	0
	75.35	0

2.18 Other income

(Rs. in Lakhs)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Interest income	2.85	2.75
Exchange gain (net)	(0.06)	1.65
Profit on sale of Assets	1.00	0.50
Export benefit receivable	-	2.60
Profit on sale of DEPB	-	0.00
Other Income	84.48	6.00
	88.27	13.50

2.19 Cost of material consumed

(Rs. in Lakhs)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Raw materials and packing materials consumed		
Opening stock	79.24	52.71
Add: Purchases	1,549.42	1,554.23
Less: Closing stock	44.76	79.24
Raw materials and packing materials consumed	1,583.91	1,527.69

2.20 Change in inventory of finished goods

(Rs. in Lakhs)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Opening stock		
Finished goods	1,303.18	1,322.13
Less: Closing stock		
Finished goods	1,253.43	1,303.18
Increase in inventory of Finished goods	49.75	18.95

2.21 Employee benefits expense

(Rs. in Lakhs)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Salaries & wages	89.40	83.39
Bonus and incentives	3.40	3.00
Leave Travel & Medical Expenses	1.08	0.82
Compensated absences	1.79	0.67
Contribution to provident fund and other funds	10.21	17.27
Workmen and staff welfare expenses	24.63	15.50
Directors remuneration	26.30	17.51
	156.81	138.16

2.22 Finance cost

(Rs. in Lakhs)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Interest expense		
– Term Loan	8.71	6.24
– working Capital	101.70	108.69
– Finance Lease & LC	8.24	8.37
Other borrowing costs	124.36	141.36
	243.01	264.66

2.23 Other expense

(Rs. in Lakhs)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Consumption of stores, loose tools and spare parts	294.79	59.41
Power and fuel	145.06	162.35
Rent	15.42	15.49
Repairs and maintenance:		
- buildings	-	3.40
- plant and machinery	5.10	1.43
- others	1.22	2.58
Factory General Maintenance	12.56	4.24
Stereo Charges	-	-
Rates and taxes, excluding, taxes on income	10.55	9.24
Security Expenses	13.32	10.43
Cartage Expenses	0.92	0.72
Insurance	4.34	1.78

Particulars	As at 31 st March 2017	As at 31 st March 2016
Traveling and conveyance	8.46	6.32
Communication expenses	2.51	3.14
Contract labour charges	15.92	9.31
Legal and professional fees	4.46	4.77
Auditor's remuneration	1.80	1.80
Rebate & discount	2.94	1.67
Freight outward	27.24	17.12
Brokerage and commission	2.87	2.73
Sales promotion and advertisement	0.57	0.57
Prov. For Contingencies	37.50	-
Directors sitting Fees	4.60	4.00
Clearing & Forwarding Charges	1.97	5.03
Vehicle Maintenance	4.92	5.53
Bank charges	10.68	8.57
Loss on sale of fixed assets	-	-
Research & Development Expenses	-	-
Provision for Excise duty on Finished Goods	(4.51)	-
Lab testing & research expenses	0.04	0.02
Training and seminar expenses	0.78	0.29
Postage & Telegrams	1.00	1.41
Service charges	9.23	9.52
Printing and stationery	2.35	1.99
Membership and subscriptions	0.88	0.91
Tax penalties & Interest	-	-
Office Maintenance Expenses	3.83	1.64
Bad debts written off	9.91	5.16
	653.23	362.57

2.24 Prior period items

(Rs. in Lakhs)

Particulars	As at 31 st March 2017	As at 31 st March 2016
Staff Leave Travel and Medical Reimbursement	-	-
Others	-	-
	-	-

- With respect to the Balances of Debtors & Creditors and advances/deposits received from the customers as per books of account, confirmations of balances are awaited and adjustments if any will be made in the books on receipt of confirmations and reconciliation.
- The Company has recorded a Net Profit of Rs. 36.69 lakhs achieving a turnover of Rs. 3167.54 lakhs for the year ended 31st March 2017 as against Net Profit of Rs. 37.51 lakhs with a turnover of Rs. 2734.94 lakhs in the previous year ended 31st March 2016. The accumulated losses have been reduced to Rs. 405.93 lakhs resulting with erosion of 66.59% of Net worth as on 31st March 2017 as against 72.60% of Networth as at the year ended 31st March 2016.

The Management is quite positive of achieving better results and also expects a phenomenal future. The Company is continuously increasing its clientele and anticipates higher rates of growth which will augur well for better prospects. With the improvement in the performance during the year, the anticipated big orders and continuous working capital support by the bankers & the promoters will result in reduction of erosion of net worth. Based on the above improving factors, the accompanying Financial Statements have been prepared on a going concern basis.

5. DUES TO MICRO, SMALL AND MEDIUM ENTERPRISES:

The management is regularly in the process of identifying enterprises which have provided goods and services to the company which qualify under the definition of micro, small and medium enterprises, as defined in Micro, Small and Medium Enterprises Act 2001. Accordingly, based on information available, the amount payable to such enterprises as on 31st March 2017 is Nil.

6. The computation of profit under section 198 of the Companies Act, 2013 is not considered necessary as the managerial remuneration that is paid is minimum remuneration based on the effective capital of the Company as prescribed under Schedule V of the said Act.

7. DETAILS OF MANAGERIAL REMUNERATION:

(Rs. in lakhs)

Particulars	2016-17	2015-16
Salary and Allowances	23.04	15.36
Perquisites	3.24	1.93
Retirement Benefits	6.00	1.44
Provision for Leave Salary	4.84	0.39
TOTAL	37.12	19.12

8. SALES TAX & CENTRAL EXCISE DUTY PENDING DISPUTE:

S.No	Name of the Statute	Nature of Dues	Amt. (Rs. in lakhs)	Pertaining	Present Status
i.	Sales Tax	Sales Tax Demand	3.53	1995-1996	On Appeal the case was remanded back to the assessing Officer
ii.	Sales Tax	Sales Tax Demand	1.28	1997-1998	- do -
iii.	Sales Tax	Sales Tax Demand	0.80	2001-2002	- do -
iv.	Central Excise	Excise Duty Demand	2.18	2007-2008	Appeal pending with The Assistant Commissioner of Central Excise, Chennai
v.	Central Excise	Excise Duty Demand	4.12	2008-2009	- do -

9. DISCLOSURE UNDER AS-15:**(i) DEFINED CONTRIBUTION PLANS:**

(Rs. in lakhs)

	Particulars	2016-17	2015-16
(a)	Contribution to Provident Fund	6.94	6.06
(b)	Contribution to Superannuation Fund	2.16	1.60

Effective 1st April 2009, the company has adopted revised accounting standard AS15 – “Employee Benefits” issued by the ICAI.

(ii) DEFINED BENEFIT PLANS:-**Gratuity: -**

The Gratuity liability is covered by a Master Policy taken out with LIC of India under the Cash Accumulation Scheme. The Following table set; out the status of the gratuity plan as required under section AS 15.

(Rs. in lakhs)

	PARTICULARS		
1	Table Showing changes in present value of obligation as on	31/03/2017	31/03/2016
	Present value of obligation as at beginning of year	32.83	32.38
	Interest Cost	2.62	2.59
	Current Service Cost	1.89	2.00
	Benefits Paid	(2.23)	(5.37)
	Actuarial (gain)/loss on obligations	(7.07)	1.24
	Present value of obligation as at end of year	28.04	32.83

2	Table Showing changes in the fair value of plan assets as on	31/03/2017	31/03/2016
	Fair value of plan Assets at beginning of year	2.60	0.96
	Expected return of plan Assets	0.23	0.16
	Contribution	2.86	6.86
	Benefits paid	(2.23)	(5.37)
	Actuarial (gain)/loss on plan Assets	Nil	Nil
	Fair value of plan Assets at the end of year	3.46	2.60
3	Table Showing fair value of plan Assets as on	31/03/2017	31/03/2016
	Fair Value of plan Assets at beginning of year	2.60	0.95
	Actual return of plan assets	0.23	0.16
	Contribution	2.86	6.86
	Benefits paid	(2.23)	(5.37)
	Fair value of plan Assets at the end of year	3.46	2.60
	Funded Status	(24.58)	(30.23)
	Excess of Actual over estimated return of plan Assets	Nil	Nil
	(Actual rate of return = Estimated rate of return as ARD falls as on 31st March)		
4	Actual Gain/loss recognized	31/03/2017	31/03/2016
	Actuarial (gain)/loss on Obligations	(7.07)	(1.24)
	Actuarial (gain)/loss for the year – plan Assets	Nil	Nil
	Actuarial (gain)/loss on Obligations	(7.07)	1.24
	Actuarial (gain)/loss recognized in the year	(7.07)	1.24
5	The amounts to be recognized in Balance Sheet and Statement of Profit & Loss	31/03/2017	31/03/2016
	Present Value of obligations as at the end of year	28.04	32.83
	Fair value of plan assets as at the end of year	3.46	2.60
	Funded States	(24.58)	(30.23)
	Net asset/(liability) recognized in the balance sheet	(24.58)	(30.23)
6	Expenses Recognized in Statement of Profit & Loss	31/03/2017	31/03/2016
	Current service cost	1.89	2.00
	Interest cost	2.62	2.59
	Expected return on plan assets	(0.22)	(0.16)
	Net Actuarial (gain)/loss recognized in the year	(7.07)	1.24
	Expenses recognized n statement of Profit & Loss	(2.78)	5.67

Estimated rate of return on the plan assets 8%

The estimate of future salary increments, contribution in actual valuation, taxing into account of inflation, seniority promotion and other factors in the employment.

Salary escalation – 5%

10. During the financial year, there are no default in repayment of Loans and Interest in case of Term Loans, Lease obligations, Demand loans, Public Deposits and other loans (including loans and advances from related party)

11. SEGMENTAL REPORTING:

The Company currently operates in one business segment in manufacturing of PP bags and one geographical segment in India. In line with Accounting Standard 17, as the relevant information is available from the Balance Sheet and the Statement of Profit and Loss itself, and therefore keeping in view of the objective of segment reporting, the company has not disclosed segment information.

12. DISCLOSURES UNDER ACCOUNTING STANDARD -18:**Related parties with whom transactions have taken place during the year:**

(Rs. in lakhs)

S.No.	Particulars	Nature of Relationship	Nature of Transaction	Amt.	Closing Balance as on 31.03.17	Closing Balance as on 31.03.16
1	G.V. Chalapathi	Relative of Key management personnel	Fixed Deposit	3.00	-	3.00
			Interest	0.11		
2	G. Sudhakar	Relative of Key management personnel	Rent paid	2.25	-	-
3	G.S. Sridhar	Key management personnel	Salary & Allowances	19.14	-	-
			Unsecured loan Recd.	8.00	22.05	19.05
			Unsecured loan Repaid	5.00		
			Interest on Unsecured loan	2.54		
4	G.V. Gopinath	Key management personnel	Salary & Allowances	17.98	-	-
			Unsecured loan Recd.	13.85	29.40	25.95
			Unsecured Loan repaid	10.40		
			Interest on Unsecured loan	3.32		
5	G. Radhakrishna	Director	Unsecured loan Recd.	1.00	-	9.98
			Unsecured loan repaid	11.00		
			Interest on Unsecured loan	0.20		
6	G. Radhakrishna (HUF)	Director	Fixed Deposits	1.00	-	1.00
			Interest	0.01		
7	Jumbo Bag Limited	Associated Company	Job work charges earned	90.91	56.46	1.31
			Purchase	223.69		
			Lease Rent Paid	0.23		
8	G.F. Impex Pvt. Ltd.,	Associated Company	Unsecured Loan Recd. (USL)	-	83.94	74.05
			Interest on USL	10.98		
9	Balaji Trading Enterprises Pvt. Ltd.,	Associated Company	Unsecured Loan Recd. (USL)	37.50	307.03	248.05
			Unsecured Loan paid	15.62		
			Interest on USL	38.72		
10	Adarsh Line Accessories Pvt Ltd	Common Director	Professional Service recd	10.35		
			Sales	0.81		
			Unsecured loan Recd.	17.81	1.30	25.00
			Unsecured loan paid	33.21		
			Interest on USL	0.42		

13. CONTINGENT LIABILITIES:

(Rs. In Lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
a) Disputed Amount of Sales tax	5.63	5.63
b) Disputed Amount of Central Excise	6.31	6.31

No provision has been made in the accounts in respect of disputed amount of sales tax as the company has contested the case and is hopeful of getting the verdict in its favor. During the year 2014-15, the Company has received an order favoring them as no cost for the case filed for the year 1994-95. The Appellate Tribunal has issued certain claims/ show cause notices disputed have neither been considered as contingent liability nor acknowledged as claim, based on the opinion obtained, since the possibility of loss is remote.

14. Secured Loans availed from The Karnataka Bank Limited are secured by first charge on specific assets acquired out of the loan and personal guarantees of directors Sri. G. Radhakrishna, Sri. G. S. Sridhar and Sri. G.V. Gopinath
15. (a) Working capital facilities from The Karnataka Bank Limited are secured by first charge on the current assets consisting of stock of raw materials, finished goods, work-in-process, debtors and personal guarantees of directors Sri. G. Radhakrishna, Sri. G. S. Sridhar and Sri. G.V. Gopinath.
- (b) Additional working capital (Term Loan) facilities from The Karnataka Bank Limited sanctioned in the month of May 2016, repayable given a period of 15 months secured by first charge on the current assets consisting of stock of raw materials, finished goods, work-in-process, debtors and personal guarantees of directors Sri. G. Radhakrishna, Sri. G. S. Sridhar and Sri G.V. Gopinath.
- (c) Additional Term loan facilities from The Karnataka Bank Limited sanctioned in the month of September 2015, repayable given a period of 48 months secured by Hypothecation of New Plant & Machineries and secured by charge on current assets of stock of raw material, finished goods, debtors and personal guarantees of directors Sri. G. Radhakrishna, Sri. G. S. Sridhar and Sri. G.V. Gopinath

16. Interest Free Sales Tax Deferral:

(Rs. in lakhs)

Due within	1 year	Rs. 21.85
Due within	1 to 5 years	Rs. 37.62
Due more than	5 years	Nil

17. Advances & Deposits includes an amount of Rs.14,96,979/- being Admitted and Disputed Sales Tax of Rs.12,69,311/- for various years paid and Income Tax for the Assessment Year 1996-97 of Rs.2,27,668/- paid, but kept as Deposit in the books since the company has gone on appeal in respect of these matters. Necessary adjustments in the books of accounts will be made in the year in which the outcome of the appeal is known.
18. During the year deferred tax asset arising out of unabsorbed depreciation has not been recognized in the absence of virtual certainty supported by convincing evidence of future taxable income. Unrecognized deferred tax asset will be reassessed in future years.

19. Expenditure in Foreign Exchange:

(Rs. in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
Imported Materials Purchase (CIF)	Nil	Nil
Foreign Travel Expenses	Nil	Nil

20. Foreign Exchange Earnings:

(Rs. in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
Export Sales (FOB)	53.35	201.30

21. Remuneration To Auditors:

(Rs. in lakhs)

Particulars	As at 31.03.2017	As at 31.03.2016
i) Statutory Audit Fee	0.75	0.75
ii) Tax Audit Fee	0.25	0.25
iii) Service Tax	0.15	0.15
iv) Certification Fees & Other services	1.33	0.51

22. Previous year figures:

The company has reclassified previous year figures to conform to this year's classification. It significantly impacts presentation and disclosures made in the financial statements, particularly presentation of balance sheet.

23. CAPACITY AND PRODUCTION DURING THE YEAR 2016-17:**a. Product: Polymer Product**

Licensed Capacity :	Not applicable
Installed Capacity :	3800 tons
Production :	2433 tons

b. Raw Material and Intermediates Consumed:

(Rs. in lakhs)

Particulars	UOM	2016-17		2015-16	
		Qty.	Value	Qty.	Value
A. PP Granules	Kgs.	1,778,140	1583.91	1,959,766	1527.69
B. Others			294.79		59.41

c. Consumption of Imported & Indigenous Raw – Materials, Stores and spare parts and the percentage of each to the consumption:

(Rs. in lakhs)

Particulars	2016-17		2015-16	
	%	Value	%	Value
i. Raw Material				
a. Imported	-	-	-	-
b. Indigenous	100	1583.91	100	1527.69
ii. Stores, Spares & Consumption				
a. Imported	-	-	-	-
b. Indigenous	100	294.79	100	59.41

d. Stock Summary for the year 2016-17:

Name of the Commodity	Unit	Opening Balance	Receipts	Issues	Closing Stock	
					2016-17	2015-16
Paper	Kgs.	35,730	1,470,094	1,432,933	72,891	35,730
Granules	Kgs.	60,905	1,778,140	1,801,478	37,567	60,905
HDPE / PP Bags	Nos.	4,15,293	9,756,932	9,549,770	622,455	4,15,293
HDPE / PP Kraft Bags	Nos.	1,01,669	987,525	1,038,651	50,543	1,01,669

e. Closing Stock Value With Quantity As On 31.03.2017:

Name of the Commodity	Unit	Quantity		Value	
		2016-17	2015-16	2016-17	2015-16
Paper	Kgs	72,891	35,730	16.47	14.32
Granules	Kgs	37,567	60,905	23.42	56.19
HDPE/PP Bags	Nos	622,456	4,15,293	1,024.45	1022.05
HDPE/PPKraft Bags	Nos	50,543	1,01,669	17.69	35.34
HDPE/PP Fabric & HDPE/PP Kraft Fabric				57.95	80.21
Accessories for Bags				3.42	8.72
Miscellaneous Items Including Consumables				62.33	75.93
Provision for Excise Duty				137.88	143.35
Total Value of Closing Stock				1,343.61	1436.12

f. Sales Summary for the year 2016-17:

(Rs. in lakhs)

Name of the Commodity	2016-17	2015-16
Polypropylene Bags	3145.00	2701.27
Others	27.54	33.67

24. Details of Specified Bank Notes

(Rs. in lakhs)

Particulars	Specified Bank Notes	Other denomination notes	Total
Closing cash in hand as on 08.11.2016	2.60	9.36	11.96
(+) Permitted receipts	-	5.62	5.62
(-) Permitted payments	2.23	5.62	7.85
(-) Amount deposited in Banks	0.37	-	0.37
Closing cash in hand as on 30.12.2016	-	9.36	9.36

Signatories to Schedules 1 to 24

As per our report attached
For **M. SRINIVASAN & ASSOCIATES**
Chartered Accountants
FRN : 004050S
M.Srinivasan
Partner
Membership No. 022959
Place : Chennai
Date : 30th May, 2017

For and on behalf of the Board

G V GOPINATH
Managing Director

G S SRIDHAR
Joint Managing Director and CFO

M. UMA MAHESWARI
Company Secretary



CIN: L36991TN1991PLC021888

Regd Office: "S.K.Enclave" New No. 4(Old No. 47), Nowroji Road, Chetpet, Chennai - 600031

PROXY FORM

(Form No: MGT-11)

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

Registered Address:	
E-mail ID:	
Folio/DP ID - Client ID:	

I/We being the member(s), holding _____ shares of the above named Company hereby appoint:

(1) Name: _____

Address: _____

E-mail ID: _____

Signature: _____, or failing him;

(2) Name: _____

Address: _____

E-mail ID: _____

Signature: _____, or failing him;

(3) Name: _____

Address: _____

E-mail ID: _____

Signature: _____

as my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 26th Annual General Meeting of the Company, to be held on Thursday, the 14th September 2017 at 03.00 p.m. at Andhra Mahila Sabha, No.109, Luz Church Road, Mylapore, Chennai - 600004 and at any adjournment thereof, in respect of such resolutions as are indicated below:

Resolution No.	Resolution	Optional*		
Ordinary Business:		For	Against	Abstain
1	Adoption of Annual Accounts for the year ended 31st March 2017			
2	Reappointment of Sri G.S. Sridhar (DIN: 01966264) as Director of the Company			
3	Appointment of M/s. J.V. Ramanujam & Co., Chartered Accountants as Statutory Auditor of the Company			
Special Business:				
4	Appointment of Sri G.S. Rajasekar (DIN: 00086002) as Non-Executive Director			
5	Alteration of Articles of Association of the company			

Note:

1. *It is optional to put an 'X' in the appropriate column against the Resolutions indicated in the Box. If you leave the 'For' or 'Against' or 'Abstain' column blank against any or all Resolutions, your Proxy will be entitled to vote in the manner as he/she thinks appropriate.
2. Notwithstanding the above, the Proxies can vote on such other items which may be tabled at the meeting by the members present.

Signed this ____ day of _____ 2017

Signature of shareholder _____

Signature of Proxy holder _____

Note:

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. A Proxy need not be a member of the Company.
3. For the Resolutions, Explanatory Statement and Notes, please refer to the Notice of the 26th Annual General Meeting.
4. Please complete all details including details of member(s) in above box before submission.

Affix Re.1/- Revenue Stamp



STANPACKS (INDIA) LTD

CIN: L36991TN1991PLC021888

Regd Office: "S.K.Enclave" New No. 4 (Old No. 47), Nowroji Road, Chetpet, Chennai - 600031

ATTENDANCE SLIP

Name of the Member

Name of Proxy if attending on behalf of the member

I certify that I am a Registered Shareholder / proxy for the Registered Shareholder of the Company. I hereby record my presence at the 26th Annual General Meeting of the Company held at Andhra Mahila Sabha, No. 109, Luz Church Road, Mylapore, Chennai - 600004 at 03.00 p.m. on Thursday, the 14th September 2017.

Ledger Folio No.	
DP Id No. *	
Client Id No. *	
No. of shares held	
Mr. / Mrs. / Miss	

* Applicable for members holding shares in dematerialized form

.....
Members' / Proxy's name (IN BLOCK LETTERS)

.....
Member's / Proxy's Signature

Note: Please fill in this attendance slip and hand it over at the Entrance of the Meeting Hall.

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To

Regd. Book Post / Courier



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