

APIS INDIA LIMITED

ANNUAL REPORT

2015-16

CORPORATE INFORMATION

Board of Directors

Chairman

Mr. Deepak Anand (**DIN** - 00999570)

Managing Director

Mr. Vimal Anand (**DIN** - 00951380)

Whole-Time Director

Mr. Amit Anand (**DIN** – 00951321)

Non Executive Non Independent Director

Ms. Prem Anand (**DIN** – 00951873)

Independent Non Executive Director

Mr. Sushil Gupta (**DIN** – 01549211)

Mrs. Shalini Malik (**DIN** - 03397744)

Mr. Karan Ahooja (**DIN** – 02688727)

Mrs. Sunita Chaddha (**DIN** – 03398434)

Registered & Corporate Office

APIS INDIA LIMITED

18/32, East Patel Nagar,

New Delhi – 110 008 (Delhi)

Tel. No. – 011 – 4320 6666

Fax No. – 011 – 2571 3631

Email: mail@apisindia.com

Website: www.apisindia.com

Works

Unit

Khasra No. : 66 – 69, Village Makhiali,
Dundi Pargana, Manglore

Roorkee – 247 667

Uttarakhand

Bankers

Canara Bank (*Overseas Branch, New Delhi*)

IDBI Bank Limited (*New Delhi*)

Kotak Mahindra Bank Limited (*New Delhi*)

Axis Bank (*New Delhi*)

Yes Bank Limited (*New Delhi*)

DBS Limited (*New Delhi*)

State Bank of India (*New Delhi*)

Company Secretary

Mr. Vikas Aggarwal

Registrar & Share Transfer Agent

M/s Skyline Financial Services Private Limited

D – 153A, 1st Floor,

Okhla Industrial Area,

Phase – I,

New Delhi – 110 020

Delhi

Ph: 011 – 2681 2683

Fax: 011 – 2629 2681

Email: contact@skylinerta.com

Website: www.skylinerta.com

Statutory Auditors

M/s Sudhir Agarwal & Associates

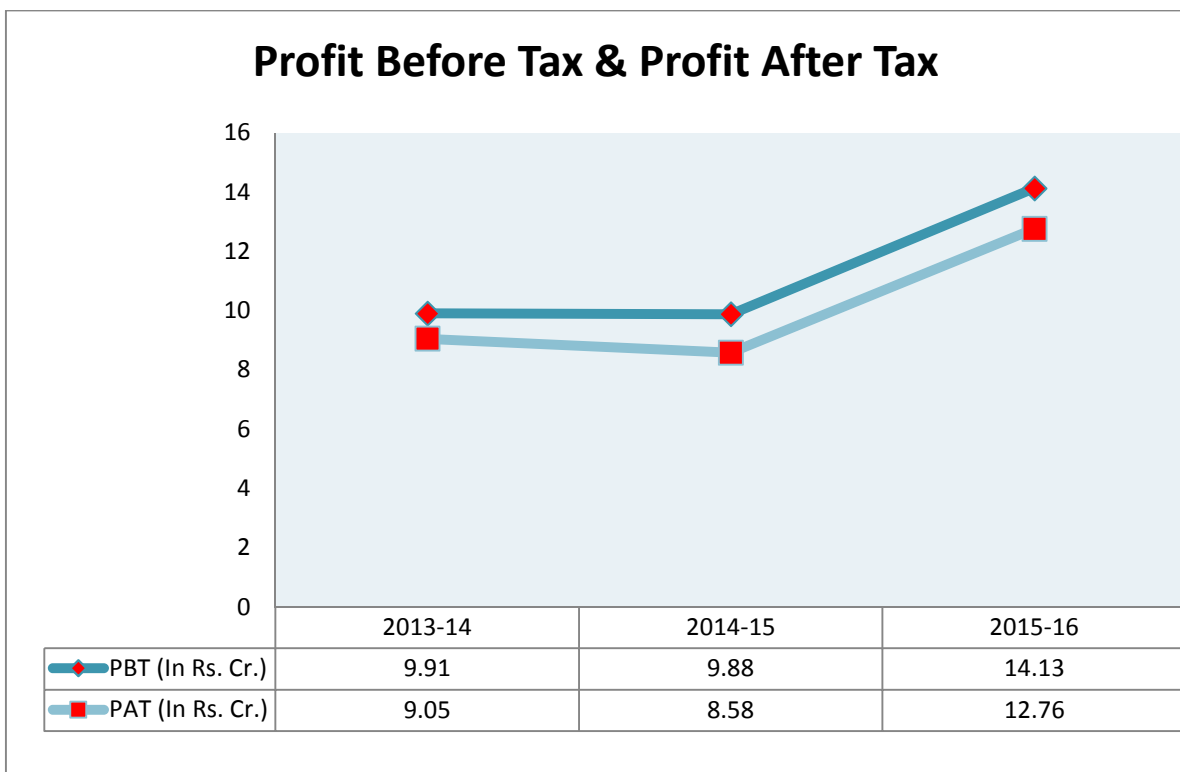
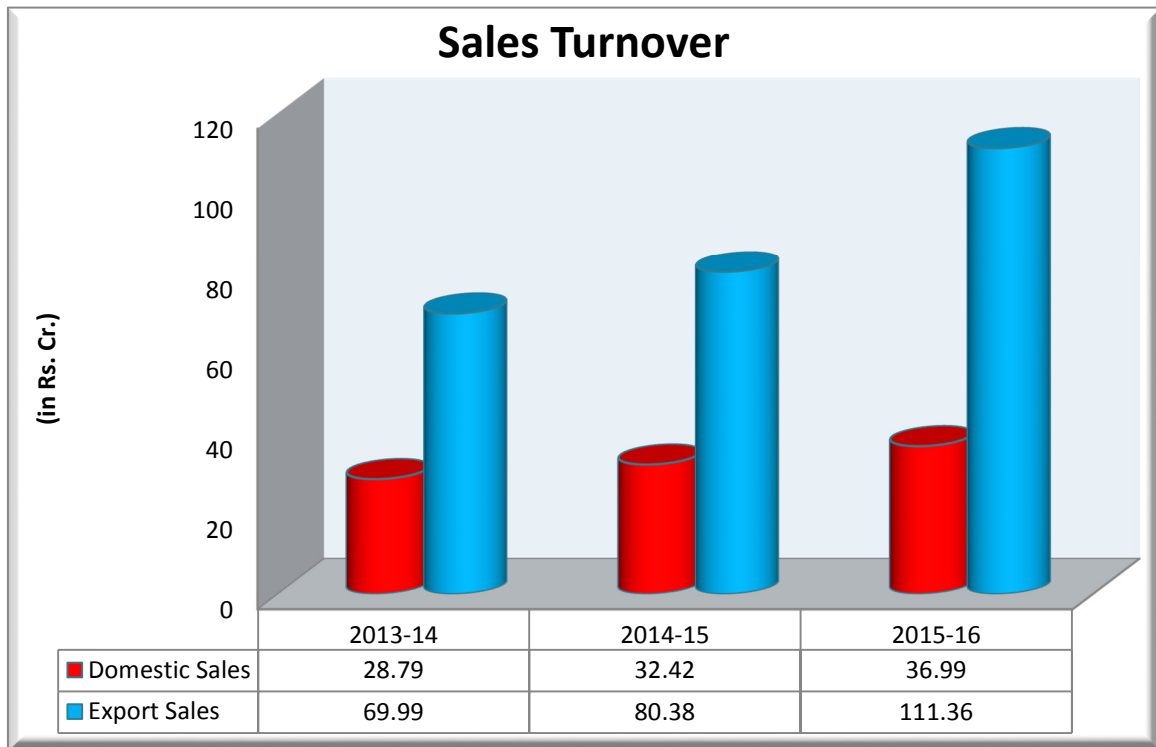
S – 524, Vikas Marg,

Shakarpur,

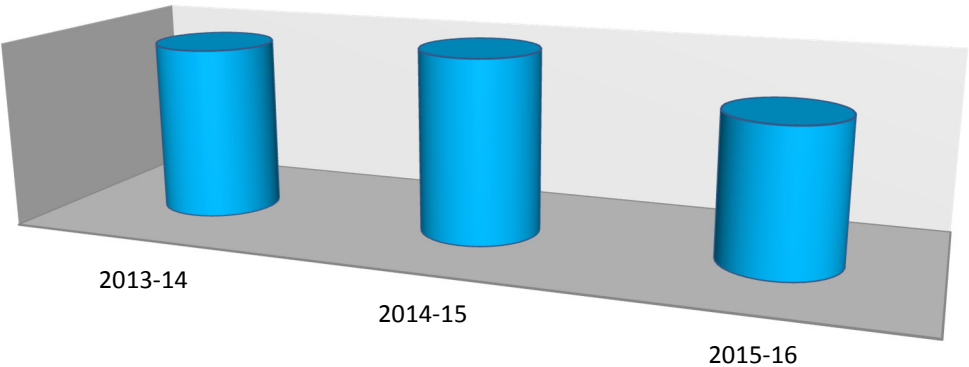
Delhi – 110 092

Delhi

PERFORMANCE HIGHLIGHTS

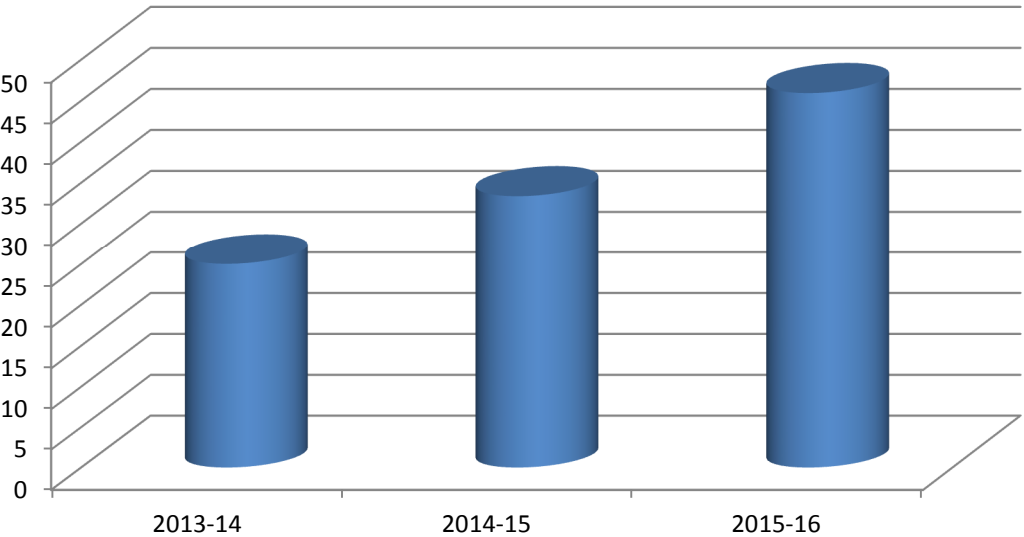


EBIDTA (% of Sales)



	2013-14	2014-15	2015-16
EBIDTA (% of Sales)	14	14.81	11.56

Net Worth



DIRECTORS' & MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Dear Shareholders,

Your Directors have pleasure in presenting 34th Director's Report along with the Management Discussion and Analysis Report and the Statements of Audited Accounts for the Financial Year ended March 31, 2016.

1. CORPORATE OVERVIEW :

Apis India Limited is a leading honey processor in India and Master Franchisee of USA Pretzel chain Wetzel's Pretzels and is currently having its corporate headquarter in Delhi with manufacturing plant in Roorkee, Uttrakhand.

Your company prepares its financial statements in compliance with Companies Act, 2013 and Accounting Standards, as applicable. The estimates and judgments relating to the financial statements are made on a prudent and reasonable basis, so as to reflect in a true and fair manner. The form and substance of transactions are reasonably present your company's state of affairs, profits and cash flow for the year ended March 31, 2016.

2. FINANCE AND ACCOUNTS :

The financial statements of your company for the year ended March 31, 2016 have been prepared in accordance with revised schedule VI and accordingly, the previous year figures have been regrouped / recast wherever necessary.

3. FINANCIAL PERFORMANCE:

The financial highlights of the company for the year ended March 31, 2016 are given below:

(Amount in Rs. Lacs)		
Particulars	March 31, 2016	March 31, 2015
Net Sales / Income from Operations	15,318.14	11867.62
Other Income	5.16	1.46
Less: Interest & Finance Charges	173.93	485.08
Less: Depreciation	183.30	197.34
Profit before Tax	1413.19	988.03

Provision for Tax including the MAT Credit (Netted off) during the year	119.45	117.51
Profit after Tax	1,276	858.01
Add: Balance in Profit & Loss Account	2440.92	1599.76
Amount Available for Appropriation	3716.92	2457.77
Appropriations:		
Dividend on Preference Shares	14.00	14.00
Tax on Dividend	2.87	2.85
Reserves excluding revaluation reserves (Closing Balance)	3700.05	2440.92

4. FINANCIAL REVIEW:

TURNOVER

There has been increase in revenue during the period under review. This year, it has been able to achieve the Net Sales of Rs. 15,318.14 lakhs compare to previous year Rs. 11,189.22 lakhs including revenues from food division. The other Operating Revenue has also been Rs. 503.45(previous year 557.18 lakhs).

The Other Income which comprises of Interest Income and other miscellaneous income is Rs. 5.16 lakhs as compared to the last year which was Rs. 1.46 lakhs.

The company's export has been increased to Rs. 11,135.65 lakhs from Rs. 8,037.68 lakhs during the year under review achieving a growth of 38.54%

PROFITABILITY AND EARNING PER SHARE

The Operating Profit (Earnings before interest, tax and depreciation) to Rs.1413.19 lakhs as compared to Rs.988.03 lakhs in the previous year.

During the year, company's net profit after tax is amounted to Rs. 1276 lakhs as compared to Rs. 858.01 lakhs in the previous year.

Earnings per share were Rs. 23.16 as compared to Rs 15.57 in the previous year.

TRANSFER TO RESERVES

Your company proposes to transfer 1276.00 lakhs to Reserve and Surplus account of the balance sheet. This increases the amount of closing balance of the Reserves and Surplus comes to Rs.3,693.20 lakhs (previous year Rs. 2435.79 lakhs) after paying the dividend on Preference Shares.

DIVIDEND

Considering the expansion plans of the company, the Board of Directors are unable to recommend any dividend for the financial year ending March 31, 2016 on the Equity Shares of the company.

However, the company has proposed dividend on 4% Preference Shares of the company @ 4% amounting to Rs. 4/- per share. The dividend pay-out amount on preference shares aggregating to Rs. 14.00 lakhs (previous year Rs. 14.00 lakhs). The dividend distribution tax is on the recommended dividend amounts to Rs. 2.87 lakhs (previous year Rs. 2.85 lakhs).

5. OPERATIONS REVIEW:

The honey is collected from the beekeepers in the fields and after processing the same ends up in sophisticated export and domestic market where the norms are very stringent regarding honey being a food product.

6. EXPORTS

The continued thrust on export activities and quality of products manufactured by the company has resulted in an phenomenal increase in direct exports from Rs.11, 135.65 lakhs in previous year to Rs. 8037.68 lakhs in current year showing an increase of about 15% (approx.).

7. FOOD DIVISION

The food division of the company is also achieving growth at a rapid pace. As on 31st March 2016, the company was running total four stores across India, two at Bangalore and one at Pune and signed up for the territory franchisee for Delhi/ NCR and one individual franchisee in Bangalore.

Store Position

Serial No.	City	Current No. of Stores
1.	Delhi	1
2.	Bangalore	1
3.	Pune	1
Total		3

8. NUMBER OF MEETINGS OF THE BOARD

The Board met Nineteen times in financial year 2016. The maximum interval between any two meetings did not exceed 120 days.

9. BOARD INDEPENDENCE

Definition of Independence of Directors is derived from Regulation 16(1) (b) of the SEBI (LODR) Regulation, 2015 and Section 149(6) of the Companies Act, 2013. Based on the confirmation / disclosures received from the Directors under section 149(7) of the Companies Act 2013 and on evaluation of the relationships disclosed, the following Non-Executive Directors are considered as Independent Directors:-

Name of the Independent Director	DIN No
Mrs. Shalini Malik	03397744
Mr. Sushil Gupta	01549211
Mrs. Sunita Chaddha	03398434
Mr. Karan Ahooja	02688727

10. DIRECTORS AND KEY MANAGERIAL PERSONNEL:

Pursuant to the provisions of section 149 following are the Directors and KMP of the company:

Category	Name	DN No.
Executive Director	Mr. Deepak Anand	00999570
Executive Promoter Director (Including Managing Director & Jt. Managing Director)	Mr. Vimal Anand	00951380
	Mr. Amit Anand	00951321
Independent Non- Executive Directors	Mrs. Shalini Malik	03397744
	Mr. Sushil Gupta	01549211
	Mrs. Sunita Chaddha	03398434
	Mr. Karan Ahooja	02688727
Company Secretary	Vikas Agarwal	

11. COMMITTEES OF THE BOARD

The Company's Board has the following Committees:

1. Audit Committee
2. Nomination and remuneration committee
3. Stakeholders Relationship Committee

The details of the membership and attendance of the meetings of the above Committees of the board are provided in the Corporate Governance report of the annual report.

12. INTER CORPORATE LOAN AND INVESTMENTS

The Company has complied with the provisions of sections 186 of companies' act 2013 in relation to loan, Investment & Guarantee given by the company during the financial.

13. RELATED PARTY TRANSACTIONS:

A) Name of related parties and description of relationship

- (a) Key Management Personnel
 - Mr. Vimal Anand, Managing Director
 - Mr. Amit Anand, Joint Managing Director
 - Mr. Deepak Anand, Chairman
- (b) Relative of Key Management Personnel
 - Mrs. Mansha Anand (Wife of Mr. Vimal Anand), Marketing – Head
 - Mrs. Sakshi Anand (Wife of Mr. Amit Anand), Administration-Head
- (c.) Enterprises over which Key Management Personnel exercise Significant influence:
 - (a) – One Enterprises, Proprietorship of Amit Anand

B) Related Party Transaction

(Amount in INR Lac)

Sr. No.	Particulars	Key Management Personnel	Relative of key Management Personnel	Enterprises over which key managerial personnel exercise significant influence
Details of Transactions				
(1)	Security Deposit against Rent	35.00	35.00	NIL
(2)	Rent(exclusive of service tax)	3.15	11.25	NIL
(3)	Directors Remuneration	76.80		NIL
(4)	Salary		64.80	NIL
(5)	Trading of goods			86.23

C) Disclosure in respect of material transactions with related parties

(Amount in INR Lac)

Sr. No.	Particulars	Amount
(i)	Security Deposit against Rent	
	Mr. Deepak Anand	35.00
	Mrs. Prem Anand	35.00
(ii)	Rent (exclusive of service tax)	
	Mrs. Prem Anand	10.25

	Mr. Deepak Anand	3.15
(ii)	Director's Remuneration	
	Mr. Vimal Anand	36.00
	Mr. Amit Anand	34.80
	Mr. Deepak Anand	6.00
(iv)	Salary	
	Mrs. Manisha Anand	33.00
	Mrs. Sakshi Anand	31.80
(v)	Trading of goods	
	A- One Enterprises, Proprietorship of Amit Anand	86.23

14. BOARD EVALUATION

The board of directors has carried out an annual evaluation of its own performance, board committees and individual directors pursuant to the provisions of the Act and the corporate governance requirements as prescribed by Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements), Regulations 2015 ("SEBI Listing Regulations").

15. POLICY ON DIRECTORS' APPOINTMENT AND REMUNERATION AND OTHER DETAILS

The Company's policy on directors' appointment and remuneration and other matters provided in section 178(3) of the Act has been disclosed in the corporate governance report, which forms part of this report.

16. MANAGEMENT DISCUSSION AND ANALYSIS

The Management Discussion & Analysis Report is presented in a separate section, which forms part of this Director's Report.

17. EXPANSION/NEW PROJECT :

APIS INDIA LIMITED is planning to expand its Business to Dubai. Its expenditure cost is as follows:

18. SUBSIDIARY and ASSOCIATE COMPANY:

The Company has 2 associate companies as on 31st March, 2016 within the meaning of section 2(6) of the companies Act, 2013 ('Act')

Sr. No.	Name And Address of The Company	CIN/GLN	Holding/ Subsidiary /Associate	%of shares held	Applicable Section
1	MODERN HERBALS PRIVATE LIMITED	U24239DL2000PTC103411	Associate	100% by Promoters of the Company	2(6)
2	APIS NATURAL PRODUCTS PRIVATE LIMITED	U15139PB1997PTC020686	Associate	100% by Promoters of the Company	2(6)