



APT PACKAGING LTD

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BOARD OF DIRECTORS:

SHRI. ARVIND MACHHAR	- MANAGING DIRECTOR
SHRI. SANDEEP MACHHAR	- DIRECTOR
SHRI. GHEVERCHAND BOTHARA	- DIRECTOR
SHRI. BALAPRASAD TAPDIYA	- DIRECTOR
MRS. RUPALI BOTHARA	- DIRECTOR

KEY MANAGERIAL PERSONNEL:

MR. SATISH SHARMA	- CHIEF FINANCIAL OFFICER
MR. MITESH MALIWAL	- COMPANY SECRETARY

AUDITORS

: M/S. NIIKHIL LOYA & CO.
Chartered Accountant, Aurangabad

BANKERES

: PUNJAB NATIONAL BANK

REGISTERED OFFICE

Gut No 72, Village Pharola, Post Beedkin,
Tq. Paithan, Dist. Aurangabad – 431005
(M.S)
Website: <http://www.aptpackaging.in>

CORPORATE OFFICE

: J-18, MIDC AREA, CHIKALTHANA
AURANGABAD – 431006
E-mail:- csoffice@aptpackaging.in;

LOCATION OF UNIT**: CO-EXTRUDED TUBES DIVISION**

Gut No 72, Village Pharola, Post Beedkin,
Tq. Paithan, Dist. Aurangabad – 431005
(M.S)

Khasra No 529, 5th KM Stone, Akbarpur
(urd), Laksar Haridwar Road, Laksar, Dist.
Haridwar (Uttarakhand)

REGISTERED & TRANSFER AGENT

:M/S. LINK INTIME INDIA PVT LTD
C-101, Tower C, 247 Park, LBS Marg,
Vikhroli (W), MUMBAI – 400078
Website: <http://www.linkintime.co.in>

CHAIRMAN'S SPEECH

Ladies and gentleman,

I have great pleasure in welcoming you all in this 38th Annual General Meeting of your company.

The Director's report and the Audited Accounts for the period ended on 31st March are already with you. They deal with company's operations and the financial results for the year 2017-18.

I would like to share some of the points with you which are going to shape the future of your company.

The company's strategy of cost control and adding value added product has yielded its expected results.

Our efforts of increasing the customers base in domestic and export market place has resulted into improved production efficiency and capacity utilization.

Last but not the least, my deep sense of appreciation for the continued dedication and commitment of the employees at all levels and also to all our business associates. I am also thankful to our banker Punjab National Bank for their continuous support and confidence towards the company.

Finally, I am grateful to each one of you shareholder for your continued support to the management in difficult time. I am sure that you will continue to give your support in future too.

Wishing you a very happy and prospers future.

X=====X=====X=====X=====X=====X=====X=====X

Notice of Annual General Meeting

NOTICE is hereby given that the 38th Annual General Meeting of the members of **Apt Packaging Limited** will be held on Saturday, 29th day of September, 2018 at 11:00 AM at the Corporate office of the Company situated at J-18, MIDC Area, Chikalthana, Aurangabad - 431006 (MS) to transact the following business:

ORDINARY BUSINESS:-

1. To consider, approve and adopt the Balance Sheet of the Company as on 31st March, 2018 and the Profit and Loss Account for the year ended on that date and the report of the Statutory Auditors and the Directors thereon.
2. To appoint a director in place of Mr. Sandeep Machhar, who retires by rotation and being eligible to offers himself for re-appointment
3. To ratify the appointment of the Statutory Auditors and fix their Remuneration.

SPECIAL BUSINESS

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

“RESOLVED THAT, in accordance with the provisions of section 196, 197 and 203 read with scheduled V and all other applicable provisions of the Companies Act 2013 and the companies appointment and remuneration of managerial personnel Rules including any statutory modification or re-enactment thereof for the time being in force approval of the members be and are hereby accorded to the re-appointment of Mr. Arvind Machhar (Din:- 00251843) as a Managing Director of the company for a period of 5 (five) years with effect from June, 26th 2018 on the terms and conditions including remuneration as set out in the statement annexed to the notice convening this meeting, with liberty to the board of directors (herein after referred to as “the remuneration as it may deem fit and as may be acceptable to Mr Arvind Machhar subject to the same not exceeding the limits specified under schedule V of Part – II of section II (A) to the Companies Act 2013 of any statutory modification or re-enactment thereof;

RESOLVED FURTHER THAT, the board be and is hereby authorized to do all acts and take steps as may be necessary, proper or expedient to give effect to the this resolution.”

By order of the board

Sd/-

**Mr. Arvind Machhar
Managing Director
Din:- 00251843**

Place: Aurangabad

Date: 10.08.2018

CIN: L24100MH1980PLC022746

NOTES:

- 1) A member entitled to attend and vote and is also entitled to appoint a proxy to vote instead of himself and the proxy need not be a member of the company and the proxy in order to be valid must be deposited with the company at least 48 hours before the time for the meeting.
- 2) The Register of Members and the Share Transfer Books of the company will remain closed from September 26th, 2018 to September 29th, 2018 (both days inclusive).
- 3) The members are requested to intimate to Share Transfer Agent of the Company, changes, if any, in their registered address at an early date and bring the copy of the Annual Report and attendance slip at the Annual General Meeting.
- 4) In all correspondence with the Company/Registrars, members are requested to quote their registered folio number.
- 5) All the documents referred to in accompanying notice are open for inspection at the Registered Office of the company on all working days except Sunday and Holidays between 10.00 a.m. to 5.00 p.m. up to the date of Annual General Meeting.
- 6) As per provisions of the Companies Act, 2013, has introduced provisions for nominations by the holders of shares. The prescribed nomination forms can be obtained from the Company's Registrar and Share Transfer Agent, in case of shares. The Members may take advantage of this facility, if needed.
- 7) E-voting Instructions: **(Note: E-voting facility presently not available due to inactive of ISIN of the company).**

Explanatory Statement**Item No. 4:-**

Mr. Arvind Machhar was appointed as Managing Director of the company in the 35th Annual General Meeting dated 19th September, 2015 for a period of three years with effect from 26th June 2015 to 25th June 2018 on the terms and condition including remuneration set out in the in to between the company and Mr. Arvind Machhar. In recognition of his exposures and experience and attaining the age of 70 years in the year April 2021, the Board of Directors have re-appointed him as Managing Director on new terms and Condition and fix the remuneration for further period of 5 (five) years effective from 26/06/2018 subject to approval of the members by way of passing special resolution.

REMUNERATION:

1. Salary: (Rs. 2,25,000 – Rs. 20,000 – Rs. 2,65,000 – Rs. 20,000 - Rs. 3,05,000)
2. Perquisites as follows:
 - a. House Rent Allowance @ 10% of salary per month
 - b. Reimbursement of Medical Expenses incurred for self & family subject to ceiling of one month salary every year
 - c. Leave Travel Assistance for self & family once in a year subject to ceiling of one month salary every year
 - d. Company's contribution to Provident Fund in accordance with the rules of company
 - e. Superannuation Fund or Annuity Fund in accordance with the rules of company
 - f. Gratuity at the rate of half month's salary for each completed year of services
 - g. Encashment of un-availed leave at the end of tenure as per rules of Company
 - h. Provision of telephone at residence, however personal long distance calls shall be paid by him
 - i. And Car facility with driver for official use.

Mr Arvind Machhar Managing Director will attain the age of 70 (Seventy) years in the month of April 2021. Keeping in view, Mr. Arvind Machhar, has more than three decades of rich and varied experience in Plastic Industry sectors and has been involved in the operations of the company, it would be in the interest of the company to continue the employment of Mr. Arvind Machhar as a Managing Director after attaining the age of 70 years. In view of the Companies Act, 2013 and also for an abundant precaution, the Company seeks consent of the members by way of special resolution for continuation of their holding of existing office after the age of 70 years during the currency of their term of appointment under the provisions of Section 196 (3) (a) of the Companies Act, 2013. The Board therefore recommends the special resolutions for your approval. Mr. Arvind Machhar, Mr. Sandeep Machhar is interested in this resolution.

Further, a copy of statement containing information required to be given under Para (A) of Part II in section II to Schedule V is annexed herewith as Annexure-A.

ANNEXURE - A**I. General Information:**

- (1) Nature of industry:- Plastic Packaging Industry.
- (2) Date or expected date of commencement of commercial production:- In The Year 1997.
- (3) In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus:- Not Applicable
- (4) Financial performance based on given indicators:- As per Annual Report Attached
- (5) Foreign investments or collaborations, if any:- Not applicable

II. Information about the appointee:

- (1) Background details:- Graduate in Science and acquired MBA from well known Harvard School of Management, Boston, USA and holds position as Director in Four Companies and One LLP.
- (2) Past remuneration:- 155000-10000-175000 per Month

(3) Recognition or awards:- Nil

(4) Job profile and his suitability:- Served in APT Packaging Ltd as a chairman cum Managing Director and has vast industrial experience of 36 years. Looking in to his vast experience in running the packaging Industry, your directors found his suitability of company.

(5) Remuneration proposed:- As per Explanatory statement Annexed in annual Report.

(6) Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be with respect to the country of his origin):- Comparable data is not available with company.

(7) Pecuniary relationship directly or indirectly with the company, or relationship with the managerial personnel, if any.

Sr. No.	Name of the Director	Shareholdings	%of shareholding
01.	Mr. Arvind Machhar	7,65,508	14.54
02.	Mr. Sandeep Machhar	51,572	1.17

III. Other information:

(1) Reasons of loss or inadequate profits:- As reported in Director's Report under operational and performance review .

(2) Steps taken or proposed to be taken for improvement:- As reported in Director's Report.

(3) Expected increase in productivity and profits in measurable terms:- The expected increase in turnover and profit before depreciation & tax would be 5.34% &(70.80%) respectively during the year as compare to the previous year.

By order of the board

Place: Aurangabad
Date: 10.08.2018
CIN: L24100MH1980PLC022746

Sd/-
Mr. Arvind Machhar
Managing Director
Din:- 00251843

DIRECTORS' REPORT

To,
The Members of
Apt Packaging Limited

Dear Shareholders

The Directors are pleased to present Thirty Eighth Annual Report on the performance of the company for the financial year ended on 31st March'2018.

1. Financial highlights(Rs in Lakhs)

PARTICULARS	Year Ended On 31.03.2018	Year Ended On 31.03.2017
Sales and Other Income (Net of Taxes)	3271.36	3369.95
Taxes	442.46	155.67
Gross Sales and other Income	3713.82	3525.62
Less: Operating Expenses	3123.55	2763.34
Profit before Interest and Depreciation	590.27	762.28
DEDUCTIONS		
Interest	300.59	306.30
Depreciation & Impairment	241.26	266.23
Operational Profit before Tax	48.42	189.75
Previous Year Income / Expenses	(4.97)	(34.95)
Net Profit / (Loss)	43.44	154.80
Extra ordinary items – Profit on Sale of Fixed Assets	1.73	0.00
Income Tax	0.00	0.00
NET PROFIT FOR THE YEAR	45.17	154.80

2. Performance of the Company

Due to GST implementation during the first quarter flow of orders and dispatches of orders were adversely affected as the customers were shying to keep inventory during the period. Therefore, the first quarter performance of the company was adversely affected, this resulted into overall decline in profit of the company during the year in spite of increase in the Top line. The sales and other income has increased to Rs. 3713.82 Lakhs as against Rs. 3525.62 Lakhs in the previous year which is mainly because of higher tax collection due to GST.

3. Material Changes:

There has been no material change or commitment affecting the financial performance of the Company between the end of the financial year of the Company to which the financial statements relate and the date of this Report.

4. Dividend

In view of unavailability of the profits, the Board of Directors Expresses its inability to declare any dividend for the year ended 31st March, 2018.

5. Transfer To Reserves

During the year under review no amount carry to any reserve to be given.

6. Significant And Material Orders Passed By The Regulators Or Courts Or Tribunals.

During the year under review company has not received any adverse notice from Ministry of Corporate Affairs, Tribunals, ROC, RBI and Central Government as on date.

7. Remuneration Policy of The Company

The Remuneration Policy of the Company for appointment and payment of remuneration to the Directors, Key Managerial Personnel and Senior Executives of the Company is given in Corporate Governance Report.

8. Internal financial controls.

During the year under review company has sufficient internal control policy & system for to take care of frauds and illegitimate practice. The Company has adequate IFC system which ensures that all assets are safeguarded and protected and that the transactions are authorized, recorded and reported correctly.

9. Statutory Auditors

The statutory auditor of the Company M/s Nikhil Loya & Co, (**Firm Registration No. 132280W**) Chartered Accountants, Aurangabad who have appointment by the members in their Annual General meeting held on 29th September, 2017 for the period of five years subject to ratification of each AGM. The Board recommended the re-appointment of M/s Nikhil Loya & Co by way of ratification as a statutory auditor for the Financial Year 2018-19.

10. Directors Comments on the Statutory Auditors Report

The Management is of the opinion that, the impact of adopting Indian Accounting Standards will not materially affect the financial results of the company and presently the shares of the company are suspended from trading due to procedural reasons. The management of the company has decided that it will adopt the Indian Accounting Standard with effect from financial year started on 01.04.2018

11. Extract of the Annual Return

The detailed information of the annual return in Form No MGT – 9 is attached with this Board's report.

12. Conservation of Energy, Technology Absorption and Foreign exchange earnings and Outgo

The details of conservation of energy, technology absorption, foreign exchange earnings and outgo are as follows.

a) Conservation of energy:

- (i) The steps taken or impact on conservation of energy; The Company consistently pursues reduction in energy consumption in its manufacturing process on an ongoing basis. The Company have been granted monetary Incentive from Govt. of Maharashtra for energy saving.
- (ii) The steps taken by the company for utilizing alternate sources of energy; The Company has not taken any efforts for alternate source of energy due to financial constraints and also as the energy consumption is very low as compared to turnover.
- (iii) The capital investment on energy conservation equipment; No investment during the year.

(b) Technology absorption:

- (i) The efforts made towards technology absorption; The Company has not installed any new Plant and new Machinery during the year.
- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution; Same operational profits on lower turnover.

(c) Foreign exchange earnings and Outgo:

Foreign Exchange earning of the Company is Rs.584.30 Lakhs for the year under review, whereas the outgo is Rs.188.93 Lakhs.

13. Directors & Key Managerial Personnel:

The Companies Act, 2013 provides for the appointment of Independent Directors, who shall hold office for a term of up to five consecutive years on the Board of the Company and shall be eligible for re-appointment on passing of a special resolution by the Company. Further, the provisions of retirement by rotation as envisaged under Section 152 of the Companies Act, 2013, shall not apply to such Independent Directors.

A) Changes in Directors and Key Managerial Personnel.

The details about the changes in the directors or key managerial personnel as under :-

Designation:- During the year company has not changed in designation of any director of the company.

Appointment:- During the year company has appointed/Accepted Resignation of KMP as under:-

Sr No	Name of the person	Designation	Date of Appointment/Resignation
01.	Mr. Mitesh Maliwal	Company Secretary	14 th March, 2018 (App)
02.	Ms. Divyani Koshta	Company Secretary	30 th May, 2017 (Res)

Directors Re-appointment :- In accordance with the provisions of section 152(6) of the Act and the Articles of Association of the Company, Mr. Sandeep Machhar, Director is proposed to retire by rotation at the ensuing Annual General Meeting (AGM), and being eligible, offers himself for re-appointment. The Board recommends his re-appointment.

Declaration by an Independent Director(s) and re- appointment:-

All the Independent Directors have given declarations that they meet the criteria of independence laid down under Section 149 of the Companies Act, 2013 and the Listing Regulations. Further details of Directors including remuneration, policy, criteria for qualification, independence; performance evaluation of the Board, Committees and Directors; meetings, committees and other details are given in the Corporate Governance Report, which is integral part of this Annual and Board's Report.

Number of Meetings of the Board of Directors: - The board of director has been constituted as per the Listing Regulations and as per Companies Act, 2013. Constitution, meetings, attendance and other details of the board of directors are given in Corporate Governance Report which is part of this Report.

14. Audit Committee:-Audit Committee of the Board has been constituted as per the Listing Regulations and section 177 of the Companies Act, 2013. Constitution, meetings, attendance and other details of the Audit Committee are given in Corporate Governance Report which is part of this Report.

15. Nomination and Remuneration Committee:-The members of the Company at the AGM held on 19th September, 2015 have approved the appointment of Mr. Arvind Machhar as Managing Director of the Company for the period of three years with effect from 26th June 2015 and also approved payment of his remuneration. The Nomination and Remuneration Committee, Audit Committee and Board of Directors of the Company have recommended the reappointment of Mr. Arvind Machhar as Managing Director of the Company upon expiry of the said three years period, for another term as mentioned in the Resolution seeking Members' special approval due to attaining the age of 70 years in the year April 2021, at the ensuing AGM. Necessary information including the applicable terms and conditions and the proposed remuneration is given in the said Resolution and the explanatory statement included in the Notice convening the next AGM. Details about the directors are given in the accompanying notice of AGM and Corporate Governance Report.

16. Performance Evaluation

The Board has carried out the annual evaluation of its own performance and of each of the directors individually including the Independent Directors and Chairman, as well of the working of its committees.

17. Details of Establishment of Vigil Mechanism for Directors and Employees:

During the year Company has established sufficient vigil mechanism for directors and employees to report genuine concerns to disclose. The following persons are the members of In this Committed, Mr. Sandeep Machhar and Mr. G. M. Bothara.

18. Secretarial Audit Report:-A Secretarial Audit Report given by Mr. Girish Bhandare and Associates, a Company Secretary in Practice, Aurangabad is attached herewith.

19. Disclosures Regarding Maintenance of Cost Records:-

Pursuant to section 148 and applicable provisions of the companies act 2013, (Cost record and Audit) Rule, 2014, the company is required to maintain the cost records in respect of the financial year ended 31st March, 2018 and accordingly the cost record has been maintained.

20. Corporate Governance Certificate :

The Compliance Certificate from M/s. Nikhil Loya & co, Chartered Accounts the auditors of the Company regarding compliance of conditions of corporate governance as stipulated in Clause 49 of the Listing agreement is annexed with the report.

21. Risk Management Policy:

During the year Company has implemented sufficient risk management policy for the identification of elements of risk.

22. Directors' Responsibility Statement

Pursuant to the provisions of section 134(3) of the Companies Act, 2013, the Board confirms that:-

- a) Applicable accounting standards have been followed with explanation for any material departures
- b) Selected accounting policies have been applied consistently 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 that period.
- c) Proper and sufficient care has been taken for the maintenance of adequate accounting records for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities
- d) The annual accounts are prepared on a going concern basis; and
- e) Adequate internal financial controls system consisting of policies and procedures are adopted and adhered by the Company for orderly and efficient conduct of the business for safeguarding assets, prevention and detection of frauds and errors and maintenance of accounting records and timely preparation of financial statements and review its efficacy. In the opinion of Board such controls are adequate and are operating effectively.

f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

24. Deposits

During the year under review, the Company has neither accepted nor renewed any deposits from public within the meaning of Section 73 of the Companies Act, 2013 and The Companies (Acceptance of Deposits) Rules, 2014

23. Disclosure As Required Under Section 22 Of Sexual Harassment Of Women At Workplace Act, 2013

The Company is committed to provide a healthy environment to all its employees. There is zero tolerance of discrimination and/or harassment in any form. The Company has in place a Prevention of Sexual Harassment Policy and an Internal Complaints Committee as per the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. During the year under review, the Internal Complaints Committee received **Nil** complaints.

24. Related Party Transactions

All related party transactions are placed before the Audit Committee for prior approval. Omnibus approval of the Audit Committee is obtained for transactions which are repetitive in nature or when the need for them cannot be foreseen in advance.

During the year company has made one related party transactions, as defined in the Listing Regulations, for which prior approval of the Members by way of an Ordinary Resolution has been taken in the Annual General Meeting held dated 29th September, 2017.

Details of the related party transactions as required under Section 134(3)(h) read with Rule 8 of the Companies (Accounts) Rules, 2014, given in the financial statement.

25. Details of Remuneration of Directors / Key Managerial Personnel

The information relating to remuneration of Directors/Key Managerial Personnel as required under Section 197(12) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 of the Act, is given in corporate governance Report.

26. Particulars Of Employees

The statement under Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, are set out in Annexure.

However, the said Annexure shall be provided to Members on a specific request made in writing to the Company. The said information is available for inspection by the Members at the Registered Office of the Company on any working day of the Company up to the date of the 38th Annual General Meeting.

27. Reporting Of Frauds

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and / or the Board, as required under Section 143(12) of the Act and Rules framed there under.

28. Particulars of Loans, Guarantees or Investments

During the year under review, the Company has not granted any Loan, Guarantees or made Investments within the meaning of Section 186 of the Companies Act, 2013

29. Acknowledgements:-

The Board of Directors place on record their sincere gratitude to employees for their hard work, to Punjab National Bank as sole banker, to investors for their trust and confidence in the management and all concerned with whose help, cooperation and hard work the Company is able to achieve the results.

By Order of the Board

Place:- Aurangabad
Date:- 10th August, 2018

Sd/-	Sd/-
Mr. Arvind Machhar	Mr. Sandeep Machhar
Managing Director	Director
DIN:- 00251843	DIN: 00251892