



# **PRIMA PLASTICS LIMITED**

**MFGRS. OF : MOULDED FURNITURE  
GOVT. RECOG. EXPORT HOUSE  
CIN : L25206DD1993PLC001470**



**Corp. Office** : 41, National House, Saki-Vihar Road, Powai, Andheri (E), Mumbai - 400 072. (India)  
**Tel.:** 0091-022-2857 4768 / 69 / 1791 • **Fax** : 0091-022-2857 2859  
**E-mail** : investor@primaplastics.com • **Website** : www.primaplastics.com

30<sup>th</sup> August, 2018

**Listing Centre,**  
BSE Limited,  
Phiroje Jeejebhoy Towers,  
Dalal Street, Fort,  
Mumbai - 400001

Scrip code - 530589

**Sub: Submission of Approved Annual Report of FY 2017-18**

Dear Sir,

Please find attached herewith the Annual Report for the year 2017-18, approved at the 24<sup>th</sup> AGM of Prima Plastics Limited held on 25<sup>th</sup> August 2018.

Please take the same on record.

Thank You,

**For Prima Plastics Limited**

**Bhaskar M Parekh**  
**Executive Chairman**  
**Din: 00166520**



**Regd. Office** : 98/4, Prima House, Daman Industrial Estate, Kadaiya, Daman - 396 210 (U. T.)  
**Tel.:** 0260-222 0445 • **Fax** : 0260-222 1845



**PRIMA**<sup>®</sup>  
MOULDED FURNITURE



ANNUAL  
REPORT  
2017-18

# TOP EXPORT AWARD WINNERS FOR FY 2016 - 17



## CORPORATE SOCIAL RESPONSIBILITIES



Nearly 800 people took the benefit of Free Eye Camp / Cataract Surgery organised by Prima under CSR Initiatives.



# PRIMA PLASTICS LIMITED

CIN:L25206DD1993PLC001470

## BOARD OF DIRECTORS

Shri Bhaskar M. Parekh	(Executive Chairman)	DIN - 00166520
Shri Mulchand S. Chheda	(Independent Director)	DIN - 00179932
Shri Krishnakant V. Chitalia	(Independent Director)	DIN - 00443945
Shri Rasiklal M. Doshi	(Independent Director)	DIN - 00239580
Smt. Hina V. Mehta	(Non-Executive Director)	DIN - 07201194
Shri Dilip M. Parekh	(Managing Director & KMP)	DIN - 00166385

24 <sup>th</sup> ANNUAL GENERAL MEETING		
Date	:	Saturday, August 25, 2018.
Time	:	11.30 a.m.
Venue	:	Hotel Princess Park, Devka Beach, Nani Daman, Daman (U.T.), Pin - 396 210

## CHIEF FINANCIAL OFFICER

Shri Manoj O. Toshniwal

## COMPANY SECRETARY CUM COMPLIANCE OFFICER

Shri Alok S. Desai (Upto August 12, 2017)  
Ms. Nidhi Shah (Appointed w.e.f. December 14, 2017)

## BANKERS

Kotak Mahindra Bank  
Citi Bank  
Corporation Bank  
ICICI Bank  
Bank of India

## AUDITORS

M/s. Khimji Kunverji & Co., Chartered Accountants  
Sunshine Tower, Level 19, Senapati Bapat Marg,  
Elphinstone Road, Mumbai 400 013

## REGISTRAR & SHARE TRANSFER AGENTS

M/s. Bigshare Services Pvt. Ltd.,  
Bharat Tin Works Building, 1<sup>st</sup> Floor,  
Opp. Vasant Oasis, Makwana Road, Marol,  
Andheri East, Mumbai - 400059

## REGISTERED OFFICE

98/4, Prima House, Daman Industrial Estate,  
Kadaiya, Nani Daman, Daman (U.T.), Pin - 396 210  
Tel: 0260 222 1845 / 222 0445  
Tele Fax: 0260 222 1845  
Email: investor@primaplastics.com  
Website: www.primaplastics.com

## CORPORATE OFFICE

41, National House, Saki-Vihar Road,  
Powai, Andheri (East), Mumbai - 400 072.  
Tel: 022 28574768 / 28574769, Fax: 022 28572859

## WORKS

- 98/4, Prima House, Daman Industrial Estate, Kadaiya, Nani Daman, Daman (U.T.), Pin - 396 210.
- Door No.X/588-Q/A, KINFRA-SIP, Survey No.508 (Part), Block No.32, Nellad P.O., Mazhuvannur Village Ernakulam District, Kerala - 686 669
- 85/1, Prima House, Daman Industrial Estate, Kadaiya, Nani Daman, Daman (U.T.), Pin - 396 210.
- Plot No.543, APIIC Growth Centre, Gundlapali, Ongole, A.P.

## MARKETING DEPOTS

Coimbatore, Hubli, Jammu, Jaipur, Kanpur, Rohtak, Indore, Cuttak, Hyderabad (Telangana), Zirakpur (Punjab) & Kolkata.

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## NOTICE

Notice is hereby given that the TWENTY FOURTH ANNUAL GENERAL MEETING of the Members of PRIMA PLASTICS LIMITED will be held on Saturday, August 25, 2018 at 11.30 a.m. at Hotel Princess Park, Devka Beach, Nani Daman, Daman (U.T.), Pin - 396 210 to transact with or without modification(s), as may be permissible, the following businesses:

### ORDINARY BUSINESS:

1. To consider and adopt (a) the Audited financial statements of the Company for the financial year ended March 31, 2018 together with the Reports of the Board of Directors and the Auditors thereon and (b) the Audited Consolidated financial statements of the Company for the financial year ended March 31, 2018 together with the Reports of the Board of Directors and the Auditors thereon and in this regard pass the following Resolutions as an Ordinary Resolutions:
  - (a) **"RESOLVED THAT** the Audited financial statements of the Company for the financial year ended March 31, 2018 together with the Reports of the Board of Directors and the Auditors thereon laid before this meeting be and are hereby considered and adopted".
  - (b) **"RESOLVED THAT** the Audited Consolidated financial statements of the Company for the financial year ended March 31, 2018 together with the Reports of the Board of Directors and the Auditors thereon laid before this meeting be and are hereby considered and adopted".
2. To approve and declare the payment of final dividend on equity shares for the financial year ended March 31, 2018 and in this regard pass the following Resolution as an Ordinary Resolution;

**"RESOLVED THAT** a dividend at the rate of ₹ 2/- per equity shares of ₹ 10/- each of the Company be and is hereby declared for the financial year ended March 31, 2018 and the same be paid as recommended by the Board of Directors of the Company."
3. To appoint a Director in place of Smt. Hina V. Mehta (DIN No. 07201194) who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and being eligible, offers herself for reappointment and in this regard pass the following Resolution as an Ordinary Resolution.

**"RESOLVED THAT** pursuant to the provisions of Section 152 of the Companies Act, 2013, Smt. Hina V. Mehta (DIN No. 07201194) who retires by rotation at this meeting and being eligible, offers herself for reappointment, be and is hereby re-appointed as a Director of the Company, liable to retire by rotation."

### SPECIAL BUSINESS:

4. To determine the fees for delivery of any document through a particular mode of delivery to a Member and in this regard if thought fit, to pass with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to Section 20 and other applicable provisions, if any, of the Companies Act, 2013 and relevant Rules framed thereunder, upon receipt of a request from a member for delivery of any document through a particular mode, an amount of ₹ 50/- (Rupees: Fifty Only) per each such document, over and above reimbursement of actual expenses incurred by the Company, be levied as and by way of fees for sending the document to him in the desired particular mode.

**RESOLVED FURTHER THAT** the estimated fees for delivery of the document shall be paid by the member in advance to the Company, before dispatch of such document.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, Directors or Key Managerial Personnel of the Company be and are hereby severally authorized to do all acts, deeds, matters and things as they may in their absolute discretion deem necessary, proper or desirable and to settle any question, difficulty, doubt that may arise in respect of the matter aforesaid and further to do all acts, deeds, matters and things as may be necessary, proper or desirable or expedient to give effect to the above resolution."
5. To approve the grant of Loans/ Guarantees or providing securities to entities in which directors are interested and in this regard if thought fit, to pass with or without modification(s), the following resolution as a Special Resolution:

**"RESOLVED THAT** pursuant to the provisions of Section 185 of the Companies Act, 2013 and any other applicable provisions of the Companies Act, 2013 and rules made thereunder (including any statutory modification thereof for the time being in force and as may be enacted from time to time), subject to such approvals, consents, sanctions, notification and permissions, as may be necessary, and the Articles of Association of the Company and all other provisions of applicable laws, consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter referred to as the "Board", which term shall include any Committee constituted by the Board or any person(s) authorized by the Board to exercise the powers conferred on the Board

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by this Resolution), to give loans to entities in which directors are interested (including overseas entities) for its principal business activity and / or give any guarantee or provide security in connection with a loan to any entities (including overseas entities) and / or acquire by way of subscription, purchase or otherwise, the securities of any entities (including overseas entities) within limits prescribed under Section 186 of the Companies Act, 2013.

**RESOLVED FURTHER THAT** for the purpose of giving effect to this resolution, the Board of the Company be and is hereby authorised to take from time to time all decisions and such steps as may be necessary for giving loans, guarantees or providing securities or for making such investments and to execute such documents, deeds, writings, papers and/or agreements as may be required and do all such acts, deeds, matters and things, as it may in its absolute discretion, deem fit, necessary or appropriate."

6. To approve the related party transactions and in this regard if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

**"RESOLVED THAT** pursuant to the provisions of section 188(1)(f) of the Companies Act, 2013 read with Companies (Meeting of Board and Its Powers) Rules, 2014 and other applicable provisions, if any, of the Companies Act, 2013 including statutory modification(s) or re- enactment thereof for the time being in force and as may be enacted from time to time, the consent of the Members be and is hereby accorded to the revision in the remuneration of Mr. Pratik B. Parekh and Mr. Paras B. Parekh, relative of Mr. Bhaskar M. Parekh, Chairman of the Company appointed at office or place of profit in the Company, at a basic salary of ₹ 150,000 per month in a scale of ₹ 150,000 to ₹ 300,000 per month plus other allowances and perquisites as per Company policy, with effect from April 1, 2018, as detailed in the Explanatory Statement.

**RESOLVED FURTHER THAT** the Nomination & Remuneration Committee/Board of Directors has the liberty to alter and vary such remuneration from time to time within the given scale of basic salary along with the terms and conditions thereof for a period from April 1, 2018 to March 31, 2023 and to effect change in designation & responsibility of the person holding office or place of profit in Company.

**RESOLVED FURTHER THAT** for the purpose of giving effect to the foregoing Resolution, the Board of the Company be and is hereby authorized to do all such acts, deeds, matters and things, as may be considered necessary, proper or desirable in the said regard including filling of returns with any authority."

CIN:L25206DD1993PLC001470

**Registered Office**

98/4, Prima House, Daman Industrial Estate,  
Kadaiya, Nani Daman, Daman (U.T.), Pin - 396 210  
Tel: 0260 222 0445  
Tele Fax: 0260 222 1845  
Email: [investor@primaplastics.com](mailto:investor@primaplastics.com)  
Website: [www.primaplastics.com](http://www.primaplastics.com)

For and on behalf of the Board of Directors

**Bhaskar M. Parekh** (DIN – 00166520)  
Executive Chairman

Date: May 28, 2018

Place: Mumbai

**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 A PROXY NEED NOT BE A MEMBER OF THE COMPANY. A person can act as proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than (10%) ten percent of the total share capital of the Company. A member holding more than ten percent of the total share capital of the Company carrying voting rights may appoint a single person as a proxy and such person shall not act as proxy for any other person or shareholder.
2. The instrument appointing a proxy should be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the meeting. A proxy form is sent herewith. Proxies submitted on behalf of the Companies, Societies etc. must be supported with appropriate resolution / authority as applicable;
3. An explanatory Statement pursuant to section 102(1) of the Companies Act, 2013, relating to the Items of Special Business of the notice is annexed hereto.
4. The Register of Members and the Share Transfer Books of the Company will remain closed from Saturday, August 18, 2018 to Saturday, August 25, 2018 (both days inclusive) for the purpose of determining the eligibility of the members to attend the 24<sup>th</sup> Annual General Meeting ("AGM").
5. The dividend, if declared, will be payable to those equity shareholders whose name stand on the Register of Members as at the close of business on Friday, August 17, 2018
6. The business set out in the Notice will be transacted through electronic voting system and the Company is providing facility for voting by electronic means.
7. Relevant documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays and holidays, between 11.00 a.m. to 1.00 p.m. up to the date of the ("AGM").
8. The members are requested to bring their attendance slips along with their copy of Annual Report to the ("AGM").
9. Members, who wish to obtain any information on the Company or view the accounts for the Financial Year ended March 31, 2018 may visit the Company's website [www.primaplastics.com](http://www.primaplastics.com) or send their queries at least 10 days before the Annual General Meeting at the Registered Office of the Company.
10. Details under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015, "Listing Regulations" in respect of Directors' seeking re-appointment / continuation at the Annual General Meeting, forms part of the Notice. The Directors has furnished requisite declarations for the re-appointment.
11. In compliance of section 124 of the Companies act and other applicable provision, your Company has also transferred the dividend and shares in respect of which dividend has been unpaid or unclaimed for seven consecutive years or more till FY 2009-10 to Investor Education and Protection Fund (IEPF) of the Central Government. However, shareholders can claim their dividend money & shares by making application to IEPF. The process of claiming such shares & dividend is provided on our website.

**Further Shareholders who have not encashed any dividend warrants so far for the financial year ended March 31, 2011 or any subsequent financial years are requested to make their claims. Please note that the unpaid dividend and shares of FY 2010-11 are liable to be transferred to IEPF on expiry of seven years.**

Your Company will separately communicate to such shareholders by sending Notice to the lastest address available in the Register of Members, for the benefit of the shareholders.

12. SEBI Regulations has mandated Companies to credit the dividends electronically to the members' bank account. Members who hold shares in dematerialized form should inform their Depository Participant(s) (DP) and such members holding shares in physical form should inform the Company, their Bank details viz. bank account number, name of the bank, branch details and MICR code. The Members who have provided the above information are requested to update the details, if required.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form, also have to submit their self-attested copy of PAN card to the Company / Registrar and Transfer Agents (RTA) – Bigshare Services Pvt. Ltd.
14. A route map showing direction to reach the venue of 24<sup>th</sup> AGM is given in the Annual Report on Page No. 134 as per the requirement of Secretarial Standards-2 on "General Meeting".
15. Members may also note that Notice of the 24<sup>th</sup> Annual General Meeting and Annual Report 2017-18 will also be available on the Company's website [www.primaplastics.com](http://www.primaplastics.com) for being downloaded. The physical copies of the aforesaid documents will also be available at the Company's Registered Office for inspection during normal business hours on working days till the date of the

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meeting. Even after registering e-communication, members are entitled to receive such communication in physical form, upon making a request for the same by post free of cost. For any communication, the shareholders may also send requests to the Company's investor email id: investor@primaplastics.com

#### 16. Voting Through Electronic Means

- In compliance with provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended from time to time and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their votes through remote e-voting (e-voting from a place other than venue of the AGM) for all the resolutions detailed in the Notice of the 24<sup>th</sup> Annual General Meeting scheduled to be held on Saturday, August 25, 2018 at 11.30 a.m. The Company has engaged the services of CDSL as the authorized agency to provide the e-voting as per instructions below:
- The voting right of shareholders shall be in proportion to their share in the paid up equity capital of the Company as on Friday, August 17, 2018 (cut-off date).
- The facility for voting through ballot paper (poll) 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 casted 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.
- However, in case of members casting their vote both by ballot form and remote e-voting, then voting done through remote e-voting shall prevail and voting done by physical ballot shall be treated as invalid.
- The Company has appointed Shri Sadashiv V. Shet (Membership No. FCS 2477 and C.P. No. 2540), Practicing Company Secretary as the Scrutinizer for conducting the remote e-voting and the voting process at the AGM (including voting through ballot form) in fair and transparent manner.
- The Executive Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer by use of "ballot paper" for all those members, who are present at the AGM but have not cast their votes by availing remote e-voting facility.
- The Scrutinizer shall after the conclusion of voting at AGM will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting, in the presence of at least two witnesses not in the employment of the Company and shall make, not later than 48 hours from the conclusion of the AGM, a consolidated Scrutinizer's Report of total votes cast in favour or against if any, to the Executive Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.
- The result declared along with the report of the Scrutinizer shall be placed on the website of the Company [www.primaplastics.com](http://www.primaplastics.com) as well as on the website of CDSL immediately after the declaration of result by the Executive Chairman or a person authorized by him in writing. The result shall also be immediately forwarded to the Stock Exchanges.
- **The instructions for members for voting electronically are as under: -**

##### **In case of members receiving e-mail:**

- (i) The voting period begins on August 22, 2018 at 9:00 a.m. and ends on August 24, 2018 at 5:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) Friday, August 17, 2018 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- (ii) Log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com)
- (iii) Click on Shareholders
- (iv) Now Enter your User ID
  - a. For CDSL: 16 digits beneficiary ID.
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID.
  - c. Members holding shares in Physical Form should enter Folio Number registered with the Company.
- (v) Next enter the Image Verification as displayed and Click on Login.
- (vi) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any Company, then your existing password is to be used.



(vii) If you are a first time user follow the steps given below:

	For Members holding shares in Demat Form and Physical Form
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field</li> <li>In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters, e.g. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN field.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the Company records in order to login.
	<ul style="list-style-type: none"> <li>If both the details are not recorded with the Depository or Company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iv).</li> </ul>

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) 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.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on the EVSN for the relevant "**PRIMA PLASTICS LIMITED**" on which you choose to vote.
- (xii) 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.
- (xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- (xiv) 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.
- (xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- (xvii) If Demat account holder has forgotten the changed password then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (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. Apple 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.**
- (xix) **Note for Non – Individual Shareholders and Custodians**
- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.

(xx) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

**In case of members receiving the physical copy:**

- a) Please follow all steps from sl. no. (i) to sl. no. (xix) above to cast vote.
- b) The voting period begins on August 22, 2018 at 9:00 a.m. and ends on August 24, 2018 at 5:00 p.m. During this period, shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) Friday, August 17, 2018 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.com](http://www.evotingindia.com) under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).

The Notice of AGM is placed on website of the Company viz. [www.primaplastics.com](http://www.primaplastics.com) and also on the website of CDSL viz. [www.cdslindia.com](http://www.cdslindia.com)

17. A statement giving the relevant details of the Director seeking appointment / re-appointment, as required under Regulation 36 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015 and pursuant to Section 102 (1) of the Companies Act, 2013 is given below:

**Item No. 3**

<b>Name of Director</b>	<b>Smt. Hina V. Mehta ( Age 59 years)</b>
Director Identification No. (DIN)	07201194
Date of Joining the Board	May 29, 2015
Number of Shares held	101
Profile of the Director	Smt. Hina V. Mehta joined the Company's Board on May 29, 2015. She hold a Graduate degree in Commerce from Mumbai University of India. She is running her own business, dealing & manufacturing of Modular Kitchen and accessories since 2003. She has a good experience in sales, marketing and finance. She is widely known for her role in shaping the retail outlet of Modular Kitchen.
Other Directorships in Public Limited Co.	Nil
Disclosure of relationship between Directors <i>inter-se</i>	She belongs to the promoter group and is sister of Shri Bhaskar M. Parekh, Executive Chairman & Shri Dilip M. Parekh, Managing Director of the company.
Details of last drawn remuneration	Only Sitting Fees Paid
Number of Board Meetings held and attended during the year.	4

The Board hereby recommends Resolutions at Item Nos. 3 for the Approval of Members.

18. Members holding shares in physical form are advised to dematerialize their shareholding to avail benefits of dematerialization which include easy liquidity, since trading is permitted only in Demat form.

## EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013.

The following statement sets out all material facts relating to business mentioned in the Notice

### Item No. 4

As per the provisions of Section 20 of the Companies Act, 2013 a document may be served on any member by sending it to him or by delivering at his office or address or by such electronic or other mode as may be prescribed. It further provides that a member can request for delivery of any document to him through a particular mode for which he/she shall pay such fees as may be determined by the Company in its Annual General Meeting. Therefore, to enable the members to avail this facility, it is necessary for the Company to approve the fees to be charged for delivery of a document in a particular mode, as mentioned in the resolution.

Since the Companies Act, 2013 requires the fees to be approved in the Annual General Meeting, the Board accordingly recommends the Ordinary Resolution at Item No. 4 of the accompanying notice, for the approval of the Members of the Company.

None of the Directors and/or Key Managerial Personnel's of the Company and their relatives are concerned or interested, in the passing of the above resolution.

### Item No. 5

Pursuant to the Section 185 (1) of Companies (Amendment) Act, 2017, no Company shall directly or indirectly, advance any loan, including any loan represented by a book debt to, or give any guarantee or provide any security in connection with any loan taken by (a) any director of company, or of a company which is its holding company or any partner or relative of any such director; or (b) any firm in which any such director or relative is a partner. However it is permissible under section 185(2) of the Act, with any person in whom any of the directors are interested subject to the other conditions as prescribed under the Act and approval of members via Special Resolution. In this regard the Board recommends Special Resolution at Item No. 5 of the accompanying notice, for the approval of the Members of the Company.

The particulars of loans given, or guarantee given or security to be given in future along with the purpose is detailed below:

Particulars	Amount	Reason
Prima Union Plasticoss S.A.	Within the limit permissible under Section 186 of the Companies Act	To support entities engaged in similar line of business

**None of the Directors and/or Key Managerial Personnel's of the Company and their relatives are concerned or interested, in the passing of the above Resolution. Mr. Bhaskar M. Parekh & Mr. Dilip M. Parekh are holding only directorship in the Subsidiary Company on behalf of Prima Plastics Limited. They are not holding any shares in the Subsidiary Company. The investment in Subsidiary is in name of the Company, so they are not directly interested in the Resolution.**

### Item No. 6

The provisions of section 188(1) of the Companies Act, 2013, govern that the Related Party Transactions require a Company to obtain prior approval of the Board of Directors and in certain cases approval of the shareholders is also required.

Section 188(1)(f) of the Companies Act, 2013, provides for the related party's appointment to any office or place of profit. In this regard, the Board of Directors of the Company in its meeting held on 28<sup>th</sup> May, 2018, consented for Increase in Remuneration of Shri. Partik B. Parekh, Vice President - Marketing & Sales and Shri. Paras B Parekh, Chief Marketing Officer of the Company, who are working with the Company for more than ten years, subject to approval of shareholders. The said increment of related parties was recommended and approved by Nomination & Remuneration Committee and Audit Committee of the Board of Directors of the Company.

The Board recommends the Ordinary resolution at item no. 6 of the accompanying notice, for approval of the Members of the Company.

The details of the increased remuneration are given below:

Name of Related Party	Director who is related	Nature of relationship	Remuneration
Shri Pratik B. Parekh	Shri Bhaskar M. Parekh, Chairman	Father	On scale of ₹ 150,000 to ₹ 300,000 per month plus HRA, PF, other perquisites and allowances as per Company Policy.
Shri Paras B. Parekh	Shri Bhaskar M. Parekh, Chairman	Father	

As per section 188(1)(f) of the Companies Act, 2013, your Directors recommends the resolutions for your approval.

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**Mr. Bhaskar M. Parekh, Chairman of the Company being relative are deemed to be interested or concerned in the respective office.**

**Other Relatives may be deemed to be interested in the resolution to the extent of their shareholding interest if any in the Company.**

**Save and except above, none of the other Directors and/or Key Managerial Personnel's of the Company and their relatives are concerned or interested, in the passing of the above Resolution.**

CIN:L25206DD1993PLC001470

**Registered Office**

98/4, Prima House, Daman Industrial Estate,  
Kadaiya, Nani Daman, Daman (U.T.), Pin - 396 210

Tel: 0260 222 0445

Tele Fax: 0260 222 1845

Email: [investor@primaplastics.com](mailto:investor@primaplastics.com)

Website: [www.primaplastics.com](http://www.primaplastics.com)

For and on behalf of the Board of Directors

**Bhaskar M. Parekh** (DIN – 00166520)  
Executive Chairman

Date: May 28, 2018

Place: Mumbai

## DIRECTORS' REPORT

Dear Shareholders,

Your Directors take pleasure in presenting the 24<sup>th</sup> Annual Report along with the Audited Statement of Accounts of the Company for the year ended March 31, 2018.

### FINANCIAL PERFORMANCE

The financial performance of the Company for the financial year ended March 31, 2018 is summarized below

(₹ In Lakhs)

FINANCIAL RESULTS	2017-18	2016-17
<b>Total Income</b>	<b>10,028.38</b>	9,938.20
Profit before Depreciation, Finance Cost and Tax	<b>1,339.19</b>	1,529.49
Less : Depreciation, Amortisation & Impairment	<b>147.30</b>	95.96
Less : Interest & Finance Cost	<b>145.77</b>	60.82
Profit before Taxation	<b>1,046.12</b>	1,372.71
Less : Current Tax	<b>234.20</b>	313.18
Deferred Tax	<b>58.22</b>	76.61
Profit after Tax	<b>753.70</b>	982.92
<b>Other Comprehensive Income (net of tax)</b>		
Total Comprehensive Income	<b>(6.28)</b>	(2.91)
Add : Balance b/f from previous year	<b>3,564.31</b>	2,634.30
Balance available for appropriation	<b>4,311.73</b>	3,614.31
<b>Appropriation:</b>		
Balance c/f	<b>4,311.73</b>	3,614.31
Less : Proposed Dividend / Interim Dividends (p.y.)	<b>220.01</b>	-
Less: Dividend Tax	<b>44.79</b>	-
Less : General Reserve	<b>50.00</b>	50.00
Balance c/f to Balance Sheet	<b>3,996.93</b>	3,564.31

Figures of FY 2016-17 have been restated as per Ind AS and therefore may not be comparable with financials FY 2016-17 approved by the Directors and disclosed in the financial statement of previous year.

### REVIEW OF OPERATION (STANDALONE)

Your company revenue from local operations has increased by 13.94% over the previous year. The local revenue was ₹ 8,437.05 lakhs (Net of Excise/GST) as compared to ₹ 7,405.11 lakhs (Net of Excise) in the previous year. This increase was mainly because of higher production by existing units.

The exports of the company were down at ₹ 1,160.94 lakhs for the year as compared to ₹ 1,780.23 lakhs in the previous year. The reduction is mainly due to loss of Latin American territory in favour of overseas subsidiary.

The Company registered operating profit of ₹ 1,832.54 Lakhs in comparison to ₹ 1,825.75 Lakhs in last year, marginal increase in spite of increase in raw material price.

Net profit for the year was ₹ 753.70 lakhs as compared to ₹ 982.92 lakhs in last year. The main reason was lesser dividend from overseas Joint Venture Company. The Overseas J.V. had adopted conservative policy on dividend due to its cash outflow on expansion activities.

Your Company's performance is discussed in detail in the "Management Discussion & Analysis Report."

### REVIEW OF OPERATION (CONSOLIDATED)

Your company achieved total revenue (Net) of ₹ 10,533.90 lakhs as against ₹ 9,419.04 lakhs in previous year. An increase of 11.83% and net profits at ₹ 958.54 lakhs as compared to ₹ 1,050.30 lakhs in previous year.

However, please note that due to implementation of IndAS from current year, the operations of overseas Joint Venture Company were consolidated on equity method, the same was consolidated on line to line basis till previous year.

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## CONSOLIDATED ACCOUNTS

The consolidated financial statement of your Company for the financial year 2017-18 are prepared in compliance with applicable provisions of the Companies Act, 2013 read with the Rules issued thereunder, applicable Accounting Standards and the provisions of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (hereinafter referred to as the "Listing Regulations"). The consolidated financial statement has been prepared on the basis of audited financial statement as of March 31, 2018 of your Company and Subsidiary and Joint Venture as on December 31, 2017 as approved by the respective Board of Directors.

## INDIAN ACCOUNTING STANDARDS

The Ministry of Corporate Affairs (MCA) on February 16, 2015, notified that Indian Accounting Standards (Ind AS) are applicable to certain classes of companies from April 1, 2017. Ind AS has replaced the previous Indian GAAP prescribed under Section 133 of the Companies Act, 2013 ("the Act") read with Rule 7 of the Companies (Accounts) Rules, 2014. Ind AS is applicable to the Company from April 1, 2017.

The reconciliations and descriptions of the effect of the transition from previous GAAP to Ind AS have been set out in the notes to accounts in the standalone & Consolidated financial statement.

## MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

There have been no material changes and commitments affecting the financial position of the Company. There has been no change in the nature of business of the Company.

## AWARDS AND RECOGNITIONS

Your Company won Top Export Award recently declared by PLEX Council of Government of India for its export performance for financial year 2016-17 and top Export Award (Runner up) for financial year 2015-16.

## DIVIDEND

Your Directors have recommended a final dividend of ₹ 2/- (20%) per equity share for the financial year ended March 31, 2018. The dividend payout is subject to approval of members at the ensuing Annual General Meeting ("AGM").

## TRANSFER TO RESERVES

The Company proposes to transfer ₹ 50.00 Lakhs to the General Reserve out of the amount available for appropriations ₹ 4,311.73 and an amount of ₹ 3,996.93 Lakhs is proposed to be retained in the Profit and Loss Account. The Reserve on standalone basis, at the beginning of year were ₹ 4,801.67 Lakhs. The Reserve at the end of year is ₹ 5,284.30 Lakhs.

## JOINT VENTURE & SUBSIDIARY COMPANIES

Your company's Joint Venture Company, Prima Dee-lite Plastics s.a.r.l., Cameroon, West Africa has displayed yet another robust performance. The turnover of the company has shown 22% growth in comparison with last year. Similarly, Net Profits of the company were up by 11%.

The subsidiary company, Prima Union Plasticos S.A. at Guatemala in its first year of operation has displayed subdued performance. However, it has a promising future and expected to performance better in next year.

In terms of proviso to sub section (3) of Section 129 of the Act, the salient features of the financial statement of the subsidiaries is set out in the prescribed form AOC-1 is annexed here with as **Annexure - A**.

As per section 136 of the Companies Act, 2013, the Annual Report of company contains standalone & consolidated financial statements and is also available on its website: [www.primaplastics.com](http://www.primaplastics.com). Further Audited Financial Statement of Subsidiary Company has also been placed on its website: [www.primaplastics.com](http://www.primaplastics.com)

## MATERIAL SUBSIDIARY

The Board of Directors of the Company had adopted a policy for Determining Material Subsidiary Company in line with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Policy is uploaded on the website of the Company [www.primaplastics.com](http://www.primaplastics.com). Presently there is no Material Subsidiary of the Company.

## DISCLOSURE RELATING TO BOARD, COMMITTEES AND POLICIES

### Board of Director

The Company's Board comprises of six members. Shri Bhaskar M. Parekh, Executive Chairman (DIN-00166520) and Shri Dilip M. Parekh, Managing Director (DIN-00166385) and Smt. Hina V. Mehta, women director (Non-executive) (DIN-07201194) represents the Promoter Group of the Company. Further three other Non-Executive Directors includes – Shri Mulchand S. Chheda (DIN – 00179932), Shri Krishnakant V. Chitalia (DIN – 00443945) and Shri Rasiklal M. Doshi (DIN– 00239580) who are independent in terms of Regulation

17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Companies Act, 2013. The Directors are reputed persons with diverse functional expertise and industry experience relevant to fulfilling the Company's objectives and strategic goals.

None of the Independent Directors are liable to retire at the forthcoming Annual General Meeting ("AGM"). All Independent Directors have submitted declarations that they continue to meet the criteria of independence as laid down under Section 149(6) of the Companies Act, 2013, read with Regulation 16 (1)(b) of SEBI (Listing Obligations and Disclosures Requirements) Regulations 2015.

As per the provisions of the Companies Act, 2013, Smt. Hina V Mehta, Non-Executive Director (DIN-07201194) who retires by rotation at the Annual General Meeting and being eligible, offers herself for re-appointment to the Board. Her profile details are contained in the accompanying Notice of this ("AGM").

The appointment and remuneration of Directors is governed by the Remuneration Policy of the Company to serve on the Board for guiding the Management team to enhance organizational performance.

The Nomination and Remuneration Committee is fully empowered to determine /approve and revise, subject to necessary approvals, the remuneration of managerial personnel, after taking into account the financial position of the Company, trends in the industry, qualifications, experience, past performance and past remuneration, etc. The Non-Executive Directors are paid sitting fees for every meeting of the Board and its Audit Committee attended by them.

The detailed Remuneration Policy is available on the website of the Company [www.primaplastics.com](http://www.primaplastics.com). The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors and is within the prescribed limits of the Companies Act, 2013.

The Company periodically discloses details of holding of its promoter group and persons acting in concert in the shareholding pattern and other filings with the Stock Exchange.

#### **Board Meeting**

The Board of Directors met 4 times during financial year 2017-18. The details of the meetings and the attendance of the Directors are mentioned in the Corporate Governance Report.

#### **Committees:**

The Board has established various Committees as a matter of good corporate governance practice and as per the requirements of the Companies Act, 2013. The Committees are Audit Committee, Nomination and Remuneration Committee, Management Committee, Share Transfer Committee, Stakeholders' Relationship Committee, Internal Complaints Committee and CSR Committee. The composition, terms of reference, number of meetings held and business transacted by the Committees is given in the Corporate Governance Report.

#### **KEY MANAGERIAL PERSONNELS (KMP)**

As on 31<sup>st</sup> March 2018, Shri Dilip M. Parekh, Managing Director (DIN No. 00166385) Shri Manoj O. Toshniwal, Chief Financial Officer and Ms. Nidhi M. Shah (w.e.f. 14.12.2017), Company Secretary & Compliance Officer are the Key Managerial Personnel's of your Company in accordance with the provisions of Sections 2(51), read with 203 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 (including any statutory modification(s) or re-enactment(s) for the time being in force).

During the year Mr. Alok Desai resigned from the post of Company Secretary & compliance officer from 12.08.2017 and in his place Ms. Nidhi Shah was appointed as Company Secretary & Compliance Officer w.e.f 14.12.2017.

#### **BOARD EVALUATION**

The Board of directors of the Company carried out annual evaluation of Board, Committees and other individual Directors (including Independent Directors) which includes criteria of performance evaluation of Non-Executive Directors and executive Directors. A structured questionnaire was prepared after taking into consideration inputs received from the Directors, covering various aspects of the Board's functioning composition of Committees, culture, execution and performance of specific duties, obligations and governance in compliance with applicable laws, regulation and guideline.

The Independent Directors, in their meeting evaluated the performance of the Board, the Chairperson and the Non-Independent Directors, Board evaluated the performance of all the Directors. The result of the evaluation is satisfactory and adequate and meets the requirements of the Company.

#### **DIRECTORS' RESPONSIBILITY STATEMENT**

The Board of Directors acknowledge the responsibility for ensuing compliances with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 in the preparation of annual accounts for the year ended on March 31, 2018 and states that:

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- a) In the preparation of the annual accounts, the applicable accounting standards have been followed and there has been no material departure;
  - b) the Directors 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 as at March 31, 2018 and of the profit of the Company for the year ended on that date;
  - c) the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
  - d) the Directors have prepared the Annual Accounts on a going concern basis.
  - e) the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
  - f) the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems are adequate and operating effectively.

### **MANAGEMENT DISCUSSION AND ANALYSIS**

The Management Discussion and Analysis Report forms an integral part of this report and provides details of the overall industry structure, economic developments, performance and state of affairs of your Company's internal controls and their adequacy, risk management systems and other material developments during the financial year 2017-18.

### **PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS MADE UNDER SECTION 186 OF THE COMPANIES ACT, 2013**

Particulars of loans given, Investments made, guarantees given and securities provided along with the purpose for which the loan or guarantee or security is proposed to be utilised by the recipient are provided in the standalone financial statement.

Further during the year under review, 1) the Company has infused funds amounting to ₹ 590.00 lakhs in Subsidiary Company to meet the working Capital demand and 2) granted guaranty of ₹ 163.47 lakhs to the suppliers of Subsidiary Company.

Except above investment, there were no other loans, guarantees or investments made by the Company under Section 186 of the Companies Act, 2013 during the year under review.

### **PARTICULARS OF CONTRACTS OR ARRANGEMENTS MADE WITH RELATED PARTIES**

All contracts or transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. The Company had not entered into any contract or transaction with related parties which could be considered material in accordance with the provision of the Companies Act, 2013. The policy on materiality of related party transactions as approved by the may be accessed on Company website [www.primoplastics.com](http://www.primoplastics.com)

An omnibus approval has been granted by the Audit Committee of the Board for transactions which are of a foreseen and repetitive nature with other related parties. Such omnibus approvals are subjected to review and monitored by the Audit Committee on a quarterly basis. Statement containing salient features of the related party transactions are stated in **Annexure - B**.

### **AUDITORS & AUDITORS' REPORT**

#### **Statutory Auditors & their Report**

In accordance with the provisions of Companies Act, 2013, at the Annual General Meeting held on 12<sup>th</sup> August, 2017 the shareholders had appointed M/s. Khimji Kunverji & Co., Chartered Accountants (Firm Registration No. 105146W) for a term of 5 years i.e. upto the conclusion of 28<sup>th</sup> Annual General Meeting. M/s. Khimji Kunverji & Co., Chartered Accountants, have consented to be the Auditors of the Company. The Auditors have also confirmed that their appointment is as per the provisions of Section 141 of the Companies Act, 2013 and rules thereunder.

Further the notes on Financial Statements referred in the Auditors Report are self explanatory and do not call for any further comments. There is no qualification or adverse remark in Auditors' report. There is no incident of fraud requiring reporting by the auditors under Section 143(12) of the Companies Act, 2013

#### **Secretarial Auditors & their Report**

The Board of Directors have reappointed Shri Sadashiv V. Shet, Practicing Company Secretary to undertake the Secretarial Audit for the financial year 2017-18. The Secretarial Audit Report for the financial year ended March 31, 2018 is annexed herewith this report as **Annexure - C**. The Secretarial Audit Report does not contain any qualification, reservation or adverse remark.



## EXTRACT OF ANNUAL RETURN

The details forming part of the extract of the Annual Return in form MGT - 9 is annexed herewith as **Annexure - D**.

## INTERNAL FINANCIAL CONTROLS

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

Internal Auditors' comprising of professional Chartered Accountants monitor and evaluate the efficacy of Internal Financial Control Systems in the Company, its compliance with operating system, accounting procedures and policies at all the locations of the Company. Based on their report of Internal Audit function, corrective actions in the respective area are undertaken and controls are strengthened. Significant audit observations and corrective action suggested are presented to the Audit Committee.

## CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India (SEBI). The Company has also implemented several best Corporate Governance practices as prevalent globally. The report on Corporate Governance as stipulated under the Listing Regulations forms an integral part of this Report. The requisite certificate from the Secretarial Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the Report on Corporate Governance.

## GENERAL DISCLOSURES

Your Directors' state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

- a) Issue of equity shares with differential rights as to dividend or voting or otherwise.
- b) Issue of shares (sweat equity shares) to employees of the Company.
- c) Details relating to deposits covered under chapter V of the Act.
- c) Neither the Managing Director nor the Whole Time Director of the Company received any remuneration or commission from any of its subsidiary.
- d) No significant material orders were passed by the Regulators or Courts or Tribunals which impacts the going concern status and Company operations in the future.

## BUSINESS RISK MANAGEMENT

A Risk Management Policy has been developed and implemented by the Company for identification of elements of risk if any, which in the opinion of the Board may threaten the existence of the Company. The key elements of the Company's risk management framework have been captured in the Risk Management Policy which details the process for identifying, escalating, prioritizing, mitigating and monitoring key risk events and action plans. The assessment of the risks covers Strategy, Technology, Financial, Operations & Systems, Legal & Regulatory and Human Resources Risks. The effectiveness of the Risk Management framework and systems is periodically evaluated by the Audit Committee.

## CORPORATE SOCIAL RESPONSIBILITY (CSR)

Your Company believes in the philosophy of giving back to the society. The Company's primary focus has been on health care along with ensuring up-lift of the differently abled persons belonging to the economically challenged and deprived sections of the society. The CSR Committee has formulated and recommended to the Board CSR Policy indicating activities to be undertaken by the Company. The Policy of the Company can be accessed at [www.primaplastics.com](http://www.primaplastics.com)

A brief report on CSR activities undertaken during the year, as required under Section 135 of the Companies Act, 2013, is annexed as **Annexure – E** to this Report. During the year under review, the Company spent ₹ 13,00,000/- as against its statutory obligation of ₹ 12,96,258/-.

## VIGIL MECHANISM

The Company has formulated Whistle Blower Policy with a view to providing a mechanism for employees to report violations and assure them of the process that will be followed to address the reported violation. The Policy also lays down the procedures to be followed by Senior Management for tracking of complaints, giving feedback, conducting investigations and taking disciplinary actions. It also provides assurances and guidelines on confidentiality of the reporting process and protection from reprisal to complainants. The Whistle Blower Policy is put on the Company's website and can be accessed at [www.primaplastics.com](http://www.primaplastics.com)

## DISCLOSURE AS PER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

As per the requirement of The Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013 ('Act') and Rules made thereunder, your Company has constituted Internal Complaints Committees. In line with the said provisions, during the year the Company has not received any complaints with allegations of sexual harassment.

Workplace sexual harassment complaints received during the year	2017-18
Number of cases filed	Nil
Disposal through conciliation	Nil
Pending cases	Nil
Number of workshops & awareness programme conducted	1

## HEALTH, SAFETY & ENVIRONMENT

Your Company gives equal priority to ensuring Health and Safety of its employees and the Environment. Your Company has a Policy on Health, Safety and Environment and has received certification under ISO 14001:2015 Standard for Daman plant during the year under review.

## PARTICULARS OF EMPLOYEES

During the year, there was no employee in receipt of remuneration as prescribed in the Rule 5 (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The prescribed particulars of employees as required under Section 197 (12) of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure - F** and forms part of this Report.

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

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo required to be given pursuant to Section 134(3)(m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as **Annexure G** and forms part of this report.

## CREDIT RATING

The Company's financial discipline and prudence is reflected in strong credit rating ascribed by CRISIL. During the year under review your company's long term rating is maintained at BBB/Positive and short term rating at A3+.

Total Bank loan facilities rated	₹ 40.00 Crores
Long Term Rating	CRISIL BBB / Positive
Short Term Rating	CRISIL A3+

## TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

Pursuant to the applicable provision of the Companies Act and rules thereunder the dividend on equity shares paid in September 2011 which is unclaimed and unpaid for 7 years will be due for transfer to IEPF Fund along with the shares on which dividend is unpaid & unclaimed from last seven consecutive years, in October, 2018. Investors who have not yet claimed their dividend are requested to contact the Secretarial Team or R&T Agent. The Company is liable to transfer the said shares on expiry of seven years.

Further complying the applicable IEPF rules the Company has already transferred the dividend amount alongwith the shares which are unpaid and unclaimed from last 7 years (till FY 2009-10) to IEPF fund in the last year.

## COMPLIANCE WITH SECRETARIAL STANDARDS ON BOARD AND GENERAL MEETING

During the financial year, your Company has complied with applicable Secretarial Standards issued by Institute of Company Secretaries of India.

## ACKNOWLEDGEMENT

The Directors wish to convey their gratitude and appreciation to all of the employees of the Company at all its locations for their tremendous personal efforts as well as their collective dedication and contribution to the Company's performance. The Directors would also like to thank the shareholders, customers, dealers, suppliers, bankers, government and all other business associates for their continued support extended to the Company and the Management.

For and on behalf of the Board of Directors

Mumbai,  
May 28, 2018

**Bhaskar M. Parekh** (DIN – 00166520)  
Executive Chairman

## Annexure - A Form AOC-1

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/Joint Venture companies

### Part "A": Subsidiary

(Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Subsidiary)

Name of Subsidiary	Prima Union Plasticos S.A.
1. Reporting period for the subsidiary concerned	December 31, 2017
2. Reporting currency and Exchange rates as on the last date of the relevant Financial year	USD, Exchange Rate ₹ 63.85
3. Share Capital	₹ 320.13 Lakhs
4. Reserves and Surplus	₹ (255.46) Lakhs
5. Total Assets	₹ 1,772.80 Lakhs
6. Total Liabilities	₹ 1,672.56 Lakhs
7. Investments	NIL
8. Turnover	₹ 861.24 Lakhs
9. Profit (Loss) before taxation	₹ (209.21) Lakhs
10. Provision for taxation	NIL
11. Profit after taxation	₹ (209.21) Lakhs
12. Proposed Dividend	NIL
13. Extent of shareholding (In percentage)	90%

1. Names of subsidiaries which are yet to commence operations: NIL
2. Names of subsidiaries which have been liquidated or sold during the year: NIL.

### Part "B": Joint Venture

Statement pursuant to Section 129 (3) of the Companies Act, 2013 related to Joint Venture

Name of Joint Venture	Prima Dee-Lite Plastics S.A.R.L.
1. Last audited Balance Sheet Date	December 31, 2017
2. Share of Joint Venture held by the Company on the year end	16,100 Shares
3. Amount of Investment in Joint Venture	₹ 102.07 Lakhs
4. Extent of holding (In percentage)	50%
5. Description of how there is significant influence	Due to equity holding in Joint Venture
6. Reason why the joint venture is not consolidated	N.A.
7. Net worth attributable to shareholding as per latest Audited Balance Sheet	₹ 2,182.96 Lakhs
8. Profit/Loss for the year	
9. i. Considered in Consolidation	₹ 676.03 Lakhs
ii. Not Considered in Consolidation	NIL

1. Names of associates or joint ventures which are yet to commence operations: NIL
2. Names of associates or joint ventures which have been liquidated or sold during the year: NIL

**For and on behalf of the Board of Directors of  
Prima Plastics Limited**

CIN : L25206DD1993PLC001470

**Manoj O. Toshniwal**  
Chief Financial Officer

**Nidhi Shah**  
Company Secretary  
M. No. A34893

**Bhaskar M. Parekh**  
Executive Chairman  
DIN No. 00166520

**Dilip M. Parekh**  
Managing Director  
DIN No. 00166385

Mumbai  
May 28, 2018

## Annexure - B

### FORM NO. AOC -2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

Form for Disclosure of particulars of contracts/arrangements entered into by the Company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain Arm's length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis : Not Applicable
2. Details of contracts or arrangements or transactions at Arm's length basis

Sr. No.	Name of Related Party	Nature of Contract / Arrangement / transactions	Duration of Contract / arrangement / transactions	Terms and Value of the Transactions/ Value in lakhs	Date of Approval by the Board	Amount Paid as Advance, If any
1	National Plastics Allied and Industries	Rent for Corporate Office at Mumbai and reimbursement of expenses	01-04-17 to 31-03-18	42.61 Lakhs	Approved in the Board Meetings held during the year 2017-18	Nil
2	Classic Plastics	Rent for Corporate Office at Mumbai	-do-	27.16 Lakhs	-do-	Nil
3	Sanya Plastics	Rent	-do-	3.00 Lakhs	-do-	Nil
4	Pratik B. Parekh	Salary to a Relative of Director	-do-	28.00 Lakhs	-do-	Nil
5	Paras B. Parekh	Salary to a Relative of Director	-do-	28.00 Lakhs	-do-	Nil

For and on behalf of the Board of Directors

**Bhaskar M. Parekh** (DIN – 00166520)  
Executive Chairman

Mumbai,  
May 28, 2018

## ANNEXURE - C TO THE BOARDS' REPORT FORM NO. MR- 3

### SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED MARCH 31, 2018.

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

To,

The Members,  
Prima Plastics Limited  
98/4 Prima House Daman Industrial Estate  
Kadaiya Nani Daman 396210

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PRIMA PLASTICS LIMITED**, (hereinafter called the "company"). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the **PRIMA PLASTICS LIMITED'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, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2018, 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:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2018 and according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 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;
  - (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; .....**Not applicable to the Company during the Audit Period.**
  - (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; .....**Not applicable to the Company during the Audit Period.**
  - (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities), 2008; .....**Not applicable to the Company during the Audit Period.**
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; .....**Not applicable to the Company during the Audit Period.**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 ; .....**Not applicable to the Company during the Audit Period.**
- (vi) Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016  
The following other Laws as may be applicable specifically to the Company are:
  - 1. The Water (Prevention and Control of Pollution) Act, 1974 & The Water (Prevention and Control of Pollution) Cess Rules, 1975
  - 2. The Air (Prevention and Control of Pollution) Act, 1981
  - 3. The Environment (Protection) Act, 1986 & the Environment (Protection) Rules 1986
  - 4. The Noise Pollution (Regulation and Control) Rules 2000;

- 
5. Legal Metrology Act, 2009.
  6. Provisions related to unfair or restrictive trade practices of the Monopolies and Restrictive Trade Practices Act, 1969.
  7. Standard Weights and Measure Act, 1976;
  8. Trademarks Act, 1999.

**I further report that**, based on the information provided by the Company, its officers, authorised representatives during the conduct of the audit and also on the review of quarterly compliance report by the respective departmental heads / Company Secretary / Executive Director/ Internal Auditor, taken on record by the Board of Directors of the Company, in my opinion, adequate systems and processes and control mechanism exist in the Company to monitor compliance with applicable general laws.

**I further report that** the Compliance by the Company of applicable Financial laws like Direct & Indirect tax laws, Goods and Service tax and others detailed under Tax Legislations, have not been reviewed and I have relied on the representations made by the Company, its Officers and Reports issued by the Statutory Auditors.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited read with the Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations 2015.

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

**I further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. The Company has appointed Ms. Nidhi Shah as a Company Secretary in Whole Time Employment of the Company w.e.f. 14.12.2017, in place of Mr. Alok Suryakant Desai, who resigned from the post of Company Secretary in Whole Time Employment of the Company w.e.f. 12.08.2017

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

As per the minutes of the Board duly recorded and signed by Chairman, the decisions of the Board were unanimous and no dissenting views have been recorded.

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**I further report that** during the audit period there are no instances of major bearing on the company's affairs in pursuance of the laws, rules, regulations, guidelines, standards, etc. during the year under review.

**Sadashiv V. Shet**  
Practicing Company Secretary  
FCS No. 2477  
C P No.: 2540

Date: May 28, 2018  
Place: Panaji-Goa

## ANNEXURE - D TO THE DIRECTORS' REPORT

### Form No. MGT-9

#### EXTRACT OF ANNUAL RETURN

as on the financial year ended on March 31, 2018

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

#### I. REGISTRATION AND OTHER DETAILS:

i)	CIN	L25206DD1993PLC001470
ii)	Registration Date	November 17, 1993
iii)	Name of the Company	Prima Plastics Limited
iv)	Category / Sub-Category of the Company	Public Company Limited by Shares - Manufacturing
v)	Address of the Registered Office and Contact Details	98/4, Prima House, Daman Industrial Estate, Kadaiya, Nani Daman, Daman (U.T.), Pin - 396 210. Tel. No.0260-222 0445, Email: <a href="mailto:investor@primaplastics.com">investor@primaplastics.com</a> website: <a href="http://www.primaplastics.com">www.primaplastics.com</a>
vi)	Whether listed Company	Yes
vii)	Name, Address and Contact Details of Registrar and Transfer Agent, if any	M/s. Bigshare Services Pvt. Ltd., 1 <sup>st</sup> Floor, Bharat Tin Works Bldg, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (E), Mumbai 400059 Tel. No. 022 62638200, Fax: 022 62638299 Email: <a href="mailto:investor@bigshareonline.com">investor@bigshareonline.com</a> , website: <a href="http://www.bigshareonline.com">www.bigshareonline.com</a>

#### II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the Company shall be stated:-

Sl. No.	Name and Description of main Products / Services	NIC Code of the Product/Services	% to total turnover of the Company
1	Manufacturing of Plastic Products	222	100%

#### III. PARTICULARS OF HOLDING, SUBSIDIARY AND JOINT VENTURE COMPANIES -

Sl. No.	Name and Address of the Company	CIN/GLN/IN	Holding/Subsidiary/ Joint Venture	% of Shares held	Applicable Section
1	Prima Union Plasticos S.A. Diagonal 3 CalzadaAtanasio Tzul, 43-15, Zona 12, Guatemala, Central America	-	Subsidiary	90%	2(87)
2	Prima Dee-Lite Plastics S.A.R.L. BP. 5 488 Douala, Cameroon, West Africa	-	Joint Venture	50%	2(6)

#### IV. SHARE HOLDING 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	
<b>A. Promoters</b>									
<b>1. Indian</b>									
Individuals/HUF	6434754	--	6434754	58.4953	6432254	--	6432254	58.4725	-0.0227
<b>Sub Total(A)(1)</b>	<b>6434754</b>	<b>--</b>	<b>6434754</b>	<b>58.4953</b>	<b>6432254</b>	<b>--</b>	<b>6432254</b>	<b>58.4725</b>	<b>-0.0227</b>

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	
<b>2. Foreign</b>									
<b>Sub-Total (A)(2)</b>	--	--	--	--	--	--	--	--	--
<b>Total Shareholding of Promoter (A)=(A)(1) + (A)(2)</b>	<b>6434754</b>	--	<b>6434754</b>	<b>58.50</b>	<b>6432254</b>	--	<b>6432254</b>	<b>58.47</b>	<b>-0.0227</b>
<b>(B) Public Shareholding</b>									
<b>1. Institutions</b>									
Central/State Governments	--	--	--	--	--	--	--	--	--
Mutual Funds	--	800	800	0.01	--	--	--	--	-0.01
Foreign Portfolio Investors	19891	--	19891	0.18	19891	--	19891	0.18	--
Financial Institution/Banks	150	--	150	--	--	--	--	--	--
FIs	2175	--	2175	0.02	--	--	--	--	-0.02
<b>Sub-Total (B)(1)</b>	<b>22216</b>	<b>800</b>	<b>23016</b>	<b>0.21</b>	<b>19891</b>	--	<b>19891</b>	<b>0.18</b>	<b>0.03</b>
<b>2. Non-Institutions</b>									
Bodies Corporate - Indian	194746	5100	199846	1.82	221996	3600	225596	2.05	0.23
Individual shareholders holding nominal share capital up to ₹ 1 lakhs	2278729	528925	2807654	25.52	2388343	351425	2739768	24.91	-0.61
Individual shareholders holding nominal share capital in excess of ₹ 1 lakhs	1514060	--	1514060	13.76	1410395	--	1410395	12.82	-0.94
Trusts	125	--	125	--	50	--	50	--	--
Clearing Member	21015	--	21015	0.19	13197	--	13197	0.12	-0.07
IEPF	--	--	--	--	159319	--	159319	1.45	1.45
<b>Sub-Total (B)(2)</b>	<b>4008675</b>	<b>534025</b>	<b>4542700</b>	<b>41.29</b>	<b>4033981</b>	<b>355025</b>	<b>4389006</b>	<b>41.35</b>	<b>0.06</b>
<b>Total Public Shareholding (B)=(B)(1) + (B)(2)</b>	<b>4030891</b>	<b>534825</b>	<b>4565716</b>	<b>41.50</b>	<b>4213191</b>	<b>355025</b>	<b>4568216</b>	<b>41.53</b>	<b>0.03</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	--	--	--	--	--	--	--	--	--
<b>Grand Total (A)+(B)+(C)</b>	<b>10465645</b>	<b>534825</b>	<b>11000470</b>	<b>100</b>	<b>10645445</b>	<b>355025</b>	<b>11000470</b>	<b>100</b>	<b>--</b>



**(ii) Shareholding of Promoters**

Sl. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in Shareholding during the year
		No. of Shares	% of total Shares of the Company	% of Shares Pledged/Encumbered to total Shares	No. of Shares	% of total Shares of the Company	% of Shares Pledged/Encumbered to total Shares	
1	Dilip Manharlal Parekh	2615420	23.78	--	2615420	23.78	--	--
2	Bhaskar Manharlal Parekh	2551610	23.20	--	2551610	23.20	--	--
3	Madhavi Dilip Parekh	406530	3.70	--	406530	3.70	--	--
4	Shashikala Manhar Parekh	353810	3.22	--	353810	3.22	--	--
5	Chhaya Bhaskar Parekh	216711	1.97	--	216711	1.97	--	--
6	Shashikala M. Parekh	114000	1.04	--	114000	1.04	--	--
7	Pratik Bhaskar Parekh	83300	0.76	--	83300	0.76	--	--
8	Nitika B. Tolia	40352	0.37	--	40352	0.37	--	--
9	Pratik Bhaskar Parekh	31800	0.29	--	31800	0.29	--	--
10	Shashikala M. Parekh	18600	0.17	--	18600	0.17	--	--
11	Late Niranjana Dhirajlal Parekh	2500	0.02	--	--	--	--	0.02
12	Mehta Vijay Mansukhlal	10	--	--	10	--	--	--
13	Hina V. Mehta	101	--	--	101	--	--	--
14	Paras B. Parekh	10	--	--	10	--	--	--

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

Sl. No.		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	At the beginning of the year i.e. as at 01-04-2017	6434754	58.50	6434754	58.50
2	Decrease due to demise of Niranjana Dhirajlal Parekh during the year	(2500)	0.02	(2500)	0.02
3	At the end of the year i.e. 31/03/2018	6432254	58.47	6432254	58.47

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

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year		Shareholding at the end of 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	Dheeraj Kumar Lohia	91009	0.83	--	--	91009	0.83
2	S. Shyam	235816	2.14	99920	0.91	335736	3.05
3	Subramanian P	216820	1.97	-27930	-0.25	188890	1.72
4	Punit Shailesh Bhuptani	168254	1.53	-14573	-0.13	153681	1.40
5	Pandian Ilangovan	110200	1.00	-64057	-0.58	46143	0.42
6	Sunil Agarwal	81497	0.74	11138	0.10	92635	0.84
7	Jyotivardhan Jaipuria	48000	0.44	--	--	48000	0.44
8	Mayadevi Rajendra Khemka	47282	0.43	-47282	-0.43	--	--
9	Rajendra Shubhakaran Khemka	42690	0.39	-42690	-0.39	--	--

Sl. No.		Shareholding at the beginning of the year		Cumulative Shareholding during the year		Shareholding at the end of 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
10	Pioneer Holdings Pvt. Ltd.	40000	0.36	--	--	40000	0.36
11	Bhavaneesh Athikary	36951	0.34	--	--	36951	0.34
12	Sunita Saraogi	34861	0.32	--	--	34861	0.32

(v) Shareholding of Directors and Key Managerial Personnel:

Sl. No.		Shareholding at the beginning of the year as at 01-04-2017		Cumulative Shareholding during 01-04-2017 to 31-03-2018		Shareholding at the end of the year as at 31-03-2018	
		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	Dilip Manharlal Parekh	2615420	23.78	--	--	2615420	23.78
2	Bhaskar Manharlal Parekh	2551610	23.20	--	--	2551610	23.20
3	Mulchand S. Chheda	--	--	--	--	--	--
4	Krishnakant V. Chitalia	5295	0.05	205	--	5500	0.05
5	Rasiklal M. Doshi	3500	0.03	--	--	3500	0.03
6	Hina V. Mehta	101	--	--	--	101	--
7	Manoj O. Toshniwal	--	--	--	--	--	--
8	Alok Desai	--	--	--	--	--	--
9	Nidhi Shah	--	--	--	--	--	--

V. INDEBTEDNESS

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

(In ₹)

		Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
	<b>Indebtedness at the beginning of the financial year.</b>				
i)	Principal Amount	48,267,156	NIL	NIL	48,267,156
ii)	Interest due but not paid	NIL	NIL	NIL	NIL
iii)	Interest accrued but not due	NIL	NIL	NIL	NIL
	<b>Total (i+ii+iii)</b>	<b>48,267,156</b>	<b>NIL</b>	<b>NIL</b>	<b>48,267,156</b>
	<b>Change in Indebtedness during the financial year</b>				
	Addition	235,994,335	NIL	NIL	235,994,335
	Reduction	NIL		NIL	NIL
	<b>Net Change</b>				
	<b>Indebtedness at the end of the financial year</b>				
l)	Principal Amount	283,757,461	NIL	NIL	283,757,461
li)	Interest due but not paid	NIL	NIL	NIL	NIL
iii)	Interest accrued but not due	504,030	NIL	NIL	504,030
	<b>Total (i+ii+iii)</b>	<b>284,261,491</b>	<b>NIL</b>	<b>NIL</b>	<b>284,261,491</b>

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

(In ₹)

Sl. No.	Particulars of Remuneration	Name of MD/WTD/Manager		Total Amount
		Dilip M. Parekh	Bhaskar M. Parekh	
1	Gross salary			
	(a) Salary	6,610,685	6,610,685	13,221,370
	(b) Value of Perquisites	39,600	105,223	144,823
	(c) Profits in lieu of salary	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission - as % of profit - others, specify.	NIL	NIL	NIL
	<b>Total (A)</b>	<b>6,650,285</b>	<b>6,715,908</b>	<b>13,366,193</b>
	Ceiling as per the Act	8,400,000	8,400,000	16,800,000

**B. Remuneration to other directors**

Sl. No.	Particulars of Remuneration	Name of Directors				Total Amount
		Krishnakant V. Chitalia	Mulchand S. Chheda	Rasiklal M. Doshi	Hina V. Mehta	
1	Independent Directors					
	Fee for attending for board / committee meetings.	110,000	110,000	60,000	N.A.	280,000
	Commission	Nil	Nil	Nil	N.A.	Nil
	Others, please specify.	Nil	Nil	Nil	N.A.	Nil
	<b>Total (1)</b>	110,000	110,000	60,000	N.A.	280,000
2	Other Non-Executive Directors					
	Fee for attending Committee meetings	Nil	Nil	Nil	80,000	80,000
	Commission	Nil	Nil	Nil	Nil	Nil
	Others, please specify	Nil	Nil	Nil	Nil	Nil
	<b>Total (2)</b>	Nil	Nil	Nil	80,000	80,000
	<b>Total (B) = (1+2)</b>	<b>110,000</b>	<b>110,000</b>	<b>60,000</b>	<b>80,000</b>	<b>360,000</b>
	Total Managerial Remuneration					360,000
	Overall Ceiling as per the Act.	N.A.	N.A.	N.A.	N.A.	N.A.

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

Sl. No.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount
		Manoj O. Toshniwal	Alok Desai #	Nidhi Shah *	
1	Gross Salary				
	(a) Salary as per provisions contained in section 17 (1) of the Income Tax Act 1961	1,365,000	183,539	152,130	1,700,669
	(b) Value of Perquisites under section 17 (2) of the Income Tax Act 1961	100,721	NIL	NIL	100,721
	(c) Profits in lieu of salary under section 17 (2) of the Income Tax Act 1961	NIL	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL	NIL
	- as % of profit				
	- others, specify.				
	<b>Total (A)</b>	<b>1,465,721</b>	<b>183,539</b>	<b>152,130</b>	<b>1,801,390</b>

# Resigned w.e.f. August 12, 2017

\*DOA December 14, 2017

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

No penalties / punishment / compounding of offence were levied under the Companies Act, 2013.

For and on behalf of the Board of Directors

**Bhaskar M. Parekh** (DIN – 00166520)  
Executive Chairman

Mumbai,  
May 28, 2018

## ANNEXURE - E TO THE DIRECTORS' REPORT

as on the financial year ended on March 31, 2018

### REPORT ON CORPORATE SOCIAL RESPONSIBILITY

1. A brief outline of the Company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or programs.

CSR policy of the Company encompasses the Company's philosophy for fulfilling its responsibility as a corporate citizen and lays down the guidelines and mechanism for undertaking socially useful programmes for the welfare and sustainable development of the community at large. The Company's CSR Policy can be viewed at our website [www.primaplastics.com](http://www.primaplastics.com)

2. The Composition of the CSR Committee:

Name of Director	Designation and Role on CSR Committee	DIN No.
Shri. Krishnakant V. Chitalia	Independent Director - Chairman	00443945
Shri. Bhaskar M. Parekh	Executive Chairman - Member	00166520
Shri. Dilip M. Parekh	Managing Director - Member	00166385

3. Average Net profit for the last 3 Financial years: ₹ 64,812,892.67/- (Calculated as per Section 135 of the Companies Act)
4. Prescribed CSR expenditure (2% of amount stated in item no. 3 above) (As per Section 1356 of the Companies Act, 2013): ₹ 1,296,258/-
5. Details of CSR Spending during the financial year:
- a) Total amount to be spent for the Financial year: ₹ 1,300,000/-
- b) Amount unspent, if any: NIL
- c) Manner in which amount is spent during the Financial year: Details given below:

CSR Project or Activity identified	Sector in which project or activity is covered (Schedule VII)	Project or Programs Local area or Other area Specify the States & Districts where the project was under taken	Amount outlay (budget) – project or program wise (INR in Lakhs)	Amount spent on the projects or program wise	Cumulative expenditure upto the reporting period (INR In lakhs)	Amount spent– Direct or through implementing agency *
Relief, Rehabilitation, promoting special education and enhancing vocational skills of all kinds of disabled persons	Health	Gujarat	350,000	350,000	350,000	350,000
Medical needs via eye camps and cataract surgeries to eradicate blindness of economically weaker and backward persons of the society	Health	Maharashtra	350,000	350,000	350,000	350,000
Relief and financial aid to the weaker section of society who are stricken with Cancer and dialysis.	Health	Maharashtra	400,000	400,000	400,000	400,000
Ensuring Environment sustainability, conservation of natural resources and developing technology by serving the nation in field of science & astronomy	Education & Development	Maharashtra	200,000	200,000	200,000	200,000
<b>Total</b>			<b>1,300,000</b>	<b>1,300,000</b>	<b>1,300,000</b>	<b>1,300,000</b>

**Note \*** Details of implementing Agencies: P.N. R. Society, Bhavnagar; Vision Foundation of India, Mumbai; Nana Palkar Smruti Samiti Parel,; The Indian Planetary Society, Mumbai and and Cancer Charitable Trust, Mumbai.

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6. **In case the Company has failed to spend the 2% amount of the average net profit of the last 3 Financial years or any part thereof, the Company shall provide the reasons for not spending the amount in its Board report:**

Not Applicable, as the Company was required to spend ₹ 1,296,258/- while it has spent an amount of ₹ 1,300,000/- which is more than the average 2% amount of the net profit for last 3 years.

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

The Company believes in the philosophy of giving back to the society and has ensured to undertake the projects / programmes through implementation agencies of good standing and repute to ensure that the amount is utilized for the welfare and discharge of Corporate Social Responsibility pursuant to Section 135, of the Companies Act, 2013. The CSR activities are under taken on recommendation of the CSR Committee and the Committee monitors the progress of the spending to ensure the funds are utilized in just and fair manner.

For and on behalf of the Board

For and on behalf of the Board

**Dilip M. Parekh** (DIN-00166385)  
Managing Director

**K. V. Chitallia** (DIN-00443945)  
Chairman (CSR Committee)

Mumbai  
May 28, 2018

## ANNEXURE - F TO THE DIRECTORS' REPORT

as on the financial year ended on March 31, 2018

### Disclosures pursuant to Rule 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

- (i) The remuneration paid to Executive Chairman and Managing Director during the year 2017-18 was ₹ 66.00 Lakhs each, the median remuneration of employees was ₹ 2.32 Lakhs. The ratio of remuneration of Executive Director was 2745% as compared to the median remuneration of employees.
- (ii) The average increase in remuneration to Executive Directors for the year ended on March 31, 2018 was 33% as against average increase in median remuneration of employees at 10%. This increase in the remuneration of Executive Directors as well as employees was justified based on the Company's performance and also various other factors like performance, experience, industry trend, etc.
- (iii) As at March 31, 2018 total number of 100 Staff and 225 Workers were on the permanent pay rolls of the Company.
- (iv) The Company's performance with respect to the Profit After Tax was decreased by 22.88% for the year ended on March 31, 2018 and against this, the median increase in the remuneration of employees were 10% which is based on various factors of each employee and industry average.
- (v) Market Capitalization of the Company as at March 31, 2018 was ₹ 15,180.65 Lakhs previous year it was ₹ 28,155.70 Lakhs. The Price Earnings Ratio as at March 31, 2018 was 19.97 times as compared to previous year's closing ratio of 28.56 times. The closing share price at BSE Ltd. for the shares of the Company as at March 31, 2018 was ₹ 138.00 per share, previous year it was ₹ 255.95 per share. The last issue of the Company was in the year 1995.
- (vi) For the year ended on March 31, 2018 the Company has paid remuneration to two Directors i.e. Executive Chairman & Managing Director and there was no employee of the Company who was drawing remuneration in excess of the remuneration of these Executive Directors
- (vii) Remuneration of the Key Managerial persons of the Company is as per the remuneration policy recommended by Nomination and Remuneration Committee of the Company.

For and on behalf of the Board of Directors

**Bhaskar M. Parekh** (DIN – 00166520)  
Executive Chairman

Mumbai,  
May 28, 2018

## Annexure G

### (A) CONSERVATION OF ENERGY

The Company is continuously putting its efforts to improve Energy Management by way of monitoring energy related parameters on regular basis. The Company is committed to transform energy conservation into a strategic business goal fully along with the technological sustainable development of Energy Management System. It is putting best endeavour to reduce energy consumption in all its operations and activities.

- (i) To achieve above objectives, the following steps are being undertaken by the Company: -
1. Continuously monitoring the energy parameters such as maximum demand, power factor, load factor, TOD tariff utilization on regular basis.
  2. Continuously replacing the inefficient equipments with latest energy efficient technology & up gradation of equipments continually. The Company has replaced few old machines which were consuming more power with latest state of art energy efficient machines.
  3. Increasing the awareness of energy saving within the organization to avoid the wastage of energy.

### MANAGEMENT CONSIDERATION OF OPTIONS TO CONSERVE ENERGY:

- Evaluation of the alternative materials or additives to reduce the cost of raw material.
- Improving the output / input ratio to gain maximum finished products from per kg. raw material.
- Modify the mould and dies to improve the cycle time to get higher production from the same machine.
- To modify the process parameters to improve the quality.
- Expenditure on R & D: Not significant.

- (ii) Capital investment on energy conservation equipment:

During the financial year under review the Company has not incurred any capital expenditure on energy conservation equipment.

### (B) TECHNOLOGY ABSORPTION:

- (i) The efforts made towards technology absorption:

- Monitoring the production patterns
- Developing new designs
- Replacing of old machines with energy efficient and technologically advanced machines.

- (ii) The benefits derived like product improvement, cost reduction, product development or import substitution:

- As a result, the Company is able to give new & innovative designed product and has created strong demand of its products in in local as well as export market.

- (iii) The Company has not imported any technology during the year under review.

The Company has not imported any technology or processes know how. The machines and moulds used for manufacturing products are regularly upgraded to cater variety products in line with the market trend and demand. The new investments are made to procure technology upgraded machines & moulds.

- (iv) Expenditure incurred on Research & Development – insignificant.

### FOREIGN EXCHANGE EARNING AND OUTGO

- 1) Activities relating to exports, initiative taken to increase exports; development of new exports market for products and services; and export plans: -

The Company's key markets for international business are Africa, Middle East and Latin America. The export products are well established in the international market and the exports were at ₹ 1,160.94 Lakhs as compared to ₹ 1,780.23 Lakhs in last year. The Company has received repeated orders from its existing clients.

- 2) Total foreign exchange used and earned.

Particulars	Financial Year 2017-18	Financial Year 2016-17
Foreign Exchange earned	123,219,419	199,082,925
Foreign Exchange used	70,930,124	159,098,803

(₹)

For and on behalf of the Board of Directors

Mumbai,  
May 28, 2018

**Bhaskar M. Parekh** (DIN – 00166520)  
Executive Chairman



## MANAGEMENT'S DISCUSSION & ANALYSIS REPORT

### OVERVIEW

FY 2017-18 was significant for Indian Economy due to rollout of the Goods & Service Tax (GST) with effect from 1<sup>st</sup> July, 2017. The business in the 2<sup>nd</sup> and 3<sup>rd</sup> Quarter was effected due to lack of clarity, various tax perceptions, system issues and monthly compliance responsibility. Apart from initial disruption and temporary glitches, it is a positive steps and we have moved to One Nation One Tax concept. The government initiative for ease of doing business have a positive impact on Industry and its slowly moving toward transparency in government approvals.

The Indian economy continued to grow strongly as the economy recovers its last quarter post stabilization of GST regime. The government initiative to implement Real Estate Regulation and Development Act, 2016 (RERA) and Insolvency and Bankruptcy Code, 2016 (IBC) shall be a positive step for the economy.

The Government data on GDP growth rate are positively supported by consumption growth and Government spending. Plastics Demand growth continue to be healthy due to infrastructure boost, higher disposable income, implementation of the 7<sup>th</sup> pay commission and other policy measures.

Against the backdrop of the mixed conditions, your company witness consistent growth in existing business and initiative to expand the product line with positive growth in business in coming years.

### INDUSTRY STRUCTURE AND DEVELOPMENTS:

The Company maintains its view that there is ample growth opportunity for plastic business due to continued focus of the government on Swachh Bharat Abhiyan, infrastructure development and ease of doing business in the country.

The Company is investing in machineries to increase its production capacities and mould to add newer products range and enter into pallets and waste management products. The Company recognise the opportunity and take appropriate steps. The Company is also expanding its territory and focusing on Pan India and International presence. The Management is confident that the efforts taken by the Company will fetch good results.

### FINANCIAL REVIEW:

#### Revenue from Operation:

The Company deals in only one segment i.e. Plastic Moulded Articles segment and serving its customers from their manufacturing units in Daman, Cochin and Ongole. The Company focus is on expanding its customer base in new territories and to add newer product lines to tap additional business.

Prices of Raw material were on increasing trend in line with crude oil prices. The Profit margin were also under pressure due to capital expansion undertaken and its expenditure till these units reach at optimum production level.

Exports revenue was down in line with its Management expectation, mainly due to setting up subsidiary company in Latin America region. However, the efforts are on to explore new territories for exports.

#### Operating Profit:

The Company registered operating profit of ₹ 1,832.54 Lakhs in comparison to ₹ 1,825.75 Lakhs in last year, marginal increased inspite of increase in raw material price.

#### Interest:

The interest cost has substantially increased to ₹ 145.77 Lakhs in comparison to ₹ 60.82 Lakhs in previous year. In consideration of the expansions completed by the Company, the control on fund management and consequential interest cost is appreciable.

#### Profit:

Your Company has registered a lower Profit before Tax of ₹ 1,046.12 Lakhs as against ₹ 1,372.72 Lakhs in the previous year and net profit after tax of ₹ 753.70 Lakhs against ₹ 982.92 Lakhs in previous year.

#### Dividend:

The Board of Directors have maintained a final dividend of ₹ 2/- per Equity shares (20%) inspite of pressure on profit margin.

### BUSINESS OUTLOOK

With the reduction in GST rate from 28% to 18%, the Plastics Industry is relived from higher taxes to level playing platform. The Government has also relax certain provisions and relief from some complex provisions. This will help in ease of doing business.

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Your Company has set up Roto and Blow moulding, machines to produce some new products relating to Swachh Bharat Abhiyan, Infrastructure developments and Industrial uses and shown its presence in this growing segment of Plastics Industry. The Management foresees a reasonable growth in these new business avenues inspite of Competition from established business houses. The Company also added new range of plastic furnitures with modern design in line with consumer preferences and useful utilities.

With the increase in income of middle and lower middle class, upliftment of Rural economy and good monsoon the average spending has gone up and benefited industries based on Rural economy and your Company is also benefited. The management expects a growth of 10% to 15% in the coming years and stability to its newly set up units from financial year 2018-19 onwards.

#### **OPPORTUNITIES**

Looking at continuous focus of Indian Government on various scheme such as focus on infrastructure development, Swachh Bharat Abhiyan and creation of jobs, plastic industry is bound to get benefit. Further the outlook for the monsoon appears encouraging which should provide the much needed support to the rural economy. This is also expected to lead to improved consumer demand.

Consumption of plastic is increasing and your Company is determined to emerge as a major player with quality product. Your Company is also focusing on growing in international market specially in under-developed countries to export its products.

#### **THREAT**

Any major upward movement in the Crude Prices could change the inflationary scenario impacting on input prices and the margin of the Company. Further the frequent changes in regulatory laws specially the steep penal provisions, may create additional compliance burden on the Company. Further Weak Global outlook can make it difficult for the country to continue on a growth plan, specially after the stiff stand by American Government on Import from China and India.

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

The Company has adequate internal financial control procedures commensurate with its size and nature of business. The Company has appointed Internal Auditors comprising professional Chartered Accountants who periodically audit the adequacy and effectiveness of the internal controls laid down by the management and suggest improvements. Based on the audit observation and recommendations, follow ups and remedial measures are being taken including review and increase in scope, if necessary. The Audit Committee of the Board of Directors periodically reviews the audit plans, internal audit reports and adequacy of internal controls.

As a matter of proactive planning, the Board has also constituted an Audit Committee which meets periodically to review the financial performance and the accuracy of financial records. The management duly considers and takes appropriate action on the recommendations made by the Internal Auditors, Statutory Auditors and the Audit Committee of the Board of Directors.

#### **RISK MANAGEMENT**

Your Company is exposed to business risk which may be internal or external risk, requiring quick adaptability to tackle different business risks. To ensure our long term corporate success, it is essential to identify, analyse and mitigate risk by appropriate control measures. The Company has laid down procedures and informed the Board & Audit Committee about risk assessment and minimization procedures.

The identified risks are reviewed and evaluated on continues basis and suitable steps are timely taken to mitigate the same. The implementation of various strategies to control the said risk is monitored regularly. The Board reviews the Risk Management process periodically.

The Company has exposure to foreign currency loans and it also makes payment in foreign currency for import of machinery and raw materials. It has also investment exposure in overseas Subsidiary and Joint Venture. The change in the exchange rate between the US Dollar and the Indian Rupee may have negative impact on the Company's result and financial condition. The Company many times don't hedge the currency exposure and takes advantage of its natural hedge by exports of moulded articles and return on investment from Subsidiary / Joint Venture Company (JV) to full extent. The Company does not deal in derivative transaction(s) as a matter of policy.

The Company is exposed to the risk of price fluctuation on raw materials as well as finished goods. The Company apart from passing the cost to end user also manages these risks in inventory management etc.

The Company developed new products to meet the growing demand and customer needs. Although the competition in the market may be increasing, your Company is able to control the same by strategic planning and improved manufacturing process. Apart from the risks on account of foreign exchange and commodity price, the business of the Company is exposed to certain operating business risk, which are managed by regular monitoring and collective actions.

## **HUMAN RESOURCES**

Intellectual capital is one of the key resources for the Company to ensure business sustainability and growth. The Company recognizes the importance and contribution of its human resources for its growth & development and values their talent, integrity and dedication. The Company offers a highly entrepreneurial culture with a team based approach that we believe encourages growth and motivates its employees. The Company has been successful in attracting and retaining key professionals and intends to continue to seek fresh talent to further enhance and grow its business. The management believes that the key factor behind all achievements is the trust the Management placed in its employees.

## **CAUTIONARY STATEMENT**

Certain statements in the reports of the Board of Directors and Management's Discussions and Analysis may be forward looking statements within the meaning of applicable securities laws and regulations. Actual results could differ materially from those expressed or implied since Company's operations are influence by many external and internal factors beyond the control of the Company. The Company assumes no responsibility to publicly amend, modify or revise any of these statements on the basis of any subsequent developments, information or events.

For and on behalf of the Board of Directors  
**Prima Plastics Limited**

**Bhaskar M. Parekh** (DIN – 00166520)  
Executive Chairman

Mumbai,  
May 28, 2018

# CORPORATE GOVERNANCE REPORT

In accordance with the provisions of Securities and Exchange Board of India (Listing Regulations) the Company submits the following Reports:

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

The Company's Philosophy on Code on Governance aims at attaining the highest level of professionalism, honesty and integrity, besides transparency and accountability towards its stakeholders including shareholders, employees, the government and lenders. It's just not a destination but a journey to constantly improve sustainable value creation. It is an endeavour to achieve higher standards and provide oversight and guidance to management in strategy implementation, risk management and fulfilment of goals & objectives.

The Company believes that its affairs shall be conducted by adhering to best practices and principles, while balancing and working in the best interest of the customers, employees, stakeholders and the community.

### Corporate Governance Practice

The Company maintains highest standard of Corporate Governance. Its Company's constant endeavour to adopt the best practices keeping in mind the regulations, codes and other practices of well governed company.

## 2. BOARD OF DIRECTORS

### Composition:

As on March 31, 2018, the Board comprises of 6 Directors viz. Executive Chairman, Managing Director, Non-Executive Director and 3 Independent Directors. The Company objective is to maintain optimum combination of Executive and Non-Executive Directors.

The composition of the Board is in compliance with the requirements of Regulations 17(1) of the SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015. All Independent Directors are eminent persons bring a wide range of expertise and experience on the Board thereby ensuring the best interest of stakeholders and the Company. There are no Nominee Directors representing any institution on the Board of the Company. There is no change in the composition of the Board of Directors during the financial year 2017-18.

The composition of Directors and their attendance at the Board Meetings during the year and the last Annual General Meeting and also number of other directorships / membership of committees are as follows:

Name	Category	No. of Board Meetings during the year 2017-18		Attendance at last AGM	No. of outside directorship(s) held		No. of outside Committee Position(s) held	
		Held	Attended		Public	Private	Chairman	Member
Shri Bhaskar M. Parekh DIN – 00166520	Executive Chairman	4	4	Present	Nil	Nil	Nil	Nil
Shri Dilip M. Parekh DIN – 00166385	Managing Director	4	4	Present	Nil	Nil	Nil	Nil
Shri Mulchand S. Chheda DIN – 00179932	Independent Non-Executive Director	4	4	Present	1	2	Nil	Nil
Shri Rasiklal M. Doshi DIN – 00239580	Independent Non-Executive Director	4	3	Present	Nil	8	Nil	Nil
Shri Krishnakant V. Chitalia DIN - 00443945	Independent Non-Executive Director	4	4	Present	1	3	Nil	Nil
Smt. Hina V. Mehta DIN-07201194	Non-Executive Director	4	4	Present	Nil	Nil	Nil	Nil

**Note:** The above excludes directorships in foreign companies and companies licensed under Section 8, of the Companies Act, 2013. The above refers to membership in Committees referred to in Regulation 26(1) of listing Regulations; viz. Audit Committee and Stakeholders' Relationship Committees of all public limited companies whether listed or not and excludes Private Limited Companies, Foreign Companies and Companies licensed under Section 8 of the Companies Act, 2013.

None of the Directors on the Board are Members of more than ten Committees or Chairman of more than five Committees across all the companies in which they are Directors.

Every Independent Director at the first meeting of board in which he participates as a Director and thereafter at the first meeting of the board in every financial year, gives a declaration that he meets the criteria of Independence provided under law.

The term of the Independent Directors namely Shri Mulchand S. Chheda, Shri Krishnakant V. Chitalia and Shri Rasiklal M. Doshi has been fixed for a period of five years, i.e. August 13, 2014 to August 12, 2019.

Shri Bhaskar M. Parekh, Shri Dilip M. Parekh and Smt. Hina V. Mehta are brothers & sister and belongs to Promoter Group. No Other Directors are related to any other director on the Board.

#### Meetings of the Board

In compliance with the applicable provisions of the Companies Act, 2013 and Listing regulation, four Board meetings were held during the year with a gap of maximum 120 days. The Board Meetings were held on May 29, 2017, September 12, 2017; December 13, 2017 & January 31, 2018 after giving sufficient days of Notice to the Board Members along with the Agenda for the meeting with necessary documents and reports. All the required information pursuant to provisions of Companies Act, 2013 and Listing Regulation were placed before the Board and duly approved and noted by the Board.

The required quorum was present at all the above Board Meetings and all the resolutions and discussions were duly approved. There was no instance of adjournment of any of the said meetings.

#### Role of Non-Executive / Independent Directors

Non-Executive / Independent Directors play a key role in the decision-making process of the Board and in shaping various strategic initiatives of the Company. The Directors are committed to act in what they believe to be in the best interests of the Company and its stakeholders. These Directors are professionals with expertise and experience in general corporate management, finance and are equipped with sound knowledge, experience and good understanding of the functioning of the industry. Their wide knowledge of respective fields and industry acumen helps foster varied, unbiased, independent and experienced perspective. The Company benefits immensely from their inputs in achieving strategic directions.

An Independent Director is the Chairman of the Audit Committee, the Nomination and Remuneration Committee and of the Stakeholders' Relationship Committee.

#### Number of Shares held by Non-Executive Directors as at 31.03.2018

Name of the Director	Number of share held
Shri Mulchand S. Chheda (DIN - 00179932)	Nil
Shri Krishnakant V. Chitalia (DIN – 00443945)	5500
Shri Rasiklal M. Doshi (DIN 00239580)	3500
Smt. Hina V. Mehta (DIN 07201194)	101

#### Familiarisation Programme for Independent Directors:

The Directors are provided with necessary documents, report and policies to enable them to familiarise with the Company procedure and practices. Plant visit for Directors at Daman Plant, was also conducted to enable them to understand the operation of the Company.

Circulation on the roles, responsibilities rights and powers of the Directors' and on the Code of Conduct for Independent Directors' The framework together with the details of familiarization programme conducted has been uploaded on the website of the Company [www.primaplastics.com](http://www.primaplastics.com)

#### Independent Directors' Meeting

During the year under review, a meeting of the Independent Directors was held on March 01, 2018. Three Independent Directors were present at the meeting without the presence of Non-Executive Directors or members of management to discuss the performance and evaluation of the Board as a whole and of the Executive Chairman; the Independent Directors also assessed flow of information from the Management to the Board and the current strategic and operational position of the Company. All the Independent Directors attended the meeting.

#### Committees of the Company

The Board has formed various committees for improving board effectiveness and efficiency, in areas where more focused, specialized and technical discussions are required. These committees prepare the groundwork for decision-making and report at the subsequent board meeting. Committees enable better management of full board's time and allow in-depth scrutiny and focused attention.

The terms of reference of the Board Committees are determined by the Board from time to time. The Board is responsible for constituting, assigning and co-opting the members of the Committees. The meetings of each Committee are convened by the respective Committee Chairman. Details on the role and composition of these Committees, including the number of meetings held during the financial year and attendance at meetings are provides below:

### 3. AUDIT COMMITTEE

#### Composition & Meetings of Committee:

The Audit Committee of the Company is constituted in line with the provisions of Corporate Governance of the Listing Regulation read with Section 177 of the Companies Act, 2013, as at March 31, 2018 the Audit Committee comprises of 3 Directors of which two are Independent Non-Executive Directors. The details of directors along with their attendance during Committees meetings is detailed below:

Name	Category	Position	Number of Meetings held during the year 2017-18	Number of Meetings attended during the year 2017-18
Shri Krishnakant V. Chitalia (DIN – 00443945)	Independent Director	Chairman	4	4
Shri Mulchand S. Chheda (DIN – 00179932)	Independent Director	Member	4	4
Shri Dilip M. Parekh (DIN – 00166385)	Managing Director	Member	4	4

The dates on which the Audit Committee meetings were held are May 29, 2017, September 12, 2017, December 13, 2017 and January 31, 2018.

The Audit Committee invites Senior Executives representing Finance, Accounts and representatives of the Internal & Statutory Auditors to be present at its meetings. The previous Annual General Meeting of the Company was held on August 12, 2017 and was attended by Chairman of the Audit Committee. All the above meetings were held at Mumbai. The necessary quorum was present at all the meetings. There was no instance of adjournment of any of the said Meetings. The Committee periodically reviewed Internal Control systems and the report of Internal Auditors of the Company and no significant area of concern was found by the Audit Committee during the review.

The Audit Committee has approved the contracts and transactions with Related Parties in ordinary course of business and at arm's length price and has recommended those contracts and transactions to the Board for approval.

#### Powers and Terms of reference

The Powers, role and terms of reference of the Committee are as specified under regulation 18 and Part C of Schedule II of the Listing Regulation and Section 177 of the Companies Act, 2013.

- Oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible
- Recommending to the Board, the appointment, reappointment and if required, the replacement or removal of statutory auditors, fixation of audit fees and other terms of appointment
- Approving payment to statutory auditors for any other services rendered by them
- Reviewing annual financial statements and auditors' report thereon before submission to the Board for approval with particular reference to:
  - Matters required to be included in the Directors Responsibility Statement to be included in the Directors' Report in terms of sub-section 3 of Section 134 of the Companies Act, 2013.
  - Changes if any, in accounting policies and practices and reasons for the same.
  - Major accounting entries involving estimates based on the exercise of judgment by the management.
  - Significant adjustments made in financial statements arising out of audit findings.
  - Compliance with listing and other legal requirements relating to financial statements.
  - Disclosure of related party transactions.
  - Qualifications in draft audit report.
- Reviewing with the management, the quarterly financial statements before submission to the Board for approval.
- Functioning of Whistle Blower Policy.
- Evaluation of internal financial controls and risk management systems.
- Reviewing the adequacy of internal audit functions.
- Reviewing the following information:
  - The Management Discussion and Analysis of financial condition and results of operations;
  - Statement of significant related party transactions (as defined by the Audit Committee) submitted by management;
  - Management letters / letters of internal control issued by the statutory auditors;

- Internal audit reports relating to internal control and
- The appointment, removal and terms of remuneration of internal auditor
- To investigate any activity within its terms of reference
- To seek information from any employee
- To obtain outside legal or other professional advice
- To secure attendance of outsiders with relevant expertise, if it considers necessary
- Any other functions as is mandated by the Board from time to time or enforced by a statutory notification, amendment as may be applicable.

#### 4. NOMINATION AND REMUNERATION COMMITTEE

##### Composition & Meetings of Committee:

The details of constitution of Nomination & Remuneration Committee in accordance with provisions sub section (1) of Section 178 of the Companies Act, 2013, along with their attendance during meeting is detailed below:

Name	Category	Position	Number of Meetings held during the year 2017-18	Number of Meetings attended during the year 2017-18
Shri Krishnakant V. Chitalia (DIN – 00443945)	Independent Director	Chairman	3	3
Shri Mulchand S. Chheda (DIN – 00179932)	Independent Director	Member	3	3
Shri Rasiklal M. Doshi (DIN – 00239580)	Independent Director	Member	3	2

During the year three meetings were held on May 29, 2017, December 13, 2017 & January 31, 2018. The necessary quorum was present for the meetings. The Chairman of the Nomination and Remuneration Committee was present at the last Annual General Meeting of the Company held on August 12, 2017.

##### Powers and Terms of reference

The Powers, role and terms of reference of the Committee are as specified under regulation 19 of the SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and Section 178 (1) of the Companies Act, 2013.

The Broad terms of reference of the Nomination and Remuneration Committee are as under:

- To review, assess and recommend to the Board the appointment and removal of Directors and Senior Management.
- To review their remuneration packages.
- To approve the annual remuneration plan of the Company.
- Carry out evaluation of directors' performance.
- Such other matters as the Board may from time to time request the Nomination and Remuneration Committee to examine and recommend / approve and as is enforced by a statutory notification, amendment as may be applicable.

The Nomination and Remuneration Committee shall ensure that:

- the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors and Senior Management of the quality required to run the Company successfully;
- relationship of remuneration to performance is clear and meets appropriate performance benchmarks

##### Performance evaluation criteria for independent directors

The performance evaluation of the Directors including (Independent Directors) is undertaken on the basis of a structured questionnaire.

The criteria for performance evaluation of the Independent Directors includes but is not limited to:

1. Attendance and participation at the meeting;
2. The understanding of the industry and regulatory compliances and challenges confronting the Company;
3. The understanding of strategic challenges and competitions faced by the company;
4. Demonstrates a solid understanding of his / her responsibility as a Director including his / her statutory and fiduciary roles.
5. Contribution to the deliberations at the meeting by way of providing an outside perspective.

6. Participation at the meeting, by way of healthy deliberation in the interest of the stakeholders'
7. Adherence to principles of good governance and code of conduct of Independent Directors' and the company.
8. Demonstrates an ability to identify the cost benefits and implications of Board decisions.
9. Demonstrates a strong understanding of financial statements, ratios and / or indices of performance and ability to see the issues behind the numbers.
10. Listens effectively to others ideas and view points and encourages contribution from other Directors'
11. Works effectively with fellow Directors' to build consensus and manages conflicts constructively.
12. Awareness of the regulatory, legal and corporate governance regulations and changes.

## 5. STAKEHOLDERS' RELATIONSHIP COMMITTEE

In compliance with the provisions of Section 178 (5) of the Companies Act, 2013 and provisions of the Corporate Governance of the Listing Agreement, the Board has constituted a Committee of Directors which inter-alia also functions as "Stakeholders' Relationship Committee" consisting of three members, chaired by Shri Mulchand S. Chheda, Shri Bhaskar M. Parekh and Shri Dilip M. Parekh as members.

The Committee meets once in three months to inter-alia, deals with various matters relating to:

- Review / Resolve Investors' queries and complaints.
- Review of corporate actions, if any.
- Review of documents submitted to Stock Exchanges.
- Review of documents submitted to IEPF.
- Review of documents processed by Registrar and Share Transfer Agents.
- Any allied matter(s) out of and incidental to these functions and not herein above specifically provided for.

Ms. Nidhi Shah, Company Secretary & Compliance Officer, the Secretarial Department of the Company and the Registrar and Share Transfer Agent, M/s. Bigshare Services Pvt. Limited attend all grievances of the shareholders received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs and Registrar of Companies etc.

All the above meetings were held at the Corporate Office of the Company at Mumbai. The necessary quorum was present at all the meetings. The Minutes of the Stakeholders' Relationship Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings.

Continues efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their telephone numbers and e-mail addresses to facilitate prompt action.

During the year under review, the Committee met four times on May 29, 2017, September 12, 2017, December 13, 2017 and January 31, 2018. The composition and details of the meetings attended by the members are given below:

### Details of Investors' Complaints

Pursuant to Regulation 20 of SEBI (Listing Obligations and Disclosure Requirements) Regulation, 2015, investor's grievance redressal status and the number of pending complaints are reported every quarter to the stock exchange.

The detailed particulars of Investor's complaints received from the Investors during the year are as under:

Nature of Complaint	Number of complaints received	Number redressed
Non-Receipt of Annual Report	1	1
Non-Receipt of Dividend Warrant	34	34
There were no outstanding complaints as on March 31, 2018		

### Share Transfer Committee

The Board has pursuant to Regulation 40(2) of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015 delegated the power of transfer of securities to the Share Transfer Committee. The Committee is a sub set of the Board and reports to the Stake holder's Relationship Committee and the Board of Directors. The Share Transfer Committee has been delegated with the responsibility to attend to the formalities pertaining to the transfer of shares at least once in a fortnight.



During the financial year 2017-18, the Share Transfer Committee met 40 (Forty) times. The Share Transfer Committee members met almost on weekly basis to ensure that the share transfer and other requests are attended promptly. The composition of the Share Transfer Committee of the Company along with the details of the meetings held and attended by the Members of the Committee during the financial year 2017-18 is detailed below:

Name	Category	Position	Number of meetings held during the year 2017-18	Number of meetings attended during the year 2017-18
Shri Bhaskar M. Parekh - (DIN No. 00166520)	Executive Chairman	Chairman	40	40
Shri Dilip M. Parekh - (DIN No. 00166385)	Managing Director	Member	40	36
Shri Mulchand S. Chheda - (DIN No. 00179932)	Independent Director	Member	40	4

The terms of reference of the Share Transfer Committee are as follows:

- To issue share certificates pursuant to duplicate / demat / remat /transfer / transmission / transposition
- To review the correspondence with shareholders vis-à-vis legal cases and take appropriate decisions
- To authorize affixing of the common seal of the company on the share certificate, on any deed or instrument requiring authentication by and on behalf of the company.

Pursuant to the provisions of the Companies Act, 2013, the Company has authorized senior employee to issue duplicate share certificate and complete formalities pertaining to IEPF.

## 6. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

Your Company has constituted the Corporate Social Responsibility Committee as mandated under Section 135 of the Companies Act, 2013 to perform the following functions:

- To formulate and recommend to the Board a Corporate Social Responsibility (CSR) Policy which shall indicate the activities to be undertaken by the Company as specified in Schedule VII of the Companies Act, 2013;
- To recommend the amount of expenditure to be incurred on the activities referred to in the Schedule VII of the Companies Act, 2013 read with CSR Policy of the Company;
- Monitor the spending on CSR activities of the Company from time to time;

The CSR Committee functions under the overall supervision of the Board of Directors' of the Company. During the year under review, three CSR Committee meeting were held on May 29, 2017, December 13, 2017 and January 31, 2018.

Name	Category	Position	Number of Meetings held during the year 2017-18	Number of Meetings attended during the year 2017-18
Shri Krishnakant V. Chitalia (DIN – 00443945)	Independent Director	Chairman	3	3
Shri Bhaskar M. Parekh (DIN – 00166520)	Executive Chairman	Member	3	3
Shri Dilip M. Parekh (DIN – 00166385)	Managing Director	Member	3	3

## 7. MANAGEMENT COMMITTEE

In addition to the above statutory Committee, the Board has also constituted a Management Committee to review and guide the Company on various operational matters.

- Opening/Modification of operation and closing of bank accounts;
- Grant of special / general Power of Attorney in favour of employees of the Company from time to time in connection with the conduct of the business of the Company particularly with Government and Quasi-Government Institutions;
- To change the signatories for operations of Bank Accounts.
- Authorise to Employees for availing of various facility from Banks/Financial Institution;
- To carry out any other duties that may be delegated to the Committee by the Board of Directors from time to time.

During the year under review, one meeting of the Committee was held on October 27, 2017.

The Composition and attendance details are given below:

Name	Category	Position	Number of Meetings held during the year 2017-18	Number of Meetings attended during the year 2017-18
Shri Bhaskar M. Parekh (DIN – 00166520)	Executive Chairman	Chairman	1	1
Shri Dilip M. Parekh (DIN – 00166385)	Managing Director	Member	1	1
Shri Mulchand S. Chheda (DIN – 00179932)	Independent Director	Member	1	1

## 8. REMUNERATION TO DIRECTORS

### Details of Remuneration paid to Executive Director(s).

Name	Salary	Allowances & Perquisites	Total
Shri Bhaskar M. Parekh (Executive Chairman) (DIN – 00166520)	6,610,685	105,223	6,715,908
Shri Dilip M. Parekh (Managing Director) (DIN – 00166385)	6,610,685	39,600	6,650,285

### Details of Remuneration paid to Non-Executive, non Independent and Independent Directors.

Name	Total Sitting Fees Paid (₹)
Shri Krishnakant V. Chitalia (DIN – 00443945)	110,000
Shri Mulchand S. Chheda (DIN – 00179932)	110,000
Shri Rasiklal M. Doshi (DIN – 00239580)	60,000
Smt. Hina V. Mehta (DIN – 07201194)	80,000

## 9. GENERAL BODY MEETINGS:

### Annual General Meetings (AGM).

The date and time of the Annual General Meetings held during the preceding three years and the special resolution(s) passed there at are as follows:

Financial year	Date & Time	Venue	Details of Special Resolution
2014-15	September 24, 2015 11.00 a.m.	Hotel Sandy Resorts, Daman	None
2015-16	September 24, 2016 11.30 a.m.	Hotel Princess Park, Daman	None
2016-17	August 12, 2017 11.30 a.m.	Hotel Princess Park, Daman	None

### Passing of resolution by Postal Ballot:

No Postal Ballot was conducted during the financial year under review.

In the ensuing AGM to pass any resolution through postal ballot - NIL

## 10. MEANS OF COMMUNICATION:

- Quarterly Results:** Quarterly results, half yearly, nine months and full year results of the Company are published in a national English newspaper "Financial Express" and local language news paper viz "Financial Express" / "Vartman Pravah" and are available on the websites of the Company [www.primaplastics.com](http://www.primaplastics.com) and the stock exchange [www.bseindia.com](http://www.bseindia.com)
- Website:** The Company's website [www.primaplastics.com](http://www.primaplastics.com) contains a separate dedicated section "Investor Relations" where shareholders information is available. The Annual Report of the Company is also available on the website in a user-friendly and downloadable form.

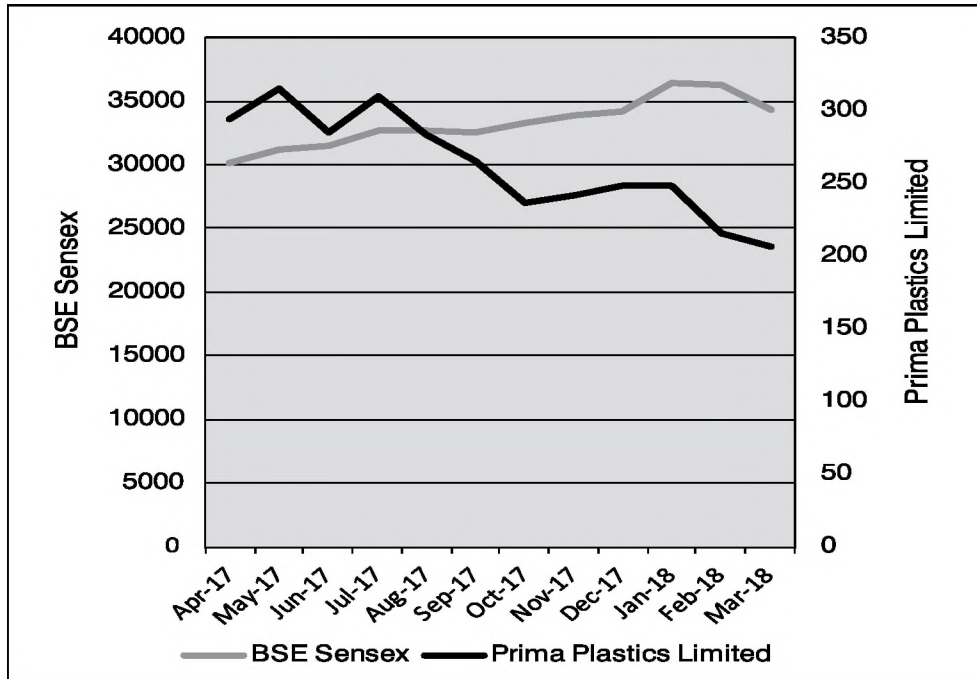
3. **Annual Report:** Annual Report containing inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and others entitled thereto. The Management's Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website [www.primaplastics.com](http://www.primaplastics.com) and the stock exchange [www.bseindia.com](http://www.bseindia.com)
4. **Chairman's Communiqué:** A printed copy of the Executive Chairman's speech is distributed to all the shareholders at the Annual General Meeting. The same is also sent to Stock Exchange.
5. **Corporate Filing and Dissemination System (CFDS):** The CFDS portal jointly owned, managed and maintained by BSE is a single source to view information filed by listed companies. All disclosures and communications to BSE are filed electronically through the CFDS portal.
6. **SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.
  - Designated Exclusive email-id: The Company has designated the following email-id exclusively for investor servicing. For queries on Annual Report & in respect of shares in physical mode – [investor@primaplastics.com](mailto:investor@primaplastics.com).
  - At present, the Company didn't make any presentation to Institutional Investors and Analysts.

#### 11. GENERAL SHAREHOLDERS' INFORMATION

1.	<b>Date, Time &amp; Venue of AGM</b>	August 25, 2018 at 11.30 a.m. at Hotel Princess Park, Devka Beach, Nani Daman, Daman (U.T.), Pin - 396 210.
2.	<b>Financial Calendar:</b>	
	Financial Year	April 01, 2018 to March 31, 2019
	Tentative schedule for declaration of results during the financial year	2018-19
	First Quarter Results	By August 15, 2018.
	Second Quarter Results	By November 15, 2018.
	Third Quarter Results	By February 15, 2019.
	Year Ended March 31, 2018	By May 30, 2019.
3.	<b>Book Closure</b>	The Register of Members will remain closed from Saturday, August 18, 2018 to Saturday, August 25, 2018 (both days inclusive).
4.	<b>Dividend Payment Date</b>	Within the Statutory time limit
5.	<b>Name &amp; Address of Registrar &amp; Share Transfer Agent</b>	M/s. Bigshare Services Pvt. Ltd., 1 <sup>st</sup> floor, Bharat Tin Works Bldg., Opp. Vasant Oasis, Makwana Road, Marol, Andheri (E), Mumbai – 400 059.
6.	<b>Registered Office Address</b>	98/4, Prima House, Daman Industrial Estate, Kadaiya, Nani Daman, Daman (U.T.) Pin – 396 210.
7.	<b>Listing on Stock Exchange</b>	BSE Limited
8.	<b>Payment of Listing Fees</b>	Annual Listing Fees for the year 2018-19 has been paid
9.	<b>Payment of Depository Fees</b>	Annual Custody Fees for the year 2018-19 has been paid to CDSL and NSDL.
10.	<b>Stock Code: BSE Limited</b>	530589
11.	<b>ISIN No.(Demat No.): NSDL &amp; CDSL.</b>	INE573B01016
12.	<b>Corporate Identification Number (CIN)</b>	L25206DD1993PLC001470

Market Price Data : Details of high & low of market price of the Company on BSE and its performance in comparison with BSE Sensex in Chart given below:

Month	April-17	May-17	June-17	July-17	Aug-17	Sept-17	Oct-17	Nov-17	Dec-17	Jan-18	Feb-18	Mar-18
<b>Prima Plastics Limited</b>												
High	294.00	315.00	285.00	309.00	283.00	265.00	236.80	242.00	247.80	248.00	215.00	205.70
Low	255.00	256.000	256.00	248.00	230.30	216.00	203.00	185.00	215.00	210.00	168.00	172.00
<b>BSE Sensex</b>												
High	30184.22	31255.28	31522.87	32672.66	32686.48	32524.11	33340.17	33865.95	34137.97	36443.98	36256.83	34278.63
Low	29241.48	29804.12	30680.66	31017.11	31128.02	31081.83	31440.48	32683.59	32565.16	33703.37	33482.81	32483.84



**SHARE TRANSFER SYSTEM:**

The Company has outsourced its share transfer function to Bigshare Services Pvt. Ltd. which is registered with SEBI as Category 1 Registrar for all work related to share registry of both physical and electronic mode.

**Distribution of Shareholding by ownership, March 31, 2018**

	Category	No. of Shares Held	% of Shareholding
A	Promoter's holding		
	a) Indian Promoters	5,167,030	46.97
	b) Persons acting in concert.	1,267,724	11.50
	<b>Sub-Total</b>	<b>6,434,754</b>	<b>58.47</b>
B	(i) Non-Promoters Holding		
	a) Mutual Funds and UTI	0	0
	b) Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-Government Inst.)	0	0
	c) FII's	0	0
	d) Foreign Portfolio Investors	19,891	0.18
	<b>Sub-Total</b>	<b>19,891</b>	<b>0.18</b>
	(ii) Others		
	a) Private Corporate Bodies	225,596	2.05
b) Indian Public / others	3,785,463	34.41	
c) NRIs. / OCBs.	377,897	3.44	
d) Trusts	50	0.00	
e) IEPF	159,319	1.45	
<b>Sub-Total</b>	<b>4,548,325</b>	<b>41.35</b>	
	<b>Grand Total</b>	<b>11,000,470</b>	<b>100.00</b>

**Distribution of Shareholding by size, March 31, 2018**

Number of Shares		Number of Shareholders	Shareholders %	Number of Shares held	Shareholding %
1	500	7,369	86.53	980517	8.91
501	1000	608	7.14	496301	4.51
1001	2000	238	2.79	364016	3.31
2001	3000	122	1.43	312161	2.84
3001	4000	40	0.47	138857	1.26
4001	5000	30	0.35	141086	1.28
5001	10000	57	0.68	422279	3.85
10001 and above		52	0.61	8145253	74.04
<b>TOTAL</b>		<b>8,516</b>	<b>100.00</b>	<b>11000470</b>	<b>100.00</b>

**As on March 31, 2018, Shares held in physical and dematerialised form.**

Physical	<b>355,025</b>	<b>3.23%</b>
Dematerialised	<b>10,645,445</b>	<b>96.77%</b>
<b>Total</b>	<b>11,000,470</b>	<b>100.00%</b>

**Outstanding ADRS, GDRS, Warrants or any convertible instruments, conversion date and impact on Equity:**

The Company has not made any ADRs, GDRs, Warrants or any convertible instruments issues in the recent past. Thus, there are no outstanding ADRs, GDRs, Warrants or any convertible instruments till date.

**Plant Locations:**

The Company's manufacturing units for moulded furniture are located as under.

Sr. No.	Plant Location	Address
1.	Daman Unit I	98/4 Prima House, Daman Industrial Estate, Kadaiya, Nani Daman, Daman (U.T.), Pin - 396 210
2.	Daman Unit II	85/1, Prima House, Daman Industrial Estate, Kadaiya, Nani Daman, Daman (U.T.), Pin - 396 210.
3.	Kerala	Door No.X/588-Q/A, KINFRA-SIP, Survey No.508 (Part), Block No.32, Nellad P.O., Mazhuvannur Village, Ernakulam District, Kerala – 686 669.
4.	Andhra Pradesh	Plot No.543, APIIC Growth Centre, Gundlapalli, Ongole, Andhra Pradesh

**Address for Correspondence and Share holders Assistance:****1. Investors can communicate at the following address:****Ms. Nidhi M. Shah – Company Secretary cum Compliance Officer**

M/s. Prima Plastics Limited, 41, National House,

Saki Vihar Road, Powai, Andheri (E), Mumbai – 400 072.

Tel. No. + 91 22 - 2857 4768 / 2857 4769 \* Fax No. + 91 22 - 2857 2859 \* E-mail: [investor@primaplastics.com](mailto:investor@primaplastics.com)

**2. M/s. Bigshare Services Pvt. Ltd., (R&T AGENT)****Unit : Prima Plastics Limited,**

1<sup>st</sup> Floor, Bharat Tin Works Bldg,

Opp. Vasant Oasis, Makwana Road, Marol,

Andheri (E), Mumbai 400059.

Shareholder holding shares in Demat mode should address all their correspondence to the respective Depository Participants.

**12. OTHER DISCLOSURES:****a) Related party Transactions**

Your Company places all the details of related party transactions before the Audit Committee periodically. The Register of Contracts/ statement of related party transactions, is also placed before the Board / Audit Committee regularly;

During the year there were no materially significant related party Transactions which have any conflict with the interest of the Company at large.

A comprehensive list of related party transactions, as required by Regulation 23 of SEBI (Listing Obligation & Disclosure Requirements) Regulations, 2015 and the Accounting Standard (AS-18) issued by the Institute of Chartered Accountants of India, forms part of the Notes to the Accounts in the Annual Report. The Board has approved a policy for related party transactions and policy which has been uploaded on the Company's website and can be accessed at [www.primaplastics.com](http://www.primaplastics.com)

**b) Details of non-compliance**

The Company has complied with all requirements of the SEBI (Listing Obligations and Disclosure Requirements) Regulations 2015 as well as the other regulations and guidelines of SEBI. Consequently, there were no strictures or penalties imposed by either SEBI or the Stock Exchanges or any statutory authority for non-compliance of any matter related to the capital markets during the last three years.

**c) Vigil Mechanism / Whistle Blower Policy**

As part of the Code of Conduct, the Company has a Whistle Blower Policy, any instance of non-adherence to the policy or any observed unethical behaviour's is to be brought to the attention of the Managing Director and / or Chairman of the Audit Committee. It is also confirmed that no person has been denied access to the Audit Committee. The said policy is available on website as [www.primaplastics.com](http://www.primaplastics.com).

**d) Risk Management**

Your Company has a comprehensive Risk Management Policy. The Policy inter-alias provides for review of the risk assessment and minimization procedure, laying down procedure to inform the Board in the matter and for periodical review of the procedure to ensure that Executive Management controls the risks through properly defined framework.

e) The Policy for determining material subsidiary is also uploaded on Website and can be accessed on [www.primaplastic.com](http://www.primaplastic.com)

13. Your Company had complied with Corporate Governance requirements specified in Regulations 17 to 27 and clause (b) to (i) of sub regulation (2) of Regulation 46 of SEBI (Listing Obligations and Disclosure Requirement) Regulations, 2015.

The Company is in compliance of all the mandatory requirements of Corporate Governance. Further under the discretionary requirements as specified in Part E of Schedule II your company have appointed separate persons for the post of Chairman and Managing Director and have enabled direct reporting of Internal Auditors' to the Audit Committee

A Compliance Certificate from Practicing Company Secretaries regarding compliance of conditions of Corporate Governance is annexed with the Report.

**Code of Business Conduct and Ethics**

The Board of Directors has laid down Code of Conduct ("Code(s)" for the Non-Executive Directors, Executive Directors and designated employees in the Senior Management. The Code have been posted on the Company's website – [www.primaplastics.com](http://www.primaplastics.com). All the Board Members and Senior Management Personnel of the Company have affirmed compliance with the Code of Conduct as applicable to them for the year ended March 31, 2018. A declaration to this effect signed by Shri Dilip M. Parekh (DIN – 00166385) Managing Director & KMP is annexed to this Report.

**Transfer of unpaid/unclaimed amount & shares to IEPF fund:**

During the year under review the Company has credited unclaimed dividend of FY 2009-10 amounting to ₹ 326,270 to IEPF pursuant to section 124(5) of the Companies Act, 2013. Further pursuant to Section 124(6) of the Act, 159319 shares in respect to which dividend was unpaid & unclaimed for the FY 2009-10 or earlier financial years were also transferred to IEPF.

The voting rights on the above shares shall remain frozen till the rightful owner of such shares claims the shares.

**CEO/CFO Certification:**

The Managing Director and the Chief Financial Officer of the Company gave annual certification on financial reporting and internal controls to the Board in terms of Reregulation 17(8) read with Part 8 of Schedule II of the SEBI Regulations, 2015. The Managing Director and the Chief Financial Officer also give quarterly certification on financial results while placing the financial results before the Board in term of Regulation 33 of the SEBI Regulations, 2015. The annual certification given by the Managing Director and the Chief Financial Officer is annexed to this report.

For and on behalf of the Board of Directors

Mumbai  
May 28, 2018

**Bhaskar M. Parekh** (DIN – 00166520)  
Executive Chairman

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**DECLARATION UNDER REGULATION 34(3) READ WITH PART D OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

It is hereby declared that all the Board Members and Senior Management Personnel of the Company have affirmed adherence to and compliance with the Code of Conduct for the year ended March 31, 2018.

For and on behalf of the Board of Directors

Mumbai  
May 28, 2018

**Dilip M. Parekh** (DIN – 00166385)  
Managing Director

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**CERTIFICATION BY CEO/CFO UNDER REGULATION 17(8) READ WITH PART B OF SCHEDULE II OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

**The Board of Directors of Prima Plastics Ltd.**

We have reviewed the financial statements and the cash flow statement of Prima Plastics Ltd. for the year ended March 31, 2018 and to the best of my knowledge and belief:

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Accounting Standards, applicable laws and regulations.
- (b) There are, to the best of my knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violate the Company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of such internal controls if any, of which we are aware and the steps we have taken or propose to take for rectifying these deficiencies.
- (d) We have indicated to the auditors and the audit committee:
  - (i) There is no significant changes in internal control over financial reporting during the year ended on March 31, 2018
  - (ii) The Company has complied with Ind AS guidelines made applicable to Company from current financial year ended March 31, 2018.
  - (iii) There is no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

For Prima Plastics Ltd.

Mumbai  
May 28, 2018

**Manoj O. Toshniwal**  
Chief Financial Officer

**Dilip M. Parekh** (DIN – 00166385)  
Managing Director



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## PRACTICING COMPANY SECRETARY'S CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE

To,

**The Members of PRIMA PLASTICS LIMITED**

I have examined the compliance of conditions of Corporate Governance by PRIMA PLASTICS LIMITED (the Company), for the financial year ended on 31<sup>st</sup> March, 2018, as stipulated under the relevant clauses of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

In my opinion and to the best of my information and according to the explanations given to me and based on the representations made by the Directors & the Management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

I further state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

Date: May 28, 2018

Place: Panaji, Goa

**Sadashiv V. Shet**

Practicing Company Secretary

CP No.: 2540; Membership No.: 2477

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## INDEPENDENT AUDITOR'S REPORT

To the Members of **Prima Plastics Limited**

### **Report on the Standalone Ind AS Financial Statements**

We have audited the accompanying Standalone Ind AS financial statements of Prima Plastics Limited ("the Company"), which comprise the Balance Sheet as at March 31, 2018, and the Statement of Profit and Loss (including Other Comprehensive Income), the Cash Flow Statement and the Statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (herein after referred to as "Standalone Ind AS financial statements").

### **Management's Responsibility for the Standalone Ind AS 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 Ind AS financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) prescribed under Section 133 of the Act read with relevant rules issued thereunder.

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; the selection and application of appropriate accounting policies; making judgments and the estimates that are reasonable and prudent; and the 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 Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these Standalone Ind AS 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 of the Standalone Ind AS financial statements 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 Standalone Ind AS financial statements are free from material misstatement

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the Standalone Ind AS financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS 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 Standalone Ind AS financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Directors, as well as evaluating the overall presentation of the Standalone Ind AS 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 Ind AS financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid Standalone Ind AS 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 including the Ind AS, of the financial position of the Company as at March 31, 2018, and its financial performance including other comprehensive income, its cash flows and the changes in equity for the year ended on that date.

### **Other Matter**

The comparative financial information of the Company for the year ended March 31, 2017 and the transition date opening Balance Sheet as at April 01, 2016 included in these Standalone Ind AS financial statements, are based on the previously issued statutory standalone financial statements prepared in accordance with the Companies (Accounting Standards) Rules, 2006 audited by G.P. Kapadia & Co., Chartered Accountants (predecessor auditor) for the year ended March 31, 2017 and for the year ended March 31, 2016, whose reports dated May 29, 2017 and May 30, 2016 respectively, expressed an unmodified opinion on those financial statements, as adjusted for the differences in the accounting principles adopted by the Company on transition to the Ind AS, which have been audited by us. 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"), issued by the Central Government of India in terms of Section 143(11) 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 purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and the Statement of Changes in Equity dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid Standalone Ind AS financial statements comply with the Indian Accounting Standards prescribed under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors as on March 31, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2018 from being appointed as a director in terms of Section 164(2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"; and
  - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i. The Company has disclosed the impact of pending litigations on the financial position in its Standalone Ind AS financial statements – Refer Note 33 (a) to the Standalone Ind AS financial statements;
    - ii. The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on derivative contracts. The Company has long-term contracts for which there were no material foreseeable losses - Refer Note 54 to the Standalone Ind AS financial statements;
    - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company; and
    - iv. The disclosure requirement in the Standalone Ind AS financial statements as envisaged in Notification G.S.R 308(E) dated March 30, 2017 as to holdings as well as dealings in Specified Bank Notes during the period from November 08, 2016 to December 30, 2016 is relating to F.Y 2016-17 and hence no disclosure on the same has been given - Refer Note 49 the Standalone Ind AS financial statements.

For **Khimji Kunverji & Co**  
Chartered Accountants  
Firm's Registration No: 105146W

**Gautam V Shah**  
Partner  
Membership No: 117348

Mumbai  
May 28, 2018

## "ANNEXURE A" TO THE INDEPENDENT AUDITORS' REPORT - March 31, 2018

(Referred to in our report of even date)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified by the Management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The inventory has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. No material discrepancies noticed on verification between the physical stocks and the book records.
- iii. In our opinion and according to the information and explanations given to us, 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, paragraph 3(iii) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to the loans given, investments made, guarantees given and security provided.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company as specified under Section 148(1) of the Act, for maintenance of cost records in respect of products manufactured by the Company, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Goods and Service Tax, Duty of Customs, Duty of Excise, Value added tax, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.  

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Service tax, Goods and Service Tax, Duty of Customs, Duty of Excise, Value added tax, Cess and other material statutory dues were in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues of Income-tax, Sales-tax, Service tax, Goods and Service Tax, Duty of Customs, Duty of Excise and Value added tax, which have not been deposited as on March 31, 2018 on account of disputes.
- viii. According to the information and explanations given to us, and based on the records of the Company, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks, government and dues to debenture holders.
- ix. According to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained. The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.
- x. According to the information and explanations given to us, no fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.
- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.

- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the Standalone Ind AS financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For **Khimji Kunverji & Co**  
Chartered Accountants  
Firm's Registration No: 105146W

**Gautam V Shah**  
Partner  
Membership No: 117348

Mumbai  
May 28, 2018

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## **ANNEXURE B TO THE INDEPENDENT AUDITORS' REPORT – MARCH 31, 2018**

### **Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

We have audited the internal financial controls over financial reporting of Prima Plastics Limited ("the Company") as at March 31, 2018 in conjunction with our audit of the Standalone Ind AS 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 the 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 Act.

#### **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 Act, to the extent applicable to an audit of internal financial controls, both issued by the ICAI. 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

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understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Standalone Ind AS 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:

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- (b) 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
- (c) 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**

According to the information and explanation given to us, the Company has framed process document and risk control matrix for certain key processes relating to internal financial controls system over financial reporting. In our opinion, considering the internal control over financial reporting criteria established by the Company and the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI and to justify existence and operative effectiveness of the said controls, the Company need to strengthen the documentation of identified risk & controls to make it commensurate with the size of the Company and nature of its business.

For **Khimji Kunverji & Co**

Chartered Accountants

Firm's Registration No: 105146W

**Gautam V Shah**

Partner

Membership No: 117348

Mumbai

May 28, 2018

## STANDALONE BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Note	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
<b>ASSETS</b>				
<b>1. Non Current Assets</b>				
Property, Plant and Equipments	1	249,282,295	195,471,019	102,415,750
Intangible Assets		817,842	320,296	390,955
Capital Work in Progress		592,685	-	1,850,911
Financial Assets				
(i) Investments	2	42,205,470	42,205,470	10,207,570
(ii) Loans	3	150,140,420	87,414,184	9,819,770
(iii) Other Non Current Financial Assets	4	1,254,999	1,407,449	611,593
Income Tax Assets (Net)		5,398,637	-	-
Other Non-Current Assets	5	1,438,565	2,922,770	2,892,031
<b>Total Non - Current Assets</b>		<b>451,130,913</b>	<b>329,741,188</b>	<b>128,188,580</b>
<b>2. Current Assets</b>				
Inventories	6	221,423,078	161,075,817	155,357,664
Financial Assets				
(i) Investments	7	-	-	5,000,000
(ii) Trade Receivables	8	210,293,279	139,231,498	148,102,426
(iii) Cash and Cash Equivalents	9	20,291,789	24,391,086	65,025,063
(iv) Bank Balances other than Cash and Cash Equivalents	10	3,505,567	3,059,767	3,442,851
(v) Loans	11	15,996,498	15,786,688	43,335,867
(vi) Other Current Financial Assets	12	44,817,991	17,751,181	3,988,081
Other Current Assets	13	25,797,425	12,503,027	13,248,399
<b>Total Current Assets</b>		<b>542,125,627</b>	<b>373,799,064</b>	<b>437,500,351</b>
<b>TOTAL ASSETS</b>		<b>993,256,540</b>	<b>703,540,252</b>	<b>565,688,931</b>
<b>EQUITY AND LIABILITIES</b>				
<b>1. EQUITY</b>				
Equity Share Capital	14	110,004,700	110,004,700	110,004,700
Other Equity	15	528,429,970	480,167,116	382,166,192
<b>Total Equity</b>		<b>638,434,670</b>	<b>590,171,816</b>	<b>492,170,892</b>
<b>2. Non-Current Liabilities</b>				
Financial Liabilities				
(i) Borrowings	16	36,042,577	1,624,833	1,205,445
Provisions	17	360,908	-	-
Deferred Tax Liabilities (Net)	18	25,461,154	19,971,906	12,464,632
<b>Total Non-Current Liabilities</b>		<b>61,864,639</b>	<b>21,596,739</b>	<b>13,670,077</b>
<b>3. Current Liabilities</b>				
Financial Liabilities				
(i) Borrowings	19	241,529,270	45,455,378	6,549,373
(ii) Trade Payables	20	9,306,220	10,156,830	11,452,572
(iii) Other Current Financial Liabilities	21	26,253,120	14,392,471	14,877,871
Current Tax Liabilities (Net)	22	-	4,396,128	609,872
Other Current Liabilities	23	7,648,529	14,596,996	24,215,320
Provisions	24	8,220,092	2,773,894	2,142,954
<b>Total Current Liabilities</b>		<b>292,957,231</b>	<b>91,771,697</b>	<b>59,847,962</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>993,256,540</b>	<b>703,540,252</b>	<b>565,688,931</b>
<b>Significant Accounting Policies</b>	32			

As per our Report of even date attached

**For Khimji Kunverji & Co**  
Chartered Accountants  
Firm Regn. No.105146W

**Gautam V. Shah**  
Partner  
Membership No.117348  
Mumbai  
May 28, 2018

**Manoj O. Toshniwal**  
Chief Financial Officer

**Nidhi Shah**  
Company Secretary  
M. No. A34893

For and on behalf of the Board of  
Directors of Prima Plastics Limited  
CIN : L25206DD1993PLC001470

**Bhaskar M. Parekh**  
Executive Chairman  
DIN No. 00166520

**Dilip M. Parekh**  
Managing Director  
DIN No. 00166385

## STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Note	Year ended March 31, 2018 ₹	Year ended March 31, 2017 ₹
<b>I. Revenue From Operations</b>	25	<b>963,844,768</b>	928,961,409
<b>II. Other Income</b>	26	<b>38,993,203</b>	64,858,709
<b>III. Total Revenue (I+II)</b>		<b>1,002,837,971</b>	993,820,118
<b>IV. Expenses</b>			
Cost of Materials Consumed	27	591,865,002	500,074,548
Purchase of Stock-in-Trade		14,363,031	19,395,801
Changes in Inventories of Finished Goods, work in progress and stock in trade	28	(30,464,947)	(10,042,217)
Excise Duty		22,594,636	86,125,210
Employee Benefits Expense	29	95,703,341	71,758,500
Finance Costs	30	14,577,155	6,081,893
Depreciation	1	14,729,779	9,596,331
Other Expenses	31	174,857,493	173,558,427
<b>Total Expenses</b>		<b>898,225,490</b>	856,548,493
<b>V. Profit Before Tax (III-IV)</b>		<b>104,612,481</b>	137,271,625
<b>VI. Tax Expense</b>			
Current Tax		23,419,825	31,318,315
Deferred Tax Expense		5,821,717	7,661,327
<b>Total Tax Expense</b>		<b>29,241,542</b>	38,979,642
<b>VII. Profit After Tax (V-VI)</b>		<b>75,370,939</b>	98,291,983
<b>VIII. Other Comprehensive Income</b>			
- Items that will not be reclassified to profit or loss		(960,613)	(445,113)
- Income Tax relating to the Items that will not be reclassified to profit or loss		332,468	154,054
<b>Other Comprehensive Income for the year</b>		<b>(628,145)</b>	(291,059)
<b>Total Comprehensive Income for the year</b>		<b>74,742,794</b>	98,000,924
<b>IX. Earning Per Share (Face Value ₹ 10/- each)</b>			
- Basic	39	<b>6.85</b>	8.94
- Diluted	39	<b>6.85</b>	8.94
<b>Significant Accounting Policies</b>	32		

As per our Report of even date attached

**For Khimji Kunverji & Co**

Chartered Accountants  
Firm Regn. No.105146W

**Gautam V. Shah**  
Partner  
Membership No.117348  
Mumbai  
May 28, 2018

**Manoj O. Toshniwal**  
Chief Financial Officer

**Nidhi Shah**  
Company Secretary  
M. No. A34893

For and on behalf of the Board of  
Directors of Prima Plastics Limited  
CIN : L25206DD1993PLC001470

**Bhaskar M. Parekh**  
Executive Chairman  
DIN No. 00166520

**Dilip M. Parekh**  
Managing Director  
DIN No. 00166385



## Statement of Changes in Equity (SOCIE) for the year ended March 31, 2018

### A. Equity Share Capital

₹

For the year ended March 31, 2018

Balance as at April 01, 2017	Changes in Equity Share Capital during the year	Balance as at March 31, 2018
110,004,700	-	110,004,700

For the year ended March 31, 2017

Balance as at April 01, 2016	Changes in Equity Share Capital during the year	Balance as at March 31, 2017
110,004,700	-	110,004,700

### B. Statement of Changes in Equity

For the year ended March 31, 2018

₹

Particulars	Securities Premium Reserve	General Reserve	Retained Earnings	Total
Balance at the beginning of the reporting period	13,080,000	110,656,286	356,430,830	480,167,116
Profits for the year	-	-	75,370,939	75,370,939
Remeasurement Gain/(Loss) on Defined Benefit Plan	-	-	(628,145)	(628,145)
Total Comprehensive Income for the year	-	-	74,742,794	74,742,794
Dividend (Including Tax on Dividend)	-	-	(26,479,940)	(26,479,940)
Transfer from Retained Earnings	-	5,000,000	(5,000,000)	-
Balance at the end of the reporting period	13,080,000	115,656,286	399,693,684	528,429,970

For the year ended March 31, 2017

₹

Particulars	Securities Premium Reserve	General Reserve	Retained Earnings	Total
Balance at the beginning of the reporting period	13,080,000	105,656,286	263,429,906	382,166,192
Profits for the year	-	-	98,291,983	98,291,983
Remeasurement Gain/(Loss) on Defined Benefit Plan	-	-	(291,059)	(291,059)
Total Comprehensive Income for the year	-	-	98,000,924	98,000,924
Transfer from Retained Earnings	-	5,000,000	(5,000,000)	-
Balance at the end of the reporting period	13,080,000	110,656,286	356,430,830	480,167,116

As per our Report of even date attached

#### For Khimji Kunverji & Co

Chartered Accountants  
Firm Regn. No.105146W

#### Gautam V. Shah

Partner  
Membership No.117348  
Mumbai  
May 28, 2018

**Manoj O. Toshniwal**  
Chief Financial Officer

**Nidhi Shah**  
Company Secretary  
M. No. A34893

For and on behalf of the Board of  
Directors of Prima Plastics Limited  
CIN : L25206DD1993PLC001470

**Bhaskar M. Parekh**  
Executive Chairman  
DIN No. 00166520

**Dilip M. Parekh**  
Managing Director  
DIN No. 00166385

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

	Year ended March 31, 2018 ₹	Year ended March 31, 2017 ₹
<b>A. Cash Flow from Operating Activities</b>		
Profit Before Tax	104,612,481	137,271,625
<u>Adjustments :</u>		
Depreciation	14,729,779	9,596,331
Interest Expenses	10,354,794	2,822,974
Provision for doubtful debts and Bad Debts W/ off	5,360,323	(605,676)
Impairment of Assets	301,445	-
(Profit) / Loss on Sale of Assets	60,968	(3,709,287)
(Profit) / Loss on Sale of Investments	-	(229,458)
Dividend Income	(29,439,046)	(52,013,222)
Interest Income	(8,889,685)	(8,282,132)
Other (Income)/Expenses	(58,434)	(31,420)
Fair Valuation of lease deposits	(128,226)	(24,553)
<b>Operating Profit before Working Capital Changes</b>	<b>96,904,399</b>	<b>84,795,182</b>
Changes in Working Capital		
<u>Adjustments for (Increase)/Decrease in Operating Assets:</u>		
Trade Receivables	(76,422,104)	9,476,604
Current Investment	-	5,000,000
Inventories	(60,347,260)	(5,718,153)
Other Assets	(102,098,409)	(70,914,276)
<u>Adjustments for (Increase)/Decrease in Operating Liabilities:</u>		
Trade Payables	(850,610)	(1,180,795)
Short Term Provisions	(2,101,975)	72,515
Other Current Liabilities	11,860,649	(2,673,143)
Cash Generated From Operations	(133,055,310)	18,857,934
Taxes Paid	(33,214,562)	(27,531,919)
<b>Net Cash Inflow / (Outflow) from Operating Activities (A)</b>	<b>(166,269,872)</b>	<b>(8,673,985)</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Property, Plant & Equipment	(69,611,015)	(104,599,903)
Sale of Property, Plant & Equipment	210,001	5,728,249
Capital Work-in-Progress	(592,685)	1,850,911
Purchase of Investments	-	(31,997,900)
Interest, Dividend & Other Income	38,387,165	60,556,232
<b>Net Cash Inflow/(Outflow) from Investing Activities (B)</b>	<b>(31,606,534)</b>	<b>(68,462,411)</b>

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

	Year ended March 31, 2018	Year ended March 31, 2017
	₹	₹
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from Long Term Borrowings	34,537,951	419,387
Proceeds from Short Term Borrowings	196,073,892	38,906,005
Interest Paid	(10,354,794)	(2,822,974)
Dividend Paid (including Tax on Dividend)	(26,479,940)	-
<b>Net Cash Inflow / (Outflow) from Financing Activities (C)</b>	<b>193,777,109</b>	<b>36,502,418</b>
<b>Net Increase/(Decrease) In Cash and Cash Equivalents (A+B+C)</b>	<b>(4,099,297)</b>	<b>(40,633,978)</b>
<b>Cash &amp; Cash Equivalents as at March 31, 2018 (Refer Note No.9)</b>	<b>20,291,789</b>	<b>24,391,086</b>
<b>Cash &amp; Cash Equivalents as at March 31, 2017 (Refer Note No.9)</b>	<b>24,391,086</b>	<b>65,025,063</b>

**Notes:**

- i) The Cash Flow statement has been prepared under the "Indirect Method" as set out Indian Accounting Standard (Ind AS-7) Statement of Cash flows.
- ii) Previous year's figures have been regrouped / recasted wherever necessary.
- iii) Changes in liabilities in arising from financing activities:

Particulars	Non Cash Changes			
	31-Mar-17	Cashflows	Fair Value Adjustements	31-Mar-18
	₹	₹	₹	₹
Non Current Borrowings (Including Current Maturity)	2,811,779	40,040,669	(120,227)	<b>42,732,221</b>
Current Borrowings	45,455,378	196,073,892	-	<b>241,529,270</b>
<b>Total</b>	<b>48,267,157</b>	<b>236,114,561</b>	<b>(120,227)</b>	<b>284,261,491</b>

As per our Report of even date attached

**For Khimji Kunverji & Co**  
Chartered Accountants  
Firm Regn. No.105146W

**Gautam V. Shah**  
Partner  
Membership No.117348  
Mumbai  
May 28, 2018

**Manoj O. Toshniwal**  
Chief Financial Officer

**Nidhi Shah**  
Company Secretary  
M. No. A34893

For and on behalf of the Board of  
Directors of Prima Plastics Limited  
CIN : L25206DD1993PLC001470

**Bhaskar M. Parekh**  
Executive Chairman  
DIN No. 00166520

**Dilip M. Parekh**  
Managing Director  
DIN No. 00166385

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## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

### Note 32 (A): Company Overview and Significant Accounting Policies

#### Company Overview:

The Prima Plastics Limited ("the Company") is a Public Limited Company, incorporated in India and has registered office at 98/4 Prima House, Daman Industrial Estate, Nani Daman, Daman – 396210. It is incorporated under the Companies Act, 2013 and its shares are listed on the Bombay Stock Exchange Limited. The Company is one of the leading plastic moulded article manufacturing company in India having 4 manufacturing facilities spread across the country.

#### Significant Accounting Policies:

##### a) Statement of Compliance:

These financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, the relevant provisions of the Companies Act, 2013 (the Act) and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

The Financial Statements for the year ended March 31, 2018 are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016. Accordingly, the Company has prepared an Opening Ind AS Balance Sheet as on April 1, 2016 and comparative figures for the year ended March 31, 2017 are also in compliance with Ind AS. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 51.

The financial statements are authorised for issue by the Board of Directors of the Company at their meeting held on May 28, 2018.

##### b) Basis of Preparation of Accounts:

#### Basis of Preparation:

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- i. Financial Instruments measured at Fair Value.
- ii. Certain financial assets and liabilities measured at fair value through profit or loss; and
- iii. Employee's Defined Benefit Plan as per Actuarial Valuation.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique.

#### Functional and Presentation Currency:

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

#### Classification of Assets and Liabilities into Current/Non-Current:

The Company has ascertained its operating cycle as twelve months for the purpose of Current/ Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

- i. It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or
- ii. It is held primarily for the purpose of trading; or
- iii. It is expected to realise the asset within twelve months after the reporting period; or
- iv. The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

- i. It is expected to be settled in the normal operating cycle; or
- ii. It is held primarily for the purpose of trading; or
- iii. It is due to be settled within twelve months after the reporting period; or

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

- iv. The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

### c) Property, Plant and Equipment (PPE):

The initial cost of PPE comprises of its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any.

Subsequent expenditure relating to PPE are capitalised only when it is probable that future economic benefits associated with these will flow to the Company and cost of the item can be measured reliably. Repairs and maintenance cost are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

### d) Capital Work in Progress:

Expenditure/ Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets".

### e) Depreciation:

Depreciation on PPE is the systematic allocation of the depreciable amount over its useful life and is provided on a straight-line basis over such useful lives as prescribed in Schedule II to the Act or as per technical assessment.

Depreciable amount of PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company.

In case of certain classes of PPE, the Company uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets.

Such classes of assets and their useful lives are as under:

No	Nature	Useful Life
1	Plant and Machinery	15 - 20 Years
2	Moulds	8 - 15 Years

- f) Depreciation on additions is provided on a pro-rata basis from the date of acquisition. Depreciation on deductions/disposals is provided on a pro-rata basis till the date of such sale or disposal.

### g) Intangible Assets and Amortization

Intangible assets with finite useful life that are acquired separately are stated at acquisition cost less accumulated amortization and impairment losses, if any. The Company determines the useful life as the period over which the future economic benefits will flow to the Company after taking into account all relevant facts and circumstances. The estimated useful life and amortization method is reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

Class of intangible assets and their estimated useful lives are as under:

No	Nature	Useful Life
1	Software	5 Years

### h) Impairment of Non-Financial Assets:

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

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## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

### i) Inventories:

Inventories are valued as follows:

- **Raw materials:**

Value at lower of cost and net realisable value (NRV). However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on First in First out (FIFO) basis.

- **Work-in-progress (WIP), finished goods, stock in trade and trial run inventories:**

Valued at lower of cost or NRV. Cost of finished goods and WIP includes cost of raw materials, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of inventories is computed on weighted average basis.

- Stores & spare parts and packing materials are valued at cost

- **Waste / Scrap**

Waste/Scrap inventory is valued at NRV.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated cost necessary to make the sale.

### j) Borrowing Costs:

General and Specific Borrowing Cost Attributable to acquisition of Qualifying Assets, are capitalised as a part of the cost of such asset up to the date when such assets are ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing cost are recognised as an expense in the period in which they are incurred.

### k) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessment of time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognised.

### l) Revenue Recognition:

Revenue is recognised to the extent that is probable that the economic benefits will flow to the Company and the amount can be reliably measured.

- Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts, volume rebates, outgoing sales taxes and are recognised when all significant risks and rewards of ownership of the goods sold are transferred.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

- Dividend income is accounted for when the right to receive the income is established.
- Interest income is recognised using effective interest rate method.

### m) Lease:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as Operating Leases.

- **Operating Lease:**

Lease rentals are charged or recognised in the Statement of Profit and Loss on a straight-line basis over the lease term, except where the payments are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase.

- **Finance Lease:**

Assets held under finance leases are recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's policy on borrowing costs.

### n) Employee Benefit Expense:

- **Defined benefit plan:**

The Company has defined benefit Plans for post employment benefits, for all employees in the Form of Gratuity administered through trust funded with Life Insurance Corporation of India. The Company's liabilities under Payment of Gratuity Act are determined on the basis of independent actuarial valuation.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income. Re-measurement recognised in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss.

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

The defined benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

- **Defined contribution plan:**

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, for which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions as specified under the law are made to the Government Provident Fund monthly.

- **Short-term employee benefits:**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave in the period the related service is rendered. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

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## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

### o) Income Taxes:

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

- **Current Tax:**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

- **Deferred Tax:**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period date and are reduced to the extent that it is no longer probable.

### p) Foreign Currency Transactions:

Foreign currency transactions are recorded at exchange rate prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the Balance sheet date. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are recognised in the statement of profit and loss. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Non-Monetary items that are measured in terms of historical cost in a foreign currency are translated using exchange rate as at the date of initial transactions.

### q) Earnings Per Share:

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit/loss after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive equity shares

### r) Investment in Subsidiary & Joint Venture:

The Company's investment in its Subsidiary and Joint Venture are carried at cost.

### s) Financial Instruments:

Financial Assets & Financial Liabilities are recognised when the Company becomes party to contractual provisions of the relevant instrument.

#### Initial Recognition and Measurement:

All financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Transaction costs directly attributable to acquisition or issue of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

#### Classification and Subsequent Measurement: Financial Assets

- **Financial assets carried at Amortised Cost:**

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- **Financial assets at fair value through Other Comprehensive Income (FVTOCI):**

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- **Financial assets at fair value through profit or loss (FVTPL):**

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

- **Classification and Subsequent Measurement: Financial Liabilities**

Financial liability are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

- **Financial Liabilities at FVTPL:**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition at FVTPL. Gain or losses on liabilities held for trading are recognised in the Statement of profit or loss.

- **Other Financial Liabilities:**

Other Financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is the method of calculating the amortised cost of a financial liability and of allocating interest expenses over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

- **Impairment of financial assets:**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL). Expected credit losses are measured through a loss allowance at an amount equal to:

In case of trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical credit loss experience.

For other assets, the Company uses 12-month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

- **Derecognition of Financial Instruments:**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

A financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

### t) **Cash and cash equivalents**

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

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## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

### u) Financial Liabilities & equity instruments:

- **Classification as debt or equity**

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of financial liability and an equity instrument.

- **Equity Instrument**

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

### v) Segment Reporting - Identification of Segments:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's management to make decisions for which discrete financial information is available.

Based on the management approach as defined in Ind AS 108, the management evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

### Note 32 (B): Critical accounting judgements and key sources of estimation uncertainty:

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

#### a) Useful Lives of Property, Plant & Equipment:

The Company uses its technical expertise along with historical and industrial trends for determining the economic life of an asset. The useful life is reviewed by the management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the asset.

#### b) Defined Benefit Plans and Compensated Absences:

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

#### c) Fair Value Measurement of Financial Instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

#### d) Expected Credit Losses on Financial Assets:

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

**Note 1: Property, Plant and Equipments**

₹

Particulars	Gross Block				Depreciation & Amortisation				Net Block
	As at April 1, 2017 (Opening)	Additions	Deletions/ Adjustments	As at March 31, 2018 (Closing)	As at April 1, 2017 (Opening)	For the Year	Deletions/ Adjustments	As at March 31, 2018 (Closing)	As at March 31, 2018 (Closing)
<b>A] Tangible Assets</b>									
Freehold Land	13,408,618	300,300	-	<b>13,708,918</b>	-	-	-	-	<b>13,708,918</b>
Leasehold Land	934,331	-	-	<b>934,331</b>	10,725	10,725	-	21,450	<b>912,881</b>
Buildings	60,263,925	3,211,254	-	<b>63,475,179</b>	2,161,253	2,842,481	-	5,003,734	<b>58,471,445</b>
Plant & Machinery	113,597,432	47,933,600	(193,203)	<b>161,337,829</b>	4,554,513	8,350,867	301,445	13,206,825	<b>148,131,004</b>
Furniture & Fixture	851,593	192,029	(55,561)	<b>988,061</b>	95,386	83,516	-	178,902	<b>809,159</b>
Office Equipment's	1,956,416	1,668,162	(22,205)	<b>3,602,373</b>	538,766	709,171	-	1,247,937	<b>2,354,436</b>
Vehicles	13,945,626	15,581,560	-	<b>29,527,186</b>	2,126,279	2,506,455	-	4,632,734	<b>24,894,452</b>
<b>Total Tangible Assets</b>	<b>204,957,941</b>	<b>68,886,905</b>	<b>(270,969)</b>	<b>273,573,877</b>	<b>9,486,922</b>	<b>14,503,215</b>	<b>301,445</b>	<b>24,291,582</b>	<b>249,282,295</b>
<b>B] Intangible Assets</b>	<b>429,705</b>	<b>724,110</b>	<b>-</b>	<b>1,153,815</b>	<b>109,409</b>	<b>226,564</b>	<b>-</b>	<b>335,973</b>	<b>817,842</b>
<b>Total Assets (A+B)</b>	<b>205,387,646</b>	<b>69,611,015</b>	<b>(270,969)</b>	<b>274,727,692</b>	<b>9,596,331</b>	<b>14,729,779</b>	<b>301,445</b>	<b>24,627,555</b>	<b>250,100,137</b>

Tangible Assets are pledged as security against the secured borrowing.

For Previous Year :

₹

Particulars	Gross Block				Depreciation & Amortisation				Net Block
	As at April 1, 2016 (Opening)	Additions	Deletions/ Adjustments	As at March 31, 2017 (Closing)	As at April 1, 2016 (Opening)	For the Year	Deletions/ Adjustments	As at March 31, 2017 (Closing)	As at March 31, 2017 (Closing)
<b>A] Tangible Assets</b>									
Freehold Land	10,613,540	2,795,078	-	13,408,618	-	-	-	-	13,408,618
Leasehold Land	934,331	-	-	934,331	-	10,725	-	10,725	923,606
Buildings	36,824,987	23,438,938	-	60,263,925	-	2,161,253	-	2,161,253	58,102,672
Plant & Machinery	44,396,596	70,490,850	(1,290,014)	113,597,432	-	4,554,513	-	4,554,513	109,042,919
Furniture & Fixture	746,736	87,172	17,685	851,593	-	95,386	-	95,386	756,207
Office Equipment's	1,161,979	920,738	(126,301)	1,956,416	-	538,766	-	538,766	1,417,650
Vehicles	7,737,581	6,828,377	(620,332)	13,945,626	-	2,126,279	-	2,126,279	11,819,347
<b>Total Tangible Assets</b>	<b>102,415,750</b>	<b>104,561,153</b>	<b>(2,018,962)</b>	<b>204,957,941</b>	<b>-</b>	<b>9,486,922</b>	<b>-</b>	<b>9,486,922</b>	<b>195,471,019</b>
<b>B] Intangible Assets</b>	<b>390,955</b>	<b>38,750</b>	<b>-</b>	<b>429,705</b>	<b>-</b>	<b>109,409</b>	<b>-</b>	<b>109,409</b>	<b>320,296</b>
<b>Total Assets (A+B)</b>	<b>102,806,705</b>	<b>104,599,903</b>	<b>(2,018,962)</b>	<b>205,387,646</b>	<b>-</b>	<b>9,596,331</b>	<b>-</b>	<b>9,596,331</b>	<b>195,791,315</b>

**Deemed cost exemption**

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at April 1, 2016 measured as per previous Indian GAAP and use that carrying value as the deemed cost of property, plant and equipment.

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

Details of Gross Block and Accumulated Depreciation as per IGAAP as at April 01, 2016 is as follows:

₹

Particulars	Gross Block	Accumulated Depreciation	Net Block considered as Deemed Cost	Deemed Cost as per PPE Schedule
<b>(A) Tangible Assets</b>				
Freehold Land	10,613,540	-	10,613,540	10,613,540
Leasehold Land	1,041,581	107,250	934,331	934,331
Buildings	70,619,268	33,794,281	36,824,987	36,824,987
Plant & Machinery	277,420,640	233,024,044	44,396,596	44,396,596
Furniture & Fixture	8,639,062	7,892,326	746,736	746,736
Office Equipment's	5,846,097	4,684,118	1,161,979	1,161,979
Vehicles	15,300,199	7,562,618	7,737,581	7,737,581
<b>Total Tangible Assets</b>	<b>389,480,387</b>	<b>287,064,637</b>	<b>102,415,750</b>	<b>102,415,750</b>
<b>(B) Intangible Assets</b>	<b>548,829</b>	<b>157,874</b>	<b>390,955</b>	<b>390,955</b>
<b>Total Intangible Assets</b>	<b>548,829</b>	<b>157,874</b>	<b>390,955</b>	<b>390,955</b>
<b>Total Assets (A+B)</b>	<b>390,029,216</b>	<b>287,222,511</b>	<b>102,806,705</b>	<b>102,806,705</b>

(C) Capital Work in Progress	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Capital Work in Progress	592,685	-	1,850,911

As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
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**Note 2**

**Investments**

**Unquoted:**

**Investments Measured at Cost:**

**Equity Shares of Subsidiary Company fully paid up**

**Prima Union Plasticos S.A.**

3593 Equity shares of Quetzals 1,000/- each (March 31, 2017 - 3593 shares; April 1, 2016 - Nil) amounting to Guatemala Quetzals 35,93,000/- (March 31, 2017 - Guatemala Quetzals 35,93,000/-; April 1, 2016 - Nil)

<b>31,997,900</b>	31,997,900	-
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**Equity Shares of Joint Venture Company fully paid up**

**Prima Dee-Lite Plastics S.A.R.L.**

16,100 Equity shares (March 31, 2017 - 16,100 shares; April 1, 2016 - 11,500 shares) of Cameroon FCFA 10,000/- each amounting to Cameroon FCFA 1,15,000,000/- (March 31, 2017 - FCFA 1,15,000,000/-; April 1, 2016 - FCFA 1,15,000,000/-)

<b>10,207,570</b>	10,207,570	10,207,570
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(Previous year (March 31, 2017) Company had received 4,600 bonus share in ratio 5:2)

**Total**

<b>42,205,470</b>	42,205,470	10,207,570
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**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
<b>Note 3</b>			
<b>Loans</b>			
<b>Unsecured, Considered Good</b>			
Loans to Subsidiary	134,566,133	75,554,500	-
Security Deposits	11,872,065	10,637,575	7,835,924
Loans to Employees	3,702,222	1,222,109	1,983,846
<b>Total</b>	<b>150,140,420</b>	<b>87,414,184</b>	<b>9,819,770</b>

Disclosure of Loans and Advances given to Subsidiaries as per regulation 34 (3) and 53 (f) of the SEBI ( Listing Obligation and Disclosure Requirements) Regulations, 2015 :

<b>Prima Union Plasticos S.A. (Subsidiary)</b>			
Amount Outstanding at the year end*	134,566,133	75,554,500	-
Maximum Balance Outstanding During the Year Ended*	135,209,749	78,002,100	-

\* Note: No repayment during the year, change on account of change in foreign exchange rate.

**Note 4**
**Other Non Current Financial Assets**

Bank Deposit with Maturity greater than 12 Months*	1,254,999	1,407,449	611,593
<b>Total</b>	<b>1,254,999</b>	<b>1,407,449</b>	<b>611,593</b>

\* Lodged as Security with Government Department and Earmarked for Specific purpose.

**Note 5**
**Other Non-Current Assets**
**Unsecured, Considered good**

Capital Advances	1,438,565	2,922,770	2,892,031
<b>Total</b>	<b>1,438,565</b>	<b>2,922,770</b>	<b>2,892,031</b>

**Note 6**
**Inventories**

(Valued at lower of cost and net realisable value, unless otherwise stated)

Raw Materials {Includes Goods in Transit ₹ 1,999,914, March 31, 2017: ₹ 7,150,179 , April 1 , 2016: ₹ 13,078,113}	94,143,818	48,215,260	55,644,130
Finished Goods	119,386,484	107,445,984	95,727,330
Work In Progress	2,893,968	-	-
Store and Packing Material (at cost)	4,998,808	5,414,573	3,986,204
<b>Total</b>	<b>221,423,078</b>	<b>161,075,817</b>	<b>155,357,664</b>

The Company follows suitable valuation policy for writing down the value of Inventories towards slow moving, non-moving and surplus inventory.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
<b>Note 7</b>			
<b>Investments</b>			
<b>Unquoted:</b>			
<b>Investment Measured at Fair Value through Profit or Loss:</b>			
Investment in Arbitrage Fund Dividend Option	-	-	5,000,000
<b>Total</b>	<u>-</u>	<u>-</u>	<u>5,000,000</u>
<b>Note 8</b>			
<b>Trade Receivables</b>			
Unsecured, Considered Good	210,293,279	139,231,498	148,102,426
Considered Doubtful	3,886,454	784,989	1,390,665
	<u>214,179,733</u>	<u>140,016,487</u>	<u>149,493,091</u>
Less : Allowances for Credit Loss	<u>(3,886,454)</u>	<u>(784,989)</u>	<u>(1,390,665)</u>
<b>Total</b>	<u>210,293,279</u>	<u>139,231,498</u>	<u>148,102,426</u>
<b>Note 9</b>			
<b>Cash and Cash Equivalents</b>			
Cash on Hand	364,622	596,198	321,901
<b>Balance with Bank</b>			
In Current Account	12,765,595	18,202,259	31,089,777
In EEFC Account	16,946	89,613	480,442
Bank Deposit *	<u>7,144,626</u>	<u>5,503,016</u>	<u>33,132,943</u>
<b>Total</b>	<u>20,291,789</u>	<u>24,391,086</u>	<u>65,025,063</u>
* Lodged as Security with Government Department and Earmarked for Specific purpose			
<b>Note 10</b>			
<b>Bank Balances other than Cash and Cash Equivalents</b>			
Earmarked Balances with Bank for Unpaid Dividend	3,505,567	3,059,767	3,442,851
<b>Total</b>	<u>3,505,567</u>	<u>3,059,767</u>	<u>3,442,851</u>
<b>Note 11</b>			
<b>Loans</b>			
<b>Unsecured, Considered Good</b>			
Inter Corporate Deposits	12,500,000	12,500,000	40,000,000
Loans to Employees	<u>3,496,498</u>	<u>3,286,688</u>	<u>3,335,867</u>
<b>Total</b>	<u>15,996,498</u>	<u>15,786,688</u>	<u>43,335,867</u>

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹			
<b>Note 12</b>						
<b>Other Current Financial Assets</b>						
<b>Unsecured, Considered Good</b>						
Advances to Employees	175,500	152,229	152,500			
Security Deposits	10,948,695	438,400	-			
Interest Receivable	7,294,086	1,801,835	508,481			
Dividend Receivable	24,581,603	13,223,254	-			
License Benefit Receivable	1,818,107	2,135,463	3,327,100			
<b>Total</b>	<b>44,817,991</b>	<b>17,751,181</b>	<b>3,988,081</b>			
<b>Note 13</b>						
<b>Other Current Assets</b>						
Pre-paid Expenses	1,710,624	2,495,140	2,863,463			
Advance to Creditors	7,941,332	7,646,006	5,799,132			
Others	15,130,892	1,692,513	3,904,385			
Deferred Lease Expense	1,014,577	669,368	681,419			
<b>Total</b>	<b>25,797,425</b>	<b>12,503,027</b>	<b>13,248,399</b>			
<b>Note 14</b>						
<b>Equity Share Capital</b>						
<b>Authorised</b>						
1,20,00,000 (March 31, 2017 : 1,20,00,000; April 1, 2016 : 1,20,00,000) Equity Shares of ₹ 10/- each	120,000,000	120,000,000	120,000,000			
<b>Issued, Subscribed Fully Paid up</b>						
1,10,00,470 (March 31, 2017 : 1,10,00,470; April 1, 2016 : 1,10,00,470) Equity Shares of ₹ 10/- each	110,004,700	110,004,700	110,004,700			
<b>A) Reconciliation of the Shares Outstanding at the beginning and at the end of the year</b>						
Outstanding at the beginning of the year	110,004,700	110,004,700	110,004,700			
Add:	-	-	-			
Less:	-	-	-			
Outstanding at the end of the year	<b>110,004,700</b>	<b>110,004,700</b>	<b>110,004,700</b>			
<b>B) List of Shareholders holding more than 5% of Paid up Equity Share Capital</b>						
	% of holding	No of Shares	% of holding	No of Shares	% of holding	No of Shares
Bhaskar M. Parekh	23.20%	2,551,610	23.20%	2,551,610	23.20%	2,551,610
Dilip M. Parekh	23.78%	2,615,420	23.78%	2,615,420	23.78%	2,615,420

**Terms and Rights Attached to Equity Shares**

The Company has issued only one class of Equity Shares having a par value of ₹ 10/- per share. Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<b>Note 15</b>			
<b>Other Equity</b>			
a) <b>Securities Premium Account</b>	13,080,000	13,080,000	13,080,000
b) <b>General Reserve</b>	115,656,286	110,656,286	105,656,286
c) <b>Retained Earnings</b>	399,693,684	356,430,830	263,429,906
<b>Total (a+b+c)</b>	<u>528,429,970</u>	<u>480,167,116</u>	<u>382,166,192</u>

### Nature and purpose of reserves

- Securities Premium Reserve:** Securities premium reserve is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc.
- General Reserve:** The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

### Note 16

#### Borrowings

##### Secured Loans

Term Loans from Banks and Financial Institution - Note (a)	42,732,221	2,811,779	2,765,978
Less : Current Maturities of Long Term Debts (Refer Note No. 21)	(6,689,644)	(1,186,946)	(1,560,533)
<b>Total</b>	<u>36,042,577</u>	<u>1,624,833</u>	<u>1,205,445</u>

#### Note (a) - Term Loans from Banks in Local Currency

<b>Secured:</b>			
Name of the Bank - BMW Financial Services Repayment Terms : 59 Months ROI: 10.99% Nature of Security : Vehicle	-	1,020,106	2,765,978
Name of the Bank -AXIS Bank Repayment Terms : 60 Months ROI: 8.51% Nature of Security : Vehicle	9,815,904	-	-
Name of the Bank - Kotak Mahindra Prime Ltd Repayment Terms - 60 Month ROI:9.51% Nature of Security : Vehicle	1,438,673	1,791,673	-
Name of the Bank - Kotak Mahindra Bank Repayment Terms - 42 Months ROI: 8.50% Nature of Security : Fixed Assets	31,477,644	-	-
Less : Current Portion of Term Loans shown under Other Financial Liabilities	(6,689,644)	(1,186,946)	(1,560,533)
<b>Total</b>	<u>36,042,577</u>	<u>1,624,833</u>	<u>1,205,445</u>

### Note 17

#### Provisions

##### Provision for Employee Benefits

Provision for Gratuity	360,908	-	-
<b>Total</b>	<u>360,908</u>	<u>-</u>	<u>-</u>



**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<b>Note 18</b>			
<b>Deferred Tax Liabilities (Net)</b>			
Deferred Tax Liabilities			
- On Difference in WDV	28,020,606	20,696,440	13,159,913
- Others	173,030	360,746	-
Less : Deferred Tax Assets			
- On 43B Disallowance for VAT/CST	(34,679)	-	-
- On 43B Disallowance for Leave Salary	(583,646)	(353,599)	(269,684)
- On 43B Disallowance for Bonus	(912,085)	(589,058)	(425,597)
- Others	(1,202,072)	(142,623)	-
<b>Total</b>	<b>25,461,154</b>	<b>19,971,906</b>	<b>12,464,632</b>
<b>Note 19</b>			
<b>Borrowings</b>			
<b>Secured</b>			
Working Capital Loan from Bank	218,763,835	28,942,176	6,549,373
FCNR Loan from Bank	22,765,435	16,513,202	-
<b>Total</b>	<b>241,529,270</b>	<b>45,455,378</b>	<b>6,549,373</b>
Working Capital loan from a banker, repayable on demand, secured by hypothecation of inventories, receivables, other current assets and other tangible fixed assets, pledge of immovable properties and personal guarantee of promoter directors. ROI ranges from 8.70% to 9%.			
FCNR loan in Foreign currency (US\$) to fund working capital requirement from a banker is secured against current assets, tangible fixed assets of the Company and personal guarantee from promoter directors. ROI 3.66%.			
<b>Note 20</b>			
<b>Trade Payable</b>			
Due to Micro and Small enterprises (To the extent identified with available information)	-	-	-
Trade Payables (other than Micro and Small Enterprises)	9,306,220	10,156,830	11,452,572
<b>Total</b>	<b>9,306,220</b>	<b>10,156,830</b>	<b>11,452,572</b>
<b>Note 21</b>			
<b>Other Current Financial Liabilities</b>			
Current Maturities of Long Term Debts (Refer Note No.16)	6,689,644	1,186,946	1,560,533
Sundry Creditors for Expenses	8,576,511	4,871,092	4,992,538
Unclaimed Dividend	3,505,567	3,059,767	3,442,851
Provision for Expenses	7,481,398	5,274,666	4,881,949
<b>Total</b>	<b>26,253,120</b>	<b>14,392,471</b>	<b>14,877,871</b>

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at March 31, 2016 ₹
<b>Note 22</b>			
<b>Current Tax Liabilities (Net)</b>			
Current Tax Liabilities	-	4,396,128	609,872
<b>Total</b>	<b>-</b>	<b>4,396,128</b>	<b>609,872</b>
<b>Note 23</b>			
<b>Other Current Liabilities</b>			
Statutory Remittances	1,834,108	10,016,980	14,338,365
Advances from Customers	5,814,421	4,580,016	9,876,955
<b>Total</b>	<b>7,648,529</b>	<b>14,596,996</b>	<b>24,215,320</b>
<b>Note 24</b>			
<b>Provisions</b>			
<b>Provision for Employee Benefits</b>			
Provision for Bonus/Leave Salary	4,321,685	2,773,894	2,142,954
Provision for Gratuity	3,898,407	-	-
<b>Total</b>	<b>8,220,092</b>	<b>2,773,894</b>	<b>2,142,954</b>
		Year ended March 31, 2018 ₹	Year ended March 31, 2017 ₹
<b>Note 25</b>			
<b>Revenue from Operations (Refer Note 53)</b>			
Sale of Manufactured Products			
- Export		116,094,061	178,022,761
- Local		843,705,137	740,511,331
		<b>959,799,198</b>	918,534,092
Other Operating Revenues			
- Sale of Scrap		328,600	896,750
- Others		3,716,970	9,530,567
<b>Total</b>		<b>963,844,768</b>	<b>928,961,409</b>
<b>Note 26</b>			
<b>Other Income</b>			
<b>Interest Income</b>			
- from Banks Fixed Deposits		481,246	1,051,563
- from Inter Corporate Deposits		2,016,834	5,920,250
- from Loan and Advance to Subsidiary Company		6,211,423	1,053,686
- Others		180,182	256,633
		<b>8,889,685</b>	8,282,132
<b>Dividend Income</b>			
- from Joint Venture Company		29,439,046	50,996,313
- from Investment in Shares		-	1,016,909
		<b>29,439,046</b>	52,013,222
<b>Other Non-Operating Income</b>			
Profit / (Loss) on Sale of Fixed Assets		106,095	3,865,837
Profit / (Loss) on Sale of Short Term Investment		-	229,458
Other non operating income		558,377	468,060
		<b>664,472</b>	4,563,355
<b>Total</b>		<b>38,993,203</b>	<b>64,858,709</b>

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

	Year ended March 31, 2018 ₹	Year ended March 31, 2017 ₹
<b>Note 27</b>		
<b>Cost of Materials Consumed</b>		
Opening Stock of Raw Material	48,215,260	55,644,130
Add : Purchases	<u>637,793,560</u>	<u>492,645,678</u>
	<b>686,008,820</b>	<b>548,289,808</b>
Less : Closing Stock of Raw Material	<u>(94,143,818)</u>	<u>(48,215,260)</u>
<b>Total</b>	<b><u>591,865,002</u></b>	<b><u>500,074,548</u></b>
<b>Note 28</b>		
<b>Changes in inventories of finished goods, work in progress and stock in trade (Refer Note 53)</b>		
Inventories at the End of the year		
- Finished Goods	119,386,484	107,445,984
- Semi Finished Goods	<u>2,893,968</u>	
Inventories at the Beginning of the year	107,445,984	95,727,330
Excise duty on Stock	<u>(15,630,479)</u>	<u>1,676,437</u>
<b>Total</b>	<b><u>(30,464,947)</u></b>	<b><u>(10,042,217)</u></b>
<b>Note 29</b>		
<b>Employee Benefits Expense</b>		
Salaries, Wages and Bonus	77,252,813	59,822,829
Leave Salary	5,565,269	3,409,265
Contribution to provident and other funds	3,680,690	3,161,517
Gratuity Expenses	3,785,041	1,243,465
Staff Welfare	<u>5,419,528</u>	<u>4,121,424</u>
<b>Total</b>	<b><u>95,703,341</u></b>	<b><u>71,758,500</u></b>
<b>Note 30</b>		
<b>Finance Costs</b>		
Interest Expenses		
On Borrowings	10,354,794	2,822,974
Other Borrowing Costs	<u>4,222,361</u>	<u>3,258,919</u>
<b>Total</b>	<b><u>14,577,155</u></b>	<b><u>6,081,893</u></b>
<b>Note 31</b>		
<b>Other Expenses</b>		
<b>Manufacturing Expenses</b>		
Labour Charges	12,400,052	11,712,236
Store, Spare and Packing Expenses	12,802,403	12,859,296
Power and Fuel	24,785,645	21,187,658
Repairs to Buildings	2,333,149	522,349
Repairs to Machinery	2,654,713	3,782,574
Factory Insurance	560,283	522,953
Freight Inward	7,054,977	9,441,803
Factory Expenses	1,764,303	833,202
Other Manufacturing Expenses	<u>7,444,864</u>	<u>8,619,313</u>
	<b>71,800,389</b>	<b>69,481,384</b>
<b>Selling and Distribution Expenses</b>		
Business Promotion	977,601	1,349,390
Freight, Forward and others	48,519,405	51,444,356
Sales Discount and others	<u>4,147,623</u>	<u>4,091,075</u>
	<b>53,644,629</b>	<b>56,884,821</b>

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

	Year ended March 31, 2018 ₹	Year ended March 31, 2017 ₹
<b>Other Expenses</b>		
Professional Fees	3,879,908	4,767,542
Rent	12,483,332	11,343,269
Insurance (Others)	1,687,736	1,744,584
Corporate Social Responsibility	1,300,000	1,050,000
Travelling Expenses	5,781,782	6,128,915
Telephone Expenses	1,245,151	1,528,931
General Expenses	6,174,555	7,450,047
Loss on Sale of Fixed Assets	167,063	156,550
Printing and Stationery	1,644,679	1,881,440
Repairs to Other's	662,823	932,080
Payment to Auditors (Refer Note 40)	868,460	717,500
Exchange Loss / (Gain) (Net)	2,051,473	1,021,523
Postage and Telegram	758,872	921,921
Provision for Bad Debt and Bad Debts W/off	5,360,323	3,737,867
Impairment of Fixed assets	301,445	-
Director's Sitting Fees	360,000	315,000
Conveyance Expenses	1,430,394	763,558
Vehicle Expenses	2,364,367	2,731,495
Interest on income tax	890,112	-
	<u>49,412,475</u>	<u>47,192,222</u>
<b>Total</b>	<u>174,857,493</u>	<u>173,558,427</u>

### Note 33 : Contingent Liabilities (Ind AS 37)

#### a. Claims against the Company not acknowledged as debts - Nil

The Company does not have any pending litigations and proceedings as at March 31, 2018

#### b. Guarantees :

The company has issued corporate guarantees as under:

- Guarantee of ₹ 12,504,296 {March 31 2017: Nil, April 1, 2016: Nil} in favour of Tricon Energy on behalf of its subsidiary, Prima union Plasticos S.A. for the purpose of procurement of raw material and other corporate purpose.
- Guarantee of ₹ 3,842,959 {March 31 2017: Nil, April 1, 2016: Nil} in favour of Muehlstein International on behalf of its subsidiary, Prima union Plasticos S.A. for the purpose of procurement of raw material and other corporate purpose.

### Note 34: Capital and other commitments

Estimated amount of Contracts remaining to be executed on capital account, not provided for (net of advances) ₹ 2,173,421 (March 31, 2017 - ₹ 5,479,825, April 1, 2016 - ₹ 6,979,438).

### Note 35: Employee Benefits (Ind AS 19)

#### a. Defined Benefit Plan:

##### Gratuity:

The gratuity payable to employees is based on the employee's service and last drawn salary at the time of leaving the services of the Company and is in accordance with the rules of the Company for payment of gratuity.

##### Inherent Risk on above:

The plan is defined in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to the employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risk.

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**
**Statement of Assets and Liabilities for Defined Benefit Obligation as on April 1, 2016:**

Particulars	Gratuity (Unfunded)	
Defined Benefit Obligation	11,871,444	
Fair Value of Assets	10,311,242	

Particulars	As at March 31, 2018 (₹)	As at March 31, 2017 (₹)
<b>Change in Defined Benefit Obligation</b>		
Balance at the beginning of the year #	13,171,319	10,072,278
Adjustment of:		
Current Service Cost	1,632,358	981,048
Interest Cost	1,204,949	805,783
Actuarial (gains)/losses recognised in Other Comprehensive Income:		
- Change in Financial Assumptions	(268,320)	469,221
- Experience Changes	1,102,937	-
Benefits Paid	(1,600,878)	(956,177)
<b>Balance at the end of the year</b>	<b>15,242,365</b>	<b>11,372,153</b>
<b>Change in Fair value of assets</b>		
Balance at the beginning of the year	11,383,576	10,311,242
Expected Return on Plan Assets	835,554	876,828
Re-measurements due to:		
Interest on Plan Assets	(68,701)	27,369
Contribution by the employer	433,500	1,124,314
Benefits Paid	(1,600,878)	(956,177)
<b>Balance at the end of the year</b>	<b>10,983,050</b>	<b>11,383,575</b>
<b>Net Asset / (Liability) recognized in the Balance Sheet</b>		
Present value of the funded defined benefit obligation at the end of the period	(15,242,365)	(11,372,153)
Fair Value of Plan Assets	10,983,050	11,383,576
<b>Net Asset / (Liability) in the Balance Sheet</b>	<b>(4,259,315)</b>	<b>11,422</b>
<b>Expenses recognized in the Statement of Profit &amp; Loss</b>		
Current Service Cost	1,632,358	981,048
Interest Cost	369,395	(71,045)
<b>Amount charged to the Statement of Profit and Loss</b>	<b>2,001,753</b>	<b>910,003</b>
<b>Re-measurements recognized in Other Comprehensive Income(OCI):</b>		
Actuarial (Gain)/Losses on Obligation for the period		
Changes in Financial Assumptions	(211,025)	472,482
Experience Adjustments	1,102,937	-
Interest on plan assets	68,701	(27,369)
<b>Amount recognized in Other Comprehensive Income(OCI)</b>	<b>960,613</b>	<b>445,113</b>
<b>Maturity Profile of Defined Benefit Obligation:</b>		
Within the next 12 months	2,875,090	1,431,474
Between 1 and 5 years	4,863,422	4,176,088
Between 5 and 10 years	3,634,572	4,886,490
10 Years and above	22,564,234	21,599,355

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

Particulars	As at March 31, 2018 (₹)	As at March 31, 2017 (₹)
<b>Sensitivity analysis for significant assumptions:*</b>		
Increase/(Decrease) on present value of defined benefits obligation at the end of the year		
1% increase in discount rate	(1,063,770)	(1,127,340)
1% decrease in discount rate	1,232,816	1,311,189
1% increase in salary escalation rate	1,230,969	1,302,547
1% decrease in salary escalation rate	(1,081,015)	(1,140,558)
1% increase in employee turnover rate	57,756	16,615
1% decrease in employee turnover rate	(67,301)	(20,549)
<b>The major categories of plan assets as a percentage of total plan:</b>		
Insurer Managed Funds	100%	100%
<b>Actuarial Assumptions:</b>		
Discount Rate (p.a.)	7.85%	7.34%
Expected Return on Plan Assets (p.a.)	7.85%	7.34%
Turnover Rate	2.00%	2.00%
Mortality tables	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Salary Escalation Rate (p.a.)	7.00%	7.00%
Retirement age	60 Years	60 Years
<b>Weighted Average duration of Defined benefit obligation</b>	<b>9 Years</b>	10 Years

# The Balance as at beginning of March 31, 2018 for defined benefit obligation is based on independent actuarial report and is different compared to balance as at end of March 31, 2017 which was based on LIC report.

\* The Sensitivity Analysis have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

**Basis used to determine Expected Rate of Return on Plan Assets:**

Expected rate of return on Plan Assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

**Salary Escalation Rate:**

The estimates of future salary are considered taking into account inflation, seniority, promotion and other relevant factors.

**Asset Liability matching strategy**

The money contributed by the Company to the Gratuity fund to finance the liabilities of the plan has to be Invested.

The trustees of the plan have outsourced the investment management of the fund to an Insurance Company. The Insurance Company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset liability matching strategy.

There is no compulsion on the part of the Company to fully prefund the liability of the Plan. The Company's philosophy is to fund these benefits based on its own liquidity and the level of under funding of the plan.

The Company's expected contribution during next year is ₹ 38,98,407 {March 31, 2017: ₹ 2,928,973}.

**b. Defined Contribution Plans:**

Amount recognized as an expense and included in Note 29 under the head "Contribution to Provident and other Funds" of Statement of Profit and Loss is Rs. 3,680,690 (Previous Year Rs. 3,161,517).

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

### Note 36: Segment Reporting (Ind AS 108):

#### A. Basis for segmentation

The Company's Managing Director, the Chief Operating Decision Maker for the Company, periodically reviews the internal management reports and evaluates performance/allocates resources based on the analysis of various performance indicators relating to the segment.

#### B. Information about reportable segments

The Company's business activity falls within a single operating segment i.e. "Plastic Articles" and operates in one geography "within India" which in terms of Ind AS 108 constitutes a single reporting segment.

#### C. Information about major customers

The Company is not reliant on revenues from transaction with any single external customers and does not receive 10% or more of its revenues from transaction with any single external customers.

### Note 37: Related Party Disclosures (Ind AS 24):

#### (A) List of Related Parties where control exists:

Name of Related Parties	Principal Place of Business	% Shareholding and Voting Power		
		As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Prima Union Plasticos S.A. - Subsidiary	Guatemala	90%	90%	Nil
Prima Deelite Plastics S.A.R.L. - Joint Venture	Cameroon	50%	50%	50%

#### (B) Entities controlled by Directors/Relatives of Directors

1. Sanya Plastics
2. Classic Plastics
3. National Plastics and Allied Industries

#### (C) Other Related Parties with whom there were transactions during the year:

Name of Related Parties	Nature of Relationship
Shri Bhaskar M. Parekh - Executive Chairman	Key Management Personnel
Shri Dilip M. Parekh - Managing Director	Key Management Personnel
Hina V. Mehta - Non Executive Director	Key Management Personnel
Shri Mulchand S. Chheda - Independent Director	Key Management Personnel
Shri Krishnakant V. Chitalia - Independent Director	Key Management Personnel
Shri Rasiklal M. Doshi - Independent Director	Key Management Personnel
Pratik B. Parekh	Relative of KMP
Paras B. Parekh	Relative of KMP
Shri Manoj O. Toshniwal - Chief Financial Officer	Key Management Personnel
Shri Alok S. Desai (upto 12/08/17) (Company Secretary)	Key Management Personnel
Ms. Niddhi Shah (w.e.f 14/12/17) (Company Secretary)	Key Management Personnel

#### (D) The following transactions were carried out with the related parties in the ordinary course of business:

Nature of Transaction/Relationship	As at March 31, 2018 ₹	As at March 31, 2017 ₹
<b>Rent Paid:</b>		
Classic Plastics	2,716,254	2,462,438
Sanya Plastics	300,900	-
National Plastics and Allied Industries	4,047,414	3,669,193
<b>Total</b>	<b>7,064,568</b>	<b>6,131,631</b>

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

Nature of Transaction/Relationship	As at March 31, 2018 ₹	As at March 31, 2017 ₹
<b>Sale of Raw Material</b>		
Sanya Plastics	-	1,792,688
<b>Purchase of Raw Material</b>		
Sanya Plastics	-	53,136
<b>Reimbursement of Expenses:</b>		
National Plastics and Allied Industries	213,886	220,383
<b>Services received from:</b>		
Key Management Personnel	15,527,583	11,653,227
Relative of Key Management Personnel	5,955,364	2,879,200
<b>Total</b>	<b>21,482,947</b>	<b>14,532,427</b>
<b>Dividend Received:</b>		
Joint Venture	29,439,046	50,996,313
<b>Interest Income Received:</b>		
Subsidiary	6,211,423	1,053,686
<b>Corporate Guarantees on behalf of subsidiary:</b>		
Given/issued during the year	16,347,255	-

**(E) Outstanding balances:**

Nature of Transaction/Relationship	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
<b>Loans and Advances</b>			
Subsidiary Company	134,566,133	75,554,500	-
<b>Outstanding Interest</b>			
Subsidiary Company	4,912,118	1,053,686	-
<b>Rent Deposits</b>			
Classic Plastics	1,000,000	1,000,000	1,000,000
National Plastics and Allied Industries	1,500,000	1,500,000	1,500,000
Sanya Plastics	151,000	-	-
<b>Corporate Guarantees</b>			
Prima Union Plasticos S.A. - Subsidiary	16,347,255	-	-
<b>Dividend Outstanding</b>			
Prima Deelite Plastics S.A.R.L. - Joint Venture	24,581,603	13,223,254	-

**(F) Compensation of Key Management Personnel of the Company:**

Nature of Transaction/Relationship	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
<b>Total Compensation</b>	<b>21,482,947</b>	<b>14,532,427</b>	<b>11,974,797</b>

The remuneration paid to key managerial personnel excludes gratuity and compensated absences as the provision is computed for the Company as a whole and separate figures are not available.

Based on the recommendation of the Nomination, Remuneration and Compensation Committee, all decisions relating to the remuneration of the Directors are taken by the Board of Directors of the Company, in accordance with shareholder's approval, wherever necessary.

**Terms and Conditions of transactions with Related Parties:**

The transactions with the related parties are made in the normal course of business and on the terms equivalent to those that prevails in arm's length transactions. Outstanding balances at the year-end are unsecured .



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

For the year ended March 31, 2018, the Company has not recorded any impairment of receivables relating to amounts owned by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related parties operate.

### Note 38: Income Taxes (Ind AS 12):

#### a. Reconciliation of Effective Tax Rate:

Particulars	Year ended March 31, 2018 %	Year ended March 31, 2017 %
Applicable Tax Rate	34.61	34.61
Effect of Tax Exempt Income	-	(0.26)
Effect of MAT	(2.67)	(2.56)
Effect of Tax Paid at a Lower Rate	(4.87)	(6.46)
Effect of previous year adjustments	-	1.80
Others	0.88	1.28
<b>Effective Tax Rate</b>	<b>27.95</b>	<b>28.41</b>

- b. The Company has announced a proposed dividend of ₹ 2/- per share and accordingly, the dividend distribution tax on account of the same amounting to ₹ 0.41 shall be recognized once the dividend is paid.

### Note 39: Earnings per Share (EPS) (Ind AS 33):

Particulars	Year ended March 31, 2018 ₹	Year ended March 31, 2017 ₹
<b>A. Basic / Diluted EPS</b>		
(i) Net Profit attributable to Equity Shareholders	75,370,939	98,291,983
(ii) Weighted average number of Equity Shares outstanding (Nos.)	11,000,470	11,000,470
<b>Basic Earnings Per Share / Diluted Earning Per Share (i/ii)</b>	<b>6.85</b>	<b>8.94</b>

### Note 40 : Auditors' Remuneration (excluding GST) and expenses:

Particulars	Year ended March 31, 2018 ₹	Year ended March 31, 2017 ₹
Audit Fees	825,000	405,000
Tax Audit Fees	-	95,000
Fees for Other Services (including OPE)	43,460	217,500

### Note 41: Financial Instruments: Disclosure (Ind AS 107):

#### a. Classification of Financial Assets and Liabilities (Ind AS 107):

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
<b>Financial assets at Amortized cost:</b>			
Investment (Non Current)	42,205,470	42,205,470	10,207,570
Loans (Non Current)	150,140,420	87,414,184	9,819,770
Loans (Current)	15,996,498	15,786,688	43,335,867
Trade Receivables	210,293,279	139,231,498	148,102,426
Cash and Cash Equivalents	20,291,789	24,391,086	65,025,063
Other Bank Balances	3,505,567	3,059,767	3,442,851
Other Non Current Financial Assets	1,254,999	1,407,449	611,593
Other Current Financial Assets	44,817,991	17,751,181	3,988,081

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
<b>Financial assets at Fair Value through P&amp;L:</b>			
Investment (Current), if any	-	-	5,000,000
<b>Total</b>	<b>488,506,013</b>	<b>331,247,323</b>	<b>289,533,221</b>
<b>Financial liabilities at Amortized cost:</b>			
Borrowings	<b>36,042,577</b>	1,624,833	1,205,445
Trade Payables	<b>9,306,220</b>	10,156,830	11,452,572
Cash Credits/Working Capital Borrowings	<b>241,529,270</b>	45,455,378	6,549,373
Other Current Financial Liability	<b>26,253,120</b>	14,392,471	14,877,871
<b>Total</b>	<b>313,131,187</b>	<b>71,629,512</b>	<b>34,058,711</b>

### Note 42: Fair Value measurement (Ind AS 113):

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company has established the following fair value hierarchy that categorizes the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

**Level 1:** This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The company does not have any such asset or liabilities.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. The investment in mutual funds are valued using the closing Net Asset Value based on the mutual fund statements received by the company. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Financial Asset at Fair Value through profit or loss:			
Investments – Level 2	-	-	5,000,000
Investments – Level 3	-	-	-
<b>Total</b>	<b>-</b>	<b>-</b>	<b>5,000,000</b>

The management assessed that cash and bank balances, trade payables, and other financial asset and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

### The following methods and assumptions were used to estimate the fair values:

The fair values of the quoted investments/units of mutual fund schemes are based on market price/net asset value at the reporting date.

### Note 43: Financial Risk Management Objectives and Policies (Ind AS 107):

The Company's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets include Investments, Loans and Other receivables, Cash and Cash Equivalents, Other Bank Balances that directly derive from its operations.

The Company is exposed to Market Risk, Credit Risk and Liquidity Risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

### Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument.

The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

### Foreign Currency Risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings, receivable against exports of finished goods, loan to foreign subsidiary, interest receivable on loan to subsidiary and the Company's net investments in foreign subsidiaries.

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures where management enters into forward contract, if required for the purpose of being hedge.

Outstanding Foreign Currency Exposure	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Trade Receivables</b>			
USD	262,484	285,228	547,120
<b>Borrowings</b>			
USD	350,000	254,796	-
<b>Loans and Advances</b>			
USD	2,068,845	1,165,270	-
<b>Interest Receivable</b>			
USD	75,520	16,252	-
<b>Dividend Receivable</b>			
Euro	365,148	228,564	-
<b>Investments</b>			
EURO	191,444	191,444	-
USD	477,937	477,937	-

### Foreign Currency Sensitivity on unhedged exposure:

1% increase in foreign exchange rate will have the following impact on profit before tax:

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
USD	1,648,728	1,095,702	362,920
EURO	294,390	158,275	-

**Note:** If the rate is decreased by 100 bps profit will decrease by an equal amount.

### Interest rate risk :

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Particulars	Total borrowings ₹	Floating Rate Borrowings ₹	Fixed Rate Borrowings ₹
INR	261,496,056	218,763,835	42,732,221
USD *	22,765,435	-	22,765,435
<b>Total as at March 31, 2018</b>	<b>284,261,491</b>	<b>218,763,835</b>	<b>65,497,656</b>

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Particulars	Total borrowings ₹	Floating Rate Borrowings ₹	Fixed Rate Borrowings ₹
INR	31,753,955	28,942,176	2,811,779
USD	16,513,202	-	16,513,202
<b>Total as at March 31, 2017</b>	<b>48,267,157</b>	<b>28,942,176</b>	<b>19,324,981</b>
INR	9,315,351	6,549,373	2,765,978
USD	-	-	-
<b>Total as at April 1, 2016</b>	<b>9,315,351</b>	<b>6,549,373</b>	<b>2,765,978</b>

\*Above exposure in foreign currency is unhedged.

### Interest rate sensitivities for unhedged exposure (impact on increase in 100 bps):

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
INR	<b>2,187,638</b>	289,422	65,494

**Note:** If the rate is decreased by 100 bps profit will increase by an equal amount.

### Credit Risk :

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily Trade Receivables), investing and financing activities including Mutual Fund Investments, Deposits with Bank, Security Deposits, Loans to Employees and other financial instruments.

### Trade Receivables :

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and based on the evaluation credit limit of each customer is defined.

Total Trade receivable as on March 31, 2018 ₹ 210,293,279{March 31, 2017 ₹ 139,231,498, April 1, 2016 ₹ 148,102,426}.

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

As per policy, Receivables are classified into different buckets based on the over due period ranging from 3 months to more than 2 years. There are different provisioning rates for each bucket which are ranging from 2% to 100%.

### Movement of Allowances for Credit Loss:

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹
Opening Provision	<b>784,989</b>	1,390,665
Add: Provided during the Year	<b>3,101,465</b>	-
Less: Utilised during the Year	-	(605,676)
Closing Provision	<b>3,886,454</b>	784,989

### Investments, Cash and cash Equivalent and Bank Deposit :

Credit Risk on cash and cash equivalent, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions who have been assigned high credit rating by international and domestic rating agencies. Investments of surplus funds are made only based on Investment Policy of the Company. Investments primarily include investment in units of mutual funds. These Mutual Funds have low credit risk.

### Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

an adequate amount of credit facilities to meet obligations when due. Senior management of the Company is responsible for liquidity, funding as well as settlement management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments at the reporting date based on contractual undiscounted payments.

<b>As at March 31, 2018</b>	<b>Upto 1 Year</b>	<b>1 to 5 Years</b>	<b>More than 5 Years</b>	<b>Total</b>
	₹	₹	₹	₹
Trade Payables	9,306,220	-	-	9,306,220
Borrowings (including current maturities of long term debt)	249,278,000	34,983,491	-	284,261,491
Interest accrued but not due on borrowings	223,522	-	-	223,522
Other Current Financial Liabilities	15,834,387	-	-	15,834,387
<b>As at March 31, 2017</b>	<b>Upto 1 Year</b>	<b>1 to 5 Years</b>	<b>More than 5 Years</b>	<b>Total</b>
Trade Payables	10,156,830	-	-	10,156,830
Borrowings (including current maturities of long term debt)	46,821,783	1,445,374	-	48,267,157
Interest accrued but not due on borrowings	-	-	-	-
Other Current Financial Liabilities	10,145,758	-	-	10,145,758
<b>As at April 01, 2016</b>	<b>Upto 1 Year</b>	<b>1 to 5 Years</b>	<b>More than 5 Years</b>	<b>Total</b>
Trade Payables	11,452,572	-	-	11,452,572
Borrowings (including current maturities of long term debt)	8,295,068	1,020,283	-	9,315,351
Interest accrued but not due on borrowings	-	-	-	-
Other Current Financial Liabilities	9,874,487	-	-	9,874,487
Investments	5,000,000	-	-	5,000,000

### Note 44: Distribution made and proposed (Ind AS 1):

<b>Particulars</b>	<b>Year Ended 31st March, 2018</b>	<b>Year Ended 31st March, 2017</b>
	₹	₹
<b>Cash dividends on equity shares declared and paid:</b>		
Final dividend for the year ended on March 31, 2017: ₹ 2/- per share (March 31, 2016: Nil)	<b>22,000,940</b>	-
DDT on final dividend	<b>4,479,000</b>	-
<b>Total Dividend paid</b>	<b>26,479,940</b>	-
<b>Proposed dividends on Equity shares:</b>		
Final dividend for the year ended on March 31, 2018: ₹ 2/- Per share (March 31, 2017: ₹ 2/- per share)	<b>22,000,940</b>	22,000,940
DDT on proposed dividend	<b>4,479,000</b>	4,479,000
<b>Total dividend proposed</b>	<b>26,479,940</b>	26,479,940

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognized as a liability (including Dividend Distribution Tax thereon) as at March 31 of respective year.

### Note 45: Capital Management (Ind AS 1):

The Company's objectives when managing capital are to :

- maximise shareholder value and provide benefits to other stakeholders and
- maintain an optimal capital structure to reduce the cost of capital.

For the purposes of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

The Company monitors capital using debt-equity ratio, which is total debt less investments divided by total equity.

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Total Debt(bank and other borrowings)	284,261,491	48,267,157	9,315,351
Total Equity	638,434,670	590,171,806	492,170,893
<b>Debt to Equity (Net)</b>	<b>0.45</b>	0.08	0.02

In addition the Company has financial covenants relating to the borrowing facilities that it has taken from the lenders like interest coverage service ratio, Debt to EBITDA, etc. which is maintained by the Company.

### Note 46: Operating Leases (Ind AS 17):

- Operating lease payment recognised in the Statement of Profit and Loss amounting to ₹ 16,527,185 (March 31, 2017 ₹ 17,103,330)
- General Description of Leasing Agreements:
  - Leased assets: Godowns & Machinery.
  - Future lease rental income are determined on basis of agreed terms
  - At the expiry of lease terms, the Company has an option to return the assets or extend the term by giving notice in writing.
  - Lease agreements are generally cancellable and are renewable by mutual consent on mutually agreed terms.

### Note 47: Micro, Small and Medium Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises.

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Principal amount and interest due thereon remaining unpaid to any supplier as at the year end	-	-	-
Amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') , along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-	-

There is no principal amount and interest overdue to Micro and Small Enterprises. During the year no interest has been paid to such parties. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and the same has been relied upon by the auditors.

### Note 48: Corporate Social Responsibility

Expenditure incurred on Corporate Social Responsibility activities, included in different heads of expenses in the Statement of Profit and Loss is ₹ 13.00 lacs (March 31, 2017 ₹ 10.50 lacs).

The amount required to be spent under Section 135 of the Companies Act, 2013 for the year ended March 31, 2018 is ₹ 12.96 lacs (March 31, 2017 ₹ 10.28 lacs) i.e. 2% of average net profits for last three financials years, calculated as per section 198 of the Companies Act, 2013.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

### Note 49: Disclosure for Specified Bank Notes

Pursuant to the gazette notification G.S.R 308(E) dated 30<sup>th</sup> March 2017, issued by the Ministry of Corporate Affairs, details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 is provided in the table below. Disclosure is not applicable for FY 2017-18.

Particulars	SBN's ₹	Other denomination notes ₹	Total Cash ₹
Opening Balance of cash	148,500.00	418,999	567,499
Permitted Receipts - Sales from 09 <sup>th</sup> November 2016 to 30 <sup>th</sup> Decemeber 16	-	1,926,500	1,926,500
Permitted Payment	-	1,895,322	1,895,322
Deposit -10 <sup>th</sup> Nov'16 to 30 <sup>th</sup> December 2016	148,500.00	-	148,500
<b>Closing balance of cash as of 30<sup>th</sup> December 2016</b>	-	450,177	450,177

### Note 50:

In March 2018, the Ministry of Corporate Affairs issues the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115 'Revenue from Contract with Customers' which replaces IndAS 11 'Construction Contracts' and IndAS 18 'Revenue'. Expect for disclosure requirement, the new standard will not materially impact the Company's financial statements. The amendment will come into force from April 01, 2018.

### Note 51: First Time Adoption of Ind AS (Ind AS 101):

As stated in Note 1, these financial statements, for the year ended March 31, 2018, are the first the Company has prepared in accordance with IndAS. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (IGAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 01, 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its IGAAP financial statements, including the balance sheet as at April 01, 2016 and the financial statements as at and for the year ended March 31, 2017 and how the transition from IGAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

### Exemption Availed:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has availed the following exemptions:

#### a. Deemed cost for PPE and Intangible Assets:

The Company has elected to continue with the carrying value of all of its plant and equipment and intangible assets as recognised as of April 01, 2016 (transition date) measured as per the IGAAP and use that carrying value as its deemed cost as of the transition date.

#### b. Investment in Subsidiary and Joint Venture:

The Company has elected to carry its investment in subsidiary and joint venture at deemed cost which is its IGAAP carrying amount at the date of transition to Ind AS.

#### c. Fair Value of Financials Assets and Liabilities:

As per Ind AS exemption the Company has not fair valued the financial assets and liabilities retrospectively and has measured the same prospectively.

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

Disclosure as required by Ind AS 101 - First time adoption of Indian Accounting Standards

**Reconciliation of Equity**

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Particulars	As on March 31, 2017			As on April 01, 2016			
	Note Reference	IGAAP	+/-	Ind AS	IGAAP	+/-	Ind AS
<b>Assets</b>							
<b>Non Current Assets</b>							
A) Property, Plant & Equipment		195,471,019	-	195,471,019	102,415,750	-	102,415,750
B) Intangible Assets		320,296	-	320,296	390,955	-	390,955
C) CWIP		-	-	-	1,850,911	-	1,850,911
D) Financial Assets							
- Investments		42,205,470	-	42,205,470	10,207,570	-	10,207,570
- Loans	A	88,458,624	(1,044,440)	87,414,184	10,900,815	(1,081,045)	9,819,770
- Other Financial Assets		1,407,449	-	1,407,449	611,593		611,593
E) Other Non Current Assets		2,922,770	-	2,922,770	2,892,031		2,892,031
<b>Current Assets</b>							
A) Inventories		161,075,817	-	161,075,817	155,357,664	-	155,357,664
B) Financial Assets							
- Investments		-	-	-	5,000,000		5,000,000
- Trade receivables	B	140,016,487	(784,989)	139,231,498	149,493,091	(1,390,665)	148,102,426
- Cash and cash equivalents		24,391,086	-	24,391,086	65,025,063	-	65,025,063
- Bank Balances other than Cash and Cash Equivalents		3,059,767	-	3,059,767	3,442,851	-	3,442,851
- Loans		15,786,688	-	15,786,688	43,335,867	-	43,335,867
- Others (to be specified)		17,751,181	-	17,751,181	3,988,081	-	3,988,081
C) Other Current Assets	A	11,833,660	669,367	12,503,027	12,566,980	681,419	13,248,399
<b>Total Assets</b>		<b>704,700,314</b>	<b>(1,160,062)</b>	<b>703,540,252</b>	<b>567,479,222</b>	<b>(1,790,291)</b>	<b>565,688,931</b>
<b>Equity &amp; Liabilities</b>							
<b>Equity</b>							
A) Equity Share Capital		110,004,700	-	110,004,700	110,004,700	-	110,004,700
B) Other Equity	A,B,C,E	481,545,300	(1,378,184)	480,167,116	383,956,483	(1,790,291)	382,166,192
<b>Liability</b>							
<b>Non Current Liability</b>							
A) Financial Liabilities							
- Borrowings		1,624,833	-	1,624,833	1,205,445		1,205,445
B) Deferred Tax Liabilities (net)	C	19,753,784	218,122	19,971,906	12,464,632		12,464,632



**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS**

Particulars	As on March 31, 2017			As on April 01, 2016			
	Note Reference	IGAAP	+/-	Ind AS	IGAAP	+/-	Ind AS
<b>Current Liabilities</b>							
A) Financial Liabilities							
- Borrowings		45,455,378		45,455,378	6,549,373		6,549,373
- Trade Payables		10,156,830		10,156,830	11,452,572		11,452,572
- Other Current Financial Liabilities		14,392,471		14,392,471	14,877,871		14,877,871
B) Current Tax Liabilities		4,396,128		4,396,128	609,872		609,872
C) Other Current Liabilities		14,596,996		14,596,996	24,215,320		24,215,320
D) Provisions		2,773,894		2,773,894	2,142,954		2,142,954
<b>Total Equity &amp; Liabilities</b>		<b>704,700,314</b>	<b>(1,160,062)</b>	<b>703,540,252</b>	<b>567,479,222</b>	<b>(1,790,291)</b>	<b>565,688,931</b>

**Reconciliation of Total Comprehensive Income for the year ended March 31, 2017**

₹

Particulars	Note Reference	IGAAP	+/-	Ind AS
<b>Revenue</b>				
<b>Revenue from Operations</b>	D	881,239,043	47,722,366	928,961,409
Other Income	A	64,422,069	436,640	64,858,709
<b>Total Income</b>		<b>945,661,112</b>	<b>48,159,006</b>	<b>993,820,118</b>
<b>Expenses</b>				
Cost of Raw Materials Consumed		500,074,548	-	500,074,548
Purchase of Stock in Trade		19,395,801	-	19,395,801
Changes in Inventory of Finished Goods, WIP & Stock in Trade		(10,042,217)	-	(10,042,217)
Employee Benefit Expense	E	62,403,613	9,354,887	71,758,500
Finance Costs	A	5,669,806	412,087	6,081,893
Depreciation & Amortisation Expense		9,596,331	-	9,596,331
Excise duty on Sales	D		86,125,210	86,125,210
Other Expenses	D	222,366,808	(48,808,381)	173,558,427
<b>Total Expenses</b>		<b>809,464,690</b>	<b>47,083,803</b>	<b>856,548,493</b>
<b>Profit Before Tax expenses</b>		<b>136,196,422</b>	<b>1,075,203</b>	<b>137,271,625</b>
Tax Expenses:				
Current Tax		31,318,315	-	31,318,315
Deferred Tax	C	7,443,205	218,122	7,661,327
<b>Total</b>		<b>38,761,520</b>	<b>218,122</b>	<b>38,979,642</b>
<b>Profit for the Year</b>		<b>97,434,902</b>	<b>857,081</b>	<b>98,291,983</b>

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

Particulars	Note Reference	IGAAP	+/-	Ind AS
Other Comprehensive Income				
Items that will not be reclassified to profit & loss	E		(445,113)	(445,113)
Income Tax relating to items that will not be reclassified to profit & loss			154,054	154,054
Items that will be reclassified to Profit & Loss			-	-
Income Tax relating to items that will be reclassified to profit & loss			-	-
Other Comprehensive Income for the Year			(291,059)	(291,059)
Total Comprehensive Income for the year			566,022	98,000,924

### Reconciliation of Statement of Cashflow for the year ended March 31, 2017

₹

Particulars	IGAAP	+/-	Ind AS
Net Cashflow from Operating Activities	(8,673,985)	-	(8,673,985)
Net Cashflow from Investing Activities	(68,462,411)	-	(68,462,411)
Net Cashflow from Financing Activities	36,502,418	-	36,502,418

Notes to the Reconciliation of equity as at April 1, 2016 and March 31, 2017 and Total Comprehensive Income for the year ended March 31, 2017:

#### A. Fair valuation of Security Deposits

Interest free deposits have been fair valued and are discounted using an appropriate current market rate. The difference between the nominal value and the fair value of the deposit under the lease is considered as Prepaid Rent, Which is unwinded on a straight line basis over the period of the lease. The company also recognizes interest expenses using the discounting rate, over the life of the deposit. These adjustments are reflected in retained earnings as at the date of transition and subsequently in the statement of profit and loss.

#### B. Allowances for Credit losses

For Provision of Credit losses on Trade Receivables, the company has adopted Simplified Approach where by provision of expected credit losses is made using a provision matrix to mitigate the risk of default payments.

#### C. Deferred Tax

IGAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under IGAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred Tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or profit and loss respectively.

#### D. Revenue from Operations

Under IGAAP, cash discounts and other discounts directly attributable to sales was recognised as part of other expenses which has been adjusted against the revenue under Ind AS during the year ended March 31, 2017.

Under IGAAP, revenue was presented net of excise duty. However, as per Schedule III to the Companies Act, 2013, revenue from operations is to be shown inclusive of excise duty. Accordingly, excise duty has been included in revenue from operations and shown separately as an expense

#### E. Defined Benefit Liabilities

Both under IGAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under IGAAP, the entire cost, including actuarial gains and losses, are charged to Statement of Profit and Loss. Under Ind AS, remeasurements (comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

### Note 52: Investment Details

Details of investments made by the Company covered u/s. 186 (4) of the Companies Act 2013 as on 31 March 2017 (including investments made in the previous years):

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Name of the entity	As at 31 March, 2018	Transactions during the year	As at 31 March, 2017
<b>Prima Union Plasticos S.A. - Subsidiary</b>			
Loan to Subsidiary	134,566,133	59,011,633	75,554,500
Guarantee	16,347,255	16,347,255	-
Investment	31,997,900	-	31,997,900
<b>Prima Deelite Plastics S.A.R.L. - Joint Venture</b>			
Loan to JV	-	-	-
Guarantee	-	-	-
Investment	10,207,570	-	10,207,570

### Note 53 :

Effective July 01, 2017, sales are recorded net of GST whereas earlier sales were recorded gross of excise duty which formed part of expenses. Hence revenue from operations for the year ended March 31, 2018 is not comparable with the previous year corresponding figures.

### Note 54 :

The Company has a process whereby periodically all the long term contracts (including derivatives contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts has been made in the books of accounts. There are no derivatives contract outstanding as at year end.

### Note 55 :

Previous year figures have been regrouped / reclassified wherever necessary to correspond with current year classification / disclosure.

As per our Report of even date attached

**For Khimji Kunverji & Co**  
Chartered Accountants  
Firm Regn. No.105146W

**Gautam V. Shah**  
Partner  
Membership No.117348  
Mumbai  
May 28, 2018

**Manoj O. Toshniwal**  
Chief Financial Officer

**Nidhi Shah**  
Company Secretary  
M. No. A34893

For and on behalf of the Board of  
Directors of Prima Plastics Limited  
CIN : L25206DD1993PLC001470

**Bhaskar M. Parekh**  
Executive Chairman  
DIN No. 00166520

**Dilip M. Parekh**  
Managing Director  
DIN No. 00166385

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## INDEPENDENT AUDITOR'S REPORT

To the Members of **Prima Plastics Limited**

### **Report on the Consolidated Ind AS Financial Statements**

We have audited the accompanying Consolidated Ind AS financial statements of Prima Plastics Limited ('hereinafter referred to as "the Holding Company"), its subsidiary (the Holding Company and its subsidiary together referred to as "the Group") and its joint venture which comprise the Consolidated Balance Sheet as at March 31, 2018, the Consolidated Statement of Profit and Loss (including Other Comprehensive Income), the Consolidated Statement of Changes in Equity and Consolidated Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the Consolidated Ind AS financial statements").

### **Management's Responsibility for the Consolidated Ind AS Financial Statements**

The Holding Company's Board of Directors is responsible for the preparation of these Consolidated Ind AS financial statements in terms of the requirements of the Companies Act, 2013 ("hereinafter referred to as the Act") that give a true and fair view of the Consolidated financial position, Consolidated financial performance (including other comprehensive income), Consolidated statement of changes in equity and Consolidated cash flows of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards (Ind AS) specified under Section 133 of the Act.

The respective Board of Directors of the companies included in the Group and its joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and joint ventures and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the 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 respective Standalone Ind AS financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the Consolidated Ind AS financial statements by the Board of Directors of the Holding Company, as aforesaid.

### **Auditors' Responsibility**

Our responsibility is to express an opinion on these Consolidated Ind AS financial statements based on our audit. While conducting the 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 of the Consolidated Ind AS financial statements 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 Consolidated Ind AS financial statements are free from material misstatement.

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

We believe that the audit evidence obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in sub-paragraph (a) of the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Consolidated Ind AS financial statements.

### **Opinion**

In our opinion and to the best of our information and according to the explanations given to us and based on the consideration of reports of the other auditors on separate financial statements, as applicable, and on the other financial information of the subsidiary and joint venture, the aforesaid Consolidated Ind AS 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 including the Ind AS, of the Consolidated financial position of the Group and its joint venture March 31, 2018, and their Consolidated financial performance (including other comprehensive income), their Consolidated statement of changes in equity and Consolidated cash flows for the year ended on that date.

## Other Matters

- a. The comparative financial information of the Group for the year ended March 31, 2017 and the transition date opening Balance Sheet at April 01, 2016 included in these Consolidated Ind AS financial statements, are based on the previously published consolidated financial statements of the Group for the said periods prepared in accordance with the then applicable Accounting Standards and other accounting principles generally accepted in India audited by G. P. Kapadia & Co., Chartered Accountants (erstwhile Statutory Auditors), whose report dated May 29, 2017 expressed an unmodified opinion on those consolidated financial results, as adjusted for the differences in the accounting principles adopted by the Group on transition to Ind AS, which have been audited by us with respect to the Holding Company and are based on management by other auditors with respect to the subsidiary and joint venture. Our opinion is not modified in respect of this matter.
- b. The financial statements of Prima Union Plasticos S.A, a subsidiary and Prima Dee-Lite Plastics s.a.r.l, a Joint Venture for the year ended December 31, 2017, as adjusted, have been considered for the purpose of preparing these consolidated financial results. We did not audit the financial statements of Prima Union Plasticos S.A, a subsidiary whose financial statements reflect total assets of ₹ 1,772.14 Lac as at December 31, 2017 and total revenues of ₹ 861.24 Lac for the year ended on that date, as considered in the consolidated Ind AS financial results. The consolidated Ind AS financial results also include the Group's share of net profit of ₹ 676.03 Lac for the year ended December 31, 2017 as considered in the consolidated Ind AS financial results, in respect of Prima Dee-Lite Plastics s.a.r.l, a joint venture, whose financial statements have not been audited by us. These financial statements have been audited by other auditors as per the requirement of the applicable accounting standards of the respective countries and have been converted as per requirement of Ind AS by the management. Our opinion on the consolidated Ind AS financial results, in so far as it relates to the aforesaid subsidiary and joint venture is based solely on the reports of the other auditors and conversion to Ind AS by the management. Our opinion is not modified in respect of this matter.
- c. Our opinion above on the Consolidated Ind AS financial statements, and our report on Other Legal and Regulatory Requirements, is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors and the financial statements certified by the Management.

## Report on Other Legal and Regulatory Requirements

1. As required by section 143(3) of the Act, based on our audit and on the consideration of report of the other auditors on separate Ind AS financial statements, and the other financial information of subsidiary and joint venture as noted in the 'Other Matters' paragraph, we report to the extent applicable, that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid Consolidated Ind AS financial statements.
  - (b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid Consolidated Ind AS financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - (c) The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss, the Consolidated Statement of Changes in Equity and Consolidated Cash Flow Statement dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the Consolidated Ind AS financial statements.
  - (d) In our opinion, the aforesaid Consolidated Ind AS financial statements comply with the Indian Accounting Standards specified under Section 133 of the Act.
  - (e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2018 taken on record by the Board of Directors of the Holding Company, and the reports of the statutory auditors of its subsidiary and joint venture incorporated in India, none of the Directors of the Group companies and its joint venture incorporated in India are disqualified as on March 31, 2018 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 Holding Company, its subsidiary and joint venture incorporated in India and the operating effectiveness of such controls, refer to our separate report in the "Annexure A".
  - (g) With respect to the other matters to be included in the Auditors' 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 and based on the consideration of reports of the other auditors on separate Ind AS financial statements, as also the other financial information of the subsidiary and joint venture as noted in the 'Other Matters' paragraph:

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- i. The Consolidated Ind AS financial statements disclose the impact of pending litigations on the Consolidated financial position of the Group – Refer Note 34(a) to the Consolidated Ind AS financial statements.
  - ii. The Group and joint venture have made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on derivative contracts. – Refer Note 55 to the Consolidated Ind AS financial statements. The Group and joint venture did not have any other long-term contracts for which there were any material foreseeable losses during the year ended March 31, 2018.
  - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Holding Company, its subsidiary and joint venture incorporated in India during the year ended March 31, 2018; and
  - iv. The disclosure requirement in the Consolidated Ind AS financial statements as envisaged in Notification G.S.R 308(E) dated March 30, 2017 as to holdings as well as dealings in Specified Bank Notes during the period from November 08, 2016 to December 30, 2016 is relating to F.Y 2016-17 and hence no disclosure on the same has been given - Refer Note 50 the Standalone Ind AS financial statements.

For **Khimji Kunverji & Co**

Chartered Accountants

Firm's Registration No: 105146W

**Gautam V Shah**

Partner

Membership No: 117348

Mumbai

May 28, 2018

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**ANNEXURE A TO THE INDEPENDENT AUDITORS' REPORT OF EVEN DATE ON THE CONSOLIDATED IND AS FINANCIAL STATEMENTS OF PRIMA PLASTICS LIMITED–MARCH 31, 2018****Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Act**

In conjunction with our audit of the Consolidated Ind AS financial statements of the Holding Company as of and for the year ended March 31, 2018, we have audited the internal financial controls over financial reporting of Prima Plastics Limited ("hereinafter referred to as "the Holding Company") and its subsidiary company and a joint venture, which are companies incorporated in India, as of that date.

**Management's Responsibility for Internal Financial Controls**

The respective Board of Directors of the Holding Company, its subsidiary company and joint venture which are companies incorporated in India, are responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Holding 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 the respective 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 Act.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Holding 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 Act, 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 ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Consolidated Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained and the audit evidence obtained by the other auditors in terms of their reports referred to in the Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the Holding 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:

- (a) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company;
- (b) 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
- (c) 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

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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**

According to the information and explanation given to us, the Holding Company has framed process document and risk control matrix for certain key processes relating to internal financial controls system over financial reporting. In our opinion, considering the internal control over financial reporting criteria established by the Holding Company and the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the ICAI and to justify existence and operative effectiveness of the said controls, the Holding Company need to strengthen the documentation of identified risk & controls to make it commensurate with the size of the Holding Company and nature of its business.

**Other Matter**

Our aforesaid reports under section 143(3)(i) of the Act on the adequacy and operating effectiveness of the internal financial controls over financial reporting in so far as it relates to Holding Company which is incorporated in India.

For **Khimji Kunverji & Co**

Chartered Accountants

Firm's Registration No: 105146W

**Gautam V Shah**

Partner

Membership No: 117348

Mumbai

May 28, 2018



## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2018

Particulars	Note	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
<b>ASSETS</b>				
<b>Non Current Assets</b>				
Property Plant and Equipment	1	317,412,936	195,471,019	102,415,750
Intangible Assets		817,842	320,296	390,955
Capital Work in Progress		592,685	47,592,593	1,850,911
<b>Financial Assets</b>				
(i) Investments	2	216,074,407	177,910,471	168,110,980
(ii) Loans	3	16,009,676	11,859,684	9,819,770
(iii) Other Non Current Financial Assets	4	4,610,608	3,161,612	611,593
Income Tax Assets (Net)		5,398,637	-	-
Other Non-Current Assets	5	1,438,565	2,922,770	2,892,031
<b>Total Non - Current Assets</b>		<b>562,355,356</b>	<b>439,238,445</b>	<b>286,091,990</b>
<b>Current Assets</b>				
Inventories	6	245,874,720	164,555,379	155,357,664
<b>Financial Assets</b>				
(i) Investments	7	-	-	5,000,000
(ii) Trade Receivables	8	244,299,154	139,231,498	148,102,426
(iii) Cash and Cash Equivalents	9	51,423,459	74,463,681	65,025,063
(iv) Bank Balances other than Cash and Cash Equivalents	10	3,505,567	3,059,767	3,442,851
(v) Loans	11	15,996,498	15,786,688	43,335,867
(vi) Other Current Financial Assets	12	39,905,874	16,697,495	3,988,081
Other Current Assets	13	41,500,359	30,688,584	13,248,399
<b>Total Current Assets</b>		<b>642,505,631</b>	<b>444,483,092</b>	<b>437,500,351</b>
<b>TOTAL ASSETS</b>		<b>1,204,860,987</b>	<b>883,721,537</b>	<b>723,592,341</b>
<b>EQUITY AND LIABILITIES</b>				
<b>EQUITY</b>				
Equity Share Capital	14	110,004,700	110,004,700	110,004,700
Other Equity	15	712,525,624	646,252,998	540,069,602
<b>Total Equity</b>		<b>822,530,324</b>	<b>756,257,698</b>	<b>650,074,302</b>
<b>Non Controlling Interest</b>		<b>1,002,369</b>	<b>3,401,802</b>	<b>-</b>
<b>Non-Current Liabilities</b>				
<b>Financial Liabilities</b>				
(i) Borrowings	16	50,846,445	5,391,372	1,205,445
Provisions	17	360,908	-	-
Deferred Tax Liabilities (Net)	18	25,461,150	19,971,906	12,464,632
<b>Total Non-Current Liabilities</b>		<b>76,668,503</b>	<b>25,363,278</b>	<b>13,670,077</b>
<b>Current Liabilities</b>				
<b>Financial Liabilities</b>				
(i) Borrowings	19	241,529,270	45,455,378	6,549,373
(ii) Trade Payables	20	17,719,176	17,064,234	11,452,572
(iii) Other Current Financial Liabilities	21	29,542,724	14,412,128	14,877,871
Current Tax Liabilities (Net)	22	-	4,396,128	609,872
Other Current Liabilities	23	7,648,529	14,596,997	24,215,320
Provisions	24	8,220,092	2,773,894	2,142,954
<b>Total Current Liabilities</b>		<b>304,659,791</b>	<b>98,698,759</b>	<b>59,847,962</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,204,860,987</b>	<b>883,721,537</b>	<b>723,592,341</b>
<b>Significant Accounting Policies</b>	32			

As per our Report of even date attached

**For Khimji Kunverji & Co**

Chartered Accountants  
Firm Regn. No.105146W

**Gautam V. Shah**

Partner  
Membership No.117348  
Mumbai  
May 28, 2018

**Manoj O. Toshniwal**

Chief Financial Officer

**Nidhi Shah**

Company Secretary  
M. No. A34893

For and on behalf of the Board of  
Directors of Prima Plastics Limited  
CIN : L25206DD1993PLC001470

**Bhaskar M. Parekh**

Executive Chairman  
DIN No. 00166520

**Dilip M. Parekh**

Managing Director  
DIN No. 00166385

## CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2018

Particulars	Note	Year ended March 31, 2018 ₹	Year ended March 31, 2017 ₹
<b>I. Revenue From Operations</b>	25	<b>1,049,968,986</b>	928,961,409
<b>II. Other Income</b>	26	<b>3,380,736</b>	12,943,365
<b>III. Total Revenue (I+II)</b>		<b>1,053,349,722</b>	941,904,774
<b>IV. Expenses</b>			
Cost of Materials Consumed	27	<b>649,948,182</b>	500,074,548
Purchase of Stock-in-Trade		<b>14,363,031</b>	19,395,801
Changes in Inventories of Finished Goods, Work-in-Progress and Stock in Trade	28	<b>(46,426,464)</b>	(10,042,217)
Excise Duty		<b>22,594,636</b>	86,125,210
Employee Benefits Expense	29	<b>109,923,233</b>	71,758,500
Finance Costs	30	<b>14,694,407</b>	6,118,365
Depreciation and Amortisation Expenses	1	<b>25,369,970</b>	9,596,331
Other Expenses	31	<b>208,609,474</b>	176,127,529
<b>Total Expenses</b>		<b>999,076,470</b>	859,154,067
<b>V. Profit before Tax Expenses and Share in Profit of Joint Venture (III-IV)</b>		<b>54,273,252</b>	82,750,707
<b>VI. Share in Profit of Joint Venture (net of tax expenses)</b>		<b>67,602,982</b>	60,795,805
<b>VII. Profit Before Tax (V - VI)</b>		<b>121,876,234</b>	143,546,512
<b>VIII. Tax Expense</b>			
Current Tax		<b>23,419,825</b>	31,318,315
Deferred Tax Expense		<b>5,821,717</b>	7,661,327
<b>Total Tax Expense</b>		<b>29,241,542</b>	38,979,642
<b>IX. Profit After Tax (VII-VIII)</b>		<b>92,634,692</b>	104,566,870
Profit / (Loss) attributable to Non Controlling Interest		<b>(2,399,433)</b>	(155,209)
Profit attributable to owners of the Parent		<b>95,034,125</b>	104,722,079
Other comprehensive Income			
- Items that will not be reclassified to profit or loss.		<b>(960,613)</b>	(445,113)
- Income Tax relating to the Items that will not be reclassified to profit or loss.		<b>332,468</b>	154,054
- Items that will be reclassified to profit or loss-FCTR		<b>(1,636,766)</b>	1,752,376
<b>Other Comprehensive Income for the year</b>		<b>(2,264,911)</b>	1,461,317
Other Comprehensive Income attributable to Non-Controlling Interest		-	-
Other Comprehensive Income attributable to Owners of the Parent		<b>(2,264,911)</b>	1,461,317
<b>Total Comprehensive Income for the year</b>		<b>90,369,781</b>	106,028,187
Total Comprehensive Income attributable to Non-Controlling Interest		<b>(2,399,433)</b>	(155,209)
Total Comprehensive Income attributable to Owners of the Parent		<b>92,769,214</b>	106,183,396
Earning Per Share (Face Value ₹ 10/- each)			
- Basic	41	<b>8.42</b>	9.51
- Diluted	41	<b>8.42</b>	9.51
<b>Significant Accounting Policies</b>	32		

As per our Report of even date attached

**For Khimji Kunverji & Co**  
Chartered Accountants  
Firm Regn. No.105146W

**Gautam V. Shah**  
Partner  
Membership No.117348  
Mumbai  
May 28, 2018

**Manoj O. Toshniwal**  
Chief Financial Officer

**Nidhi Shah**  
Company Secretary  
M. No. A34893

For and on behalf of the Board of  
Directors of Prima Plastics Limited  
CIN : L25206DD1993PLC001470

**Bhaskar M. Parekh**  
Executive Chairman  
DIN No. 00166520

**Dilip M. Parekh**  
Managing Director  
DIN No. 00166385

## Statement of Changes in Equity (SOCIE) for the year ended March 31, 2018

### A. Equity Share Capital

For the year ended March 31, 2018

Balance as at April 01, 2017	Changes in Equity Share Capital during the year	Balance as at March 31, 2018
110,004,700	-	110,004,700

For the year ended March 31, 2017

Balance as at April 01, 2016	Changes in Equity Share Capital during the year	Balance as at March 31, 2017
110,004,700	-	110,004,700

### B. Statement of Changes in Equity

For the year ended March 31, 2018

Particulars	Attributable to Owners of the Company					Attributable to NCI	Total Equity
	Securities premium Reserve	General Reserve	Retained Earnings	Exchange differences on translating the financial statements of a foreign operation	Total Attributable to the Owners of the Company		
Balance at the beginning of the reporting period <sup>1</sup>	13,080,000	110,656,286	520,764,336	1,752,376	646,252,998	3,401,802	649,654,800
Profits for the year	-	-	95,034,125	-	95,034,125	(2,399,433)	92,634,692
Remeasurement Gain/(Loss) on Defined Benefit Plan	-	-	(628,145)	-	(628,145)	-	(628,145)
Other Comprehensive Income/(loss) for the year	-	-	-	(1,636,766)	(1,636,766)	-	(1,636,766)
<b>Total Comprehensive income for the year</b>	-	-	<b>94,405,980</b>	<b>(1,636,766)</b>	<b>92,769,214</b>	<b>(2,399,433)</b>	<b>90,369,781</b>
Dividend (Including Tax on Dividend)	-	-	(26,496,588)	-	(26,496,588)	-	(26,496,588)
Transfer from Retained Earnings	-	5,000,000	(5,000,000)	-	-	-	-
<b>Balance at the end of the reporting period</b>	<b>13,080,000</b>	<b>115,656,286</b>	<b>583,673,728</b>	<b>115,610</b>	<b>712,525,624</b>	<b>1,002,369</b>	<b>713,527,993</b>

For the year ended March 31, 2017

₹

Particulars	Attributable to Owners of the Company					Attributable to NCI	Total Equity
	Securities premium Reserve	General Reserve	Retained Earnings	Exchange differences on translating the financial statements of a foreign operation	Total Attributable to the Owners of the Company		
Balance at the beginning of the reporting period	13,080,000	105,656,286	421,333,316	-	540,069,602	-	540,069,602
Profits for the year	-	-	104,722,079	-	104,722,079	(155,209)	104,566,870
Remeasurement Gain/(Loss) on Defined Benefit Plan	-	-	(291,059)	-	(291,059)	-	(291,059)
Other Comprehensive Income/(loss) for the year	-	-	-	1,752,376	1,752,376	-	1,752,376
Total Comprehensive income for the year	-	-	104,431,019	1,752,376	106,183,396	(155,209)	106,028,187
Transfer from Retained Earnings	-	5,000,000	(5,000,000)	-	-	-	-
Attributable to NCI	-	-	-	-	-	3,557,011	-
Balance at the end of the reporting period	13,080,000	110,656,286	520,764,336	1,752,376	646,252,998	3,401,802	649,654,800

As per our Report of even date attached

**For Khimji Kunverji & Co**

Chartered Accountants

Firm Regn. No.105146W

**Gautam V. Shah**

Partner

Membership No.117348

Mumbai

May 28, 2018

**Manoj O. Toshniwal**

Chief Financial Officer

**Nidhi Shah**

Company Secretary

M. No. A34893

For and on behalf of the Board of  
Directors of Prima Plastics Limited  
CIN : L25206DD1993PLC001470

**Bhaskar M. Parekh**

Executive Chairman

DIN No. 00166520

**Dilip M. Parekh**

Managing Director

DIN No. 00166385

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

	Year ended March 31, 2018 ₹	Year ended March 31, 2017 ₹
<b>A. Cash Flow from Operating Activities</b>		
Profit Before Tax	121,876,234	143,546,511
<u>Adjustments :</u>		
Depreciation	25,369,970	9,596,331
Interest Expenses	10,461,277	2,842,966
Provision for Bad Debt and Bad Debts W/off	6,431,559	3,737,867
Impairment of Assets	301,445	-
(Profit) / Loss on Sale of Assets	60,968	(3,709,288)
(Profit) / Loss on Sale of Investments	-	(229,458)
Dividend Income	-	(1,016,909)
Interest Income	(2,703,747)	(7,246,100)
Other (Income)/Expenses	(70,951)	(31,420)
Fair Valuation of lease deposits	(128,226)	(24,553)
<b>Operating Profit before Working Capital Changes</b>	<b>161,598,530</b>	<b>147,465,947</b>
Changes in Working Capital		
<u>Adjustments for (Increase)/Decrease in Operating Assets:</u>		
Trade Receivables	(111,499,215)	5,133,061
Inventories	(81,319,341)	(9,197,715)
Other Assets	(38,799,195)	(6,813,455)
<u>Adjustments for (Increase)/Decrease in Operating Liabilities:</u>		
Trade Payables	654,938	5,611,667
Provisions	4,846,493	185,826
Other Current Liabilities	8,182,129	(10,084,066)
Cash Generated From Operations	(56,335,661)	132,301,265
Taxes Paid	(33,214,593)	(27,532,060)
<b><u>Net Cash Inflow / (Outflow) from Operating Activities (A)</u></b>	<b>(89,550,254)</b>	<b>104,769,205</b>
<b>B. Cash Flow from Investing Activities</b>		
Purchase of Property, Plant and Equipment	(148,381,847)	(104,599,903)
Sale of Property, Plant and Equipment	210,001	5,728,249
Capital Work-in-Progress	46,999,908	(45,741,682)
Sale of Investments	-	5,000,000
Share in (Profit)/Loss on equity accounted investment	(38,163,936)	(9,799,491)
Profit on Sale of Investment		229,458
Interest, Dividend & Other Income	2,774,698	8,294,429
<b>Net Cash Inflow/(outflow) from Investing Activities (B)</b>	<b>(136,561,176)</b>	<b>(140,888,940)</b>

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2018

	Year ended March 31, 2018 ₹	Year ended March 31, 2017 ₹
<b>C. Cash Flow from Financing Activities</b>		
Proceeds from equity to Non Controlling Interest	-	3,557,011
Proceeds from Long Term Borrowings	45,575,299	4,185,927
Proceeds from Short Term Borrowings	196,073,892	38,906,005
Interest Paid	(10,461,277)	(2,842,966)
Dividend Paid (including Tax on Dividend)	(26,479,940)	-
<b>Net Cash Inflow / (Outflow) from Financing Activities(C)</b>	<b>204,707,974</b>	<b>43,805,977</b>
<b>Net Increase/(Decrease) In Cash and Cash Equivalents (A+B+C)</b>	<b>(21,403,456)</b>	<b>7,686,242</b>
<b>Cash &amp; Cash Equivalents as at March 31, 2018 (Refer Note No.9)</b>	<b>51,423,459</b>	<b>74,463,681</b>
<b>Effect of exchange rate on consolidation of Foreign Subsidiary</b>	<b>(1,636,766)</b>	<b>1,752,376</b>
<b>Cash &amp; Cash Equivalents as at March 31, 2017 (Refer Note No.9)</b>	<b>74,463,681</b>	<b>65,025,063</b>

**Notes:**

- i) The Cash Flow statement has been prepared under the "Indirect Method" as set out Indian Accounting Standard (Ind AS-7) Statement of Cash flows.
- ii) Previous year's figures have been regrouped / recasted wherever necessary.
- iii) Changes in liabilities in arising from financing activities:

Particulars	Non Cash Changes			
	31-Mar-17	Cashflows	Fair Value Adjustments	31-Mar-18
Non Current Borrowings (Including Current Maturity)	6,578,318	51,077,997	(120,226)	<b>57,536,089</b>
Current Borrowings	45,455,378	196,073,892	-	<b>241,529,270</b>
<b>Total</b>	<b>52,033,696</b>	<b>247,151,889</b>	<b>(120,226)</b>	<b>299,065,359</b>

As per our Report of even date attached

**For Khimji Kunverji & Co**  
Chartered Accountants  
Firm Regn. No.105146W

**Gautam V. Shah**  
Partner  
Membership No.117348  
Mumbai  
May 28, 2018

**Manoj O. Toshniwal**  
Chief Financial Officer

**Nidhi Shah**  
Company Secretary  
M. No. A34893

For and on behalf of the Board of  
Directors of Prima Plastics Limited  
CIN : L25206DD1993PLC001470

**Bhaskar M. Parekh**  
Executive Chairman  
DIN No. 00166520

**Dilip M. Parekh**  
Managing Director  
DIN No. 00166385

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 32 (A): Company Overview and Significant Accounting Policies

#### **Company Overview:**

The Prima Plastics Limited ("the Company") is a Public Limited Company, incorporated in India and has registered office at 98/4 Prima House, Daman Industrial Estate, Nani Daman, Daman – 396210. It is incorporated under the Companies Act, 2013 and its shares are listed on the Bombay Stock Exchange Limited. The Company is one of the leading plastic moulded article manufacturing company in India having 4 manufacturing facilities spread across the country.

#### **Significant Accounting Policies:**

##### **a) Statement of Compliance:**

These financial statements are prepared in accordance with the Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended from time to time, the relevant provisions of the Companies Act, 2013 (the Act) and guidelines issued by the Securities and Exchange Board of India (SEBI), as applicable.

The Financial Statements for the year ended March 31, 2018 are the Company's first Ind AS financial statements. The date of transition to Ind AS is April 1, 2016. Accordingly, the Company has prepared an Opening Ind AS Balance Sheet as on April 1, 2016 and comparative figures for the year ended March 31, 2017 are also in compliance with Ind AS. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in Note 53.

The financial statements are authorised for issue by the Board of Directors of the Company at their meeting held on May 28, 2018.

##### **b) Basis of preparation of Accounts:**

The Consolidated Financial Statements comprise the financial statements of Prima Plastics Limited ('the holding company') and its Subsidiary and Joint venture (together referred as 'group').

#### **Basis of Preparation:**

The financial statements have been prepared on a historical cost basis, except for the following assets and liabilities:

- i. Financial Instruments measured at Fair Value.
- ii. Certain financial assets and liabilities measured at fair value through profit or loss; and
- iii. Employee's Defined Benefit Plan as per Actuarial Valuation.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date under current market conditions, regardless of whether that price is directly observable or estimated using another valuation technique.

#### **Functional and Presentation Currency:**

The financial statements are presented in Indian Rupees, which is the functional currency of the Company and the currency of the primary economic environment in which the Company operates.

#### **Classification of Assets and Liabilities into Current/Non-Current:**

The Company has ascertained its operating cycle as twelve months for the purpose of Current/ Non-Current classification of its Assets and Liabilities.

For the purpose of Balance Sheet, an asset is classified as current if:

- i. It is expected to be realised, or is intended to be sold or consumed, in the normal operating cycle; or
- ii. It is held primarily for the purpose of trading; or
- iii. It is expected to realise the asset within twelve months after the reporting period; or
- iv. The asset is a cash or cash equivalent unless it is restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period.

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

- i. It is expected to be settled in the normal operating cycle; or
- ii. It is held primarily for the purpose of trading; or

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- iii. It is due to be settled within twelve months after the reporting period; or
- iv. The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

### c) Property, Plant and Equipment (PPE):

The initial cost of PPE comprises of its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning, less accumulated depreciation and accumulated impairment losses, if any.

Subsequent expenditure relating to PPE are capitalised only when it is probable that future economic benefits associated with these will flow to the Company and cost of the item can be measured reliably. Repairs and maintenance cost are charged to the Statement of Profit and Loss in the period in which the costs are incurred.

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE.

### d) Capital Work in Progress:

Expenditure/ Income during construction period (including financing cost related to borrowed funds for construction or acquisition of qualifying PPE) is included under Capital Work-in-Progress, and the same is allocated to the respective PPE on the completion of their construction. Advances given towards acquisition or construction of PPE outstanding at each reporting date are disclosed as Capital Advances under "Other non-current Assets".

### e) Depreciation:

Depreciation on PPE is the systematic allocation of the depreciable amount over its useful life and is provided on a straight-line basis over such useful lives as prescribed in Schedule II to the Act or as per technical assessment.

Depreciable amount of PPE is the cost of PPE less its estimated residual value. The useful life of PPE is the period over which PPE is expected to be available for use by the Company.

In case of certain classes of PPE, the Company uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed based on technical advice, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets.

Such classes of assets and their useful lives are as under:

No	Nature	Useful Life
1	Plant and Machinery	15 - 20 Years
2	Moulds	8 -15 Years

In case of subsidiary, Depreciation is calculated by straight line method based on their useful lives.

No	Nature	Useful Life
1	Plant and Machinery	5 years
2	Furniture and Equipments	5 years
3	Computer Equipments	3 years
4	Tools	4 years
5	Lease hold Improvements	3 years

- f) Depreciation on additions is provided on a pro-rata basis from the date of acquisition. Depreciation on deductions/disposals is provided on a pro-rata basis till the date of such sale or disposal.

### g) Intangible Assets and Amortization:

Intangible assets with finite useful life that are acquired separately are stated at acquisition cost less accumulated amortization and impairment losses, if any. The Company determines the useful life as the period over which the future economic benefits will flow to the Company after taking into account all relevant facts and circumstances. The estimated useful life and amortization method is reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Class of intangible assets and their estimated useful lives are as under:

No	Nature	Useful Life
1	Plant and Machinery	5 Years

### h) Impairment of Non-Financial Assets:

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

### i) Inventories:

Inventories are valued as follows:

- Raw materials:  
Value at lower of cost and net realisable value (NRV). However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on First in First out (FIFO) basis.
- Work-in-progress (WIP), finished goods, stock in trade and trial run inventories:  
Valued at lower of cost or NRV. Cost of finished goods and WIP includes cost of raw materials, cost of conversion and other costs incurred in bringing the inventories to their present location and condition. Cost of inventories is computed on weighted average basis.
- Stores & spare parts and packing materials are valued at cost
- Waste / Scrap

#### Waste/Scrap inventory is valued at NRV.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated cost necessary to make the sale.

### j) Borrowing Costs:

General and Specific Borrowing Cost Attributable to acquisition of Qualifying Assets, are capitalised as a part of the cost of such asset up to the date when such assets are ready for its intended use. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing cost are recognised as an expense in the period in which they are incurred.

### k) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects current market assessment of time value of money and, where appropriate, the risks specific to the liability. Unwinding of the discount is recognised in the Statement of Profit and Loss as a finance cost. Provisions are reviewed at each reporting date and are adjusted to reflect the current best estimate.

A present obligation that arises from past events where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made, is disclosed as a contingent liability. Contingent liabilities are also disclosed when there is a possible obligation arising from past events, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company.

Claims against the Company where the possibility of any outflow of resources in settlement is remote, are not disclosed as contingent liabilities.

Contingent assets are not recognised in financial statements since this may result in the recognition of income that may never be realised. However, when the realization of income is virtually certain, then the related asset is not a contingent asset and is recognised.

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## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### l) Revenue Recognition:

Revenue is recognised to the extent that is probable that the economic benefits will flow to the Company and the amount can be reliably measured.

- Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts, volume rebates, outgoing sales taxes and are recognised when all significant risks and rewards of ownership of the goods sold are transferred.
- Dividend income is accounted for when the right to receive the income is established.
- Interest income is recognised using effective interest rate method.

### m) Lease:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risks and rewards of ownership to the lessee. All other leases are classified as Operating Leases.

- Operating Lease:

Lease rentals are charged or recognised in the Statement of Profit and Loss on a straight-line basis over the lease term, except where the payments are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increase.

- Finance Lease:

Assets held under finance leases are recognised as assets of the Company at their fair value at the inception of the lease or, if lower, at the present value of the minimum lease payments. The corresponding liability to the lessor is included in the Balance Sheet as a finance lease obligation. Lease payments are apportioned between finance charges and reduction of the lease obligation so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are charged to the Statement of Profit and Loss, unless they are directly attributable to qualifying assets, in which case they are capitalised in accordance with the Company's policy on borrowing costs.

### n) Foreign Operations:

The assets and liabilities of foreign operations including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Exchange differences are recognized in OCI and accumulated equity (as exchange differences on translating the financial statements of a foreign operation), except to the extent that the exchange differences are allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognized in OCI is reclassified to Statement of Profit and Loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in an associate or a joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to Statement of Profit and Loss.

### o) Employee Benefit Expense:

- **Defined benefit plan:**

The Company has defined benefit Plans for post employment benefits, for all employees in the Form of Gratuity administered through trust funded with Life Insurance Corporation of India. The Company's liabilities under Payment of Gratuity Act are determined on the basis of independent actuarial valuation.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income. Re-measurement recognised in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss.

The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The defined benefit obligation recognised in the Balance Sheet represents the actual deficit or surplus in the Company's defined benefit plans. Any surplus resulting from this calculation is limited to the present value of any economic benefits available in the form of refunds from the plans or reductions in future contributions to the plans.

- **Defined contribution plan:**

Payments to defined contribution plans are recognised as an expense when employees have rendered service entitling them to the contributions.

The eligible employees of the Company are entitled to receive benefits in respect of provident fund, for which both the employees and the Company make monthly contributions at a specified percentage of the covered employees' salary. The contributions as specified under the law are made to the Government Provident Fund monthly.

- **Short-term employee benefits:**

A liability is recognised for benefits accruing to employees in respect of wages and salaries, annual leave in the period the related service is rendered. Liabilities recognised in respect of short-term employee benefits are measured at the undiscounted amount of the benefits expected to be paid in exchange for the related service.

**p) Income Taxes:**

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

- **Current Tax:**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the Balance Sheet date.

- **Deferred Tax:**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting date.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilized. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period date and are reduced to the extent that it is no longer probable.

**q) Foreign Currency Transactions:**

Foreign currency transactions are recorded at exchange rate prevailing on the date of the transaction. Foreign currency denominated monetary assets and liabilities are restated into the functional currency using exchange rates prevailing on the Balance sheet date. Gains and losses arising on settlement and restatement of foreign currency denominated monetary assets and liabilities are recognised in the statement of profit and loss. Non-monetary items carried at fair value that are denominated in foreign currencies are translated at the rates prevailing at the date when the fair value was determined.

Non-Monetary items that are measured in terms of historical cost in a foreign currency are translated using exchange rate as at the date of initial transactions.

**r) Earnings Per Share:**

The basic Earnings Per Share ("EPS") is computed by dividing the net profit / (loss) after tax for the year attributable to the equity shareholders by the weighted average number of equity shares outstanding during the year.

For the purpose of calculating diluted earnings per share, net profit/loss after tax for the year attributable to the equity shareholders and the weighted average number of equity shares outstanding during the year are adjusted for the effects of all dilutive equity shares

**s) Financial Instruments:**

Financial Assets & Financial Liabilities are recognised when the Company becomes party to contractual provisions of the relevant instrument.

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## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Initial Recognition and Measurement:

All financial assets and liabilities are initially recognised at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Transaction costs directly attributable to acquisition or issue of financial assets or financial liabilities at fair value through profit or loss are recognised immediately in the Statement of Profit and Loss.

### Classification and Subsequent Measurement: Financial Assets

- **Financial assets carried at Amortised Cost:**

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- **Financial assets at fair value through Other Comprehensive Income (FVTOCI):**

A financial asset is measured at FVTOCI if it is held within a business model whose objective is achieved by both collecting contractual cash flows and selling financial assets and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

- **Financial assets at fair value through profit or loss (FVTPL):**

A financial asset shall be classified and measured at fair value through profit or loss unless it is measured at amortised cost or at fair value through OCI.

- **Classification and Subsequent Measurement: Financial Liabilities**

Financial liability are classified as either financial liabilities at FVTPL or 'other financial liabilities'.

- **Financial Liabilities at FVTPL:**

Financial liabilities are classified as at FVTPL when the financial liability is held for trading or are designated upon initial recognition at FVTPL. Gain or losses on liabilities held for trading are recognised in the Statement of profit or loss.

- **Other Financial Liabilities:**

Other Financial liabilities (including borrowings and trade and other payables) are subsequently measured at amortised cost using the effective interest method.

The effective interest method is the method of calculating the amortised cost of a financial liability and of allocating interest expenses over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments (including all fees and points paid or received that form an integral part of the effective interest rate, transaction costs and other premiums or discounts) through the expected life of the financial liability, or (where appropriate) a shorter period, to the net carrying amount on initial recognition.

- **Impairment of financial assets:**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL). Expected credit losses are measured through a loss allowance at an amount equal to:

In case of trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The application of simplified approach does not require the Company to track changes in credit risk. The Company calculates the expected credit losses on trade receivables using a provision matrix on the basis of its historical creditloss experience.

For other assets, the Company uses 12-month ECL to provide for impairment loss where there is no significant increase in credit risk. If there is significant increase in credit risk full lifetime ECL is used.

- **Derecognition of Financial Instruments:**

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109.

A financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

### t) Cash and cash equivalents

Cash and cash equivalents in the Balance Sheet comprise cash at bank and in hand that are readily convertible into cash which are subject to insignificant risk of changes in value and are held for the purpose of meeting short-term cash commitments.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### u) Financial Liabilities & equity instruments:

#### • Classification as debt or equity

Debt and equity instruments issued by the Company are classified as either financial liabilities or as equity in accordance with the substance of the contractual arrangements and the definition of financial liability and an equity instrument.

#### • Equity Instrument

An equity instrument is any contract that evidences a residual interest in the assets of an entity after deducting all of its liabilities. Equity instruments issued by a Company are recognised at the proceeds received.

### v) Segment Reporting - Identification of Segments:

An operating segment is a component of the Company that engages in business activities from which it may earn revenues and incur expenses, whose operating results are regularly reviewed by the company's management to make decisions for which discrete financial information is available.

Based on the management approach as defined in Ind AS 108, the management evaluates the Company's performance and allocates resources based on an analysis of various performance indicators by business segments and geographic segments.

### Note 32 (B): Critical accounting judgements and key sources of estimation uncertainty:

The preparation of the financial statements in conformity with Ind AS requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and in any future periods affected. In particular, information about significant areas of estimation, uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are included in the following notes:

#### a) Useful Lives of Property, Plant & Equipment:

The Company uses its technical expertise along with historical and industrial trends for determining the economic life of an asset. The useful life is reviewed by the management periodically and revised, if appropriate. In case of a revision, the unamortised depreciable amount is charged over the remaining useful life of the asset.

#### b) Defined Benefit Plans and Compensated Absences:

The cost of the defined benefit plans, compensated absences and the present value of the defined benefit obligation are based on actuarial valuation using the projected unit credit method. An actuarial valuation involves making various assumptions that may differ from actual developments in the future. These include the determination of the discount rate, future salary increases and mortality rates.

Due to the complexities involved in the valuation and its long-term nature, a defined benefit obligation is highly sensitive to changes in these assumptions. All assumptions are reviewed at each reporting date.

#### c) Fair Value Measurement of Financial Instruments:

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include considerations of inputs such as liquidity risk, credit risk and volatility.

#### d) Expected Credit Losses on Financial Assets:

The impairment provisions of financial assets are based on assumptions about risk of default and expected timing of collection. The Company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the Company's past history, customer's creditworthiness, existing market conditions as well as forward looking estimates at the end of each reporting period.

## Note 1: Property, Plant and Equipments

₹

Particulars	Gross Block				Depreciation & Amortisation				Net Block
	As at April 1, 2017 (Opening)	Additions	Deletions/ Adjustments	As at March 31, 2018 (Closing)	As at April 1, 2017 (Opening)	For the Year	Deletions/ Adjustments	As at March 31, 2018 (Closing)	As at March 31, 2018 (Closing)
<b>A] Tangible Assets</b>									
Freehold Land	13,408,618	300,300	-	<b>13,708,918</b>	-	-	-	-	<b>13,708,918</b>
Leasehold Land	934,331	-	-	<b>934,331</b>	10,725	10,725	-	<b>21,450</b>	<b>912,881</b>
Buildings	60,263,925	13,934,072	-	<b>74,197,997</b>	2,161,253	5,784,361	-	<b>7,945,614</b>	<b>66,252,383</b>
Plant & Machinery	113,597,432	112,812,699	(193,203)	<b>226,216,928</b>	4,554,513	15,726,877	301,445	<b>20,582,835</b>	<b>205,634,093</b>
Furniture & Fixture	851,593	2,954,279	(55,561)	<b>3,750,311</b>	95,386	373,506	-	<b>468,892</b>	<b>3,281,419</b>
Office Equipments	1,956,416	2,074,827	(22,205)	<b>4,009,038</b>	538,766	741,482	-	<b>1,280,248</b>	<b>2,728,790</b>
Vehicles	13,945,626	15,581,560	-	<b>29,527,186</b>	2,126,279	2,506,455	-	<b>4,632,734</b>	<b>24,894,452</b>
<b>Total Tangible Assets</b>	<b>204,957,941</b>	<b>147,657,737</b>	<b>(270,969)</b>	<b>352,344,709</b>	<b>9,486,922</b>	<b>25,143,406</b>	<b>301,445</b>	<b>34,931,773</b>	<b>317,412,936</b>
<b>B] Intangible Assets</b>	<b>429,705</b>	<b>724,110</b>	-	<b>1,153,815</b>	<b>109,409</b>	<b>226,564</b>	-	<b>335,973</b>	<b>817,842</b>
<b>Total Assets (A+B)</b>	<b>205,387,646</b>	<b>148,381,847</b>	<b>(270,969)</b>	<b>353,498,524</b>	<b>9,596,331</b>	<b>25,369,970</b>	<b>301,445</b>	<b>35,267,746</b>	<b>318,230,778</b>

Tangible Assets are pledged as security against the secured borrowings.

## For Previous Year :

₹

Particulars	Gross Block				Depreciation & Amortisation				Net Block
	As at April 1, 2016 (Opening)	Additions	Deletions/ Adjustments	As at March 31, 2017 (Closing)	As at April 1, 2016 (Opening)	For the Year	Deletions/ Adjustments	As at March 31, 2017 (Closing)	As at March 31, 2017 (Closing)
<b>A] Tangible Assets</b>									
Freehold Land	10,613,540	2,795,078	-	13,408,618	-	-	-	-	13,408,618
Leasehold Land	934,331	-	-	934,331	-	10,725	-	10,725	923,606
Buildings	36,824,987	23,438,938	-	60,263,925	-	2,161,253	-	2,161,253	58,102,672
Plant & Machinery	44,396,596	70,490,850	(1,290,014)	113,597,432	-	4,554,513	-	4,554,513	109,042,919
Furniture & Fixture	746,736	87,172	17,685	851,593	-	95,386	-	95,386	756,207
Office Equipments	1,161,979	920,738	(126,301)	1,956,416	-	538,766	-	538,766	1,417,650
Vehicles	7,737,581	6,828,377	(620,332)	13,945,626	-	2,126,279	-	2,126,279	11,819,347
<b>Total Tangible Assets</b>	<b>102,415,750</b>	<b>104,561,153</b>	<b>(2,018,962)</b>	<b>204,957,941</b>	-	<b>9,486,922</b>	-	<b>9,486,922</b>	<b>195,471,019</b>
<b>B] Intangible Assets</b>	<b>390,955</b>	<b>38,750</b>	-	<b>429,705</b>	-	<b>109,409</b>	-	<b>109,409</b>	<b>320,296</b>
<b>Total Assets (A+B)</b>	<b>102,806,705</b>	<b>104,599,903</b>	<b>(2,018,962)</b>	<b>205,387,646</b>	-	<b>9,596,331</b>	-	<b>9,596,331</b>	<b>195,791,315</b>

## Deemed cost exemption

On transition to Ind AS, the Company has elected to continue with the carrying value of all its property, plant and equipment recognised as at April 1, 2016 measured as per previous Indian GAAP and use that carrying value as the deemed cost of property, plant and equipment.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

Details of Gross Block and Accumulated Depreciation as per IGAAP as at April 01, 2016 is as follows:

₹

Particulars	Gross Block	Accumulated Depreciation	Net Block considered as Deemed Cost	Deemed Cost as per PPE Schedule
<b>(A) Tangible Assets</b>				
Freehold Land	10,613,540	-	10,613,540	10,613,540
Leasehold Land	1,041,581	107,250	934,331	934,331
Buildings	70,619,268	33,794,281	36,824,987	36,824,987
Plant & Machinery	277,420,640	233,024,044	44,396,596	44,396,596
Furniture & Fixture	8,639,062	7,892,326	746,736	746,736
Office Equipments	5,846,097	4,684,118	1,161,979	1,161,979
Vehicles	15,300,199	7,562,618	7,737,581	7,737,581
<b>Total Tangible Assets</b>	<b>389,480,387</b>	<b>287,064,637</b>	<b>102,415,750</b>	<b>102,415,750</b>
<b>(B) Intangible Assets</b>	<b>548,829</b>	<b>157,874</b>	<b>390,955</b>	<b>390,955</b>
<b>Total Intangible Assets</b>	<b>548,829</b>	<b>157,874</b>	<b>390,955</b>	<b>390,955</b>
<b>Total Assets (A+B)</b>	<b>390,029,216</b>	<b>287,222,511</b>	<b>102,806,705</b>	<b>102,806,705</b>

(C) Capital Work in Progress	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
Capital Work in Progress	592,685	47,592,593	1,850,911

As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
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**Note 2**
**Investments**
**Unquoted:**
**Equity Instruments:**
**Joint Venture:**

Prima Dee-Lite Plastics s.a.r.l.	177,910,471	168,110,980	140,985,821
Add : Share in Profit of Joint Venture	38,163,936	9,799,491	27,125,159
<b>Total</b>	<b>216,074,407</b>	<b>177,910,471</b>	<b>168,110,980</b>

**Note 3**
**Loans**
**Unsecured, Considered Good**

Security Deposits	11,872,065	10,637,575	7,835,924
Loans to Employees	4,137,611	1,222,109	1,983,846
<b>Total</b>	<b>16,009,676</b>	<b>11,859,684</b>	<b>9,819,770</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
<b>Note 4</b>			
<b>Other Non-Current Financial Assets</b>			
Bank Deposit with Maturity greater than 12 Months*	4,610,608	3,161,612	611,593
<b>Total</b>	<b>4,610,608</b>	<b>3,161,612</b>	<b>611,593</b>
* Lodged as Security with Government Department and Earmarked for Specific purpose.			
<b>Note 5</b>			
<b>Other Non Current Assets</b>			
<b>Unsecured, Considered Good</b>			
Capital Advances	1,438,565	2,922,770	2,892,031
<b>Total</b>	<b>1,438,565</b>	<b>2,922,770</b>	<b>2,892,031</b>
<b>Note 6</b>			
<b>Inventories</b>			
<b>(Valued at lower of cost and net realisable value, unless otherwise stated)</b>			
Raw Materials {Includes Goods in Transit ₹ 1,999,914, March 31, 2017: ₹ 7,150,179 , April 1, 2016: ₹ 13,078,113}	102,633,943	51,694,822	55,644,130
Finished Goods	135,348,001	107,445,984	95,727,330
Work In Progress	2,893,968	-	-
Store and Packing Material (at cost)	4,998,808	5,414,573	3,986,204
<b>Total</b>	<b>245,874,720</b>	<b>164,555,379</b>	<b>155,357,664</b>
The Company follows suitable valuation policy for writing down the value of Inventories towards slow moving, non-moving and surplus inventory.			
<b>Note 7</b>			
<b>Investments</b>			
<b>Unquoted:</b>			
<b>Investment Measured at Fair Value through Profit or Loss:</b>			
Investment in Arbitrage Fund Dividend Option	-	-	5,000,000
<b>Total</b>	<b>-</b>	<b>-</b>	<b>5,000,000</b>
<b>Note 8</b>			
<b>Trade Receivables</b>			
Unsecured, Considered Good	244,299,154	139,231,498	148,102,426
Considered Doubtful	4,957,689	784,989	1,390,665
	<b>249,256,843</b>	<b>140,016,487</b>	<b>149,493,091</b>
Less : Allowances for Credit Loss	<b>(4,957,689)</b>	<b>(784,989)</b>	<b>(1,390,665)</b>
<b>Total</b>	<b>244,299,154</b>	<b>139,231,498</b>	<b>148,102,426</b>



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
<b>Note 9</b>			
<b>Cash and Cash Equivalents</b>			
Cash on Hand	408,161	641,282	321,901
<b>Balance with Bank</b>			
In Current Account	31,987,450	61,338,470	31,089,777
In EEFC Account	11,883,222	6,980,913	480,442
Bank Deposit *	7,144,626	5,503,016	33,132,943
<b>Total</b>	<b>51,423,459</b>	<b>74,463,681</b>	<b>65,025,063</b>
* Lodged as Security with Government Department and Earmarked for Specific purpose.			
<b>Note 10</b>			
<b>Bank Balances other than Cash and Cash Equivalents</b>			
Earmarked Balances with Bank for Unpaid Dividend	3,505,567	3,059,767	3,442,851
<b>Total</b>	<b>3,505,567</b>	<b>3,059,767</b>	<b>3,442,851</b>
<b>Note 11</b>			
<b>Loans</b>			
<b>Unsecured, Considered Good</b>			
Inter Corporate Deposits	12,500,000	12,500,000	40,000,000
Loans to Employees	3,496,498	3,286,688	3,335,867
<b>Total</b>	<b>15,996,498</b>	<b>15,786,688</b>	<b>43,335,867</b>
<b>Note 12</b>			
<b>Other Current Financial Assets</b>			
<b>Unsecured, Considered Good</b>			
Advances to Employees	175,500	152,229	152,500
Security Deposits	10,948,695	438,400	-
Interest Receivable	2,381,969	748,149	508,481
Dividend Receivable	24,581,603	13,223,254	-
License Benefit Receivable	1,818,107	2,135,463	3,327,100
<b>Total</b>	<b>39,905,874</b>	<b>16,697,495</b>	<b>3,988,081</b>
<b>Note 13</b>			
<b>Other Current Assets</b>			
Pre-paid Expenses	1,748,825	3,740,722	2,863,463
Advance to Creditors	7,941,332	18,333,545	5,799,132
Others	30,795,625	7,944,949	3,904,385
Deferred Lease Expense	1,014,577	669,368	681,419
<b>Total</b>	<b>41,500,359</b>	<b>30,688,584</b>	<b>13,248,399</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at March 31, 2018 Amount	As at March 31, 2017 Amount	As at April 01, 2016 Amount
<b>Note 14</b>			
<b>Equity Share Capital</b>			
<b>Authorised</b>			
1,20,00,000 (March 31, 2017 : 1,20,00,000; April 1, 2016 : 1,20,00,000) Equity Shares of ₹ 10/- each	120,000,000	120,000,000	120,000,000
<b>Issued, Subscribed Fully Paid up</b>			
1,10,00,470 (March 31, 2017 : 1,10,00,470; April 1, 2016 : 1,10,00,470) Equity Shares of ₹ 10/- each	110,004,700	110,004,700	110,004,700
<b>A) Reconciliation of the Shares Outstanding at the beginning and at the end of the year</b>			
Outstanding at the beginning of the year	110,004,700	110,004,700	110,004,700
Add:	-	-	-
Less:	-	-	-
Outstanding at the end of the year	<u>110,004,700</u>	<u>110,004,700</u>	<u>110,004,700</u>

B) List of Shareholders holding more than 5% of Paid up Equity Share Capital	% of holding	No of Shares	% of holding	No of Shares	% of holding	No of Shares
Bhaskar M. Parekh	23.20%	2,551,610	23.20%	2,551,610	23.20%	2,551,610
Dilip M. Parekh	23.78%	2,615,420	23.78%	2,615,420	23.78%	2,615,420

### Terms and Rights Attached to Equity Shares

The Company has issued only one class of Equity Shares having a par value of ₹ 10/- per share. Each holder of Equity Shares is entitled to one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, after distribution of all preferential amounts, in proportion to their shareholding.

### Note 15

#### Other Equity

a) Securities Premium Account	13,080,000	13,080,000	13,080,000
b) General Reserve	115,656,286	110,656,286	105,656,286
c) Retained Earnings	583,673,728	520,764,336	421,333,316
d) Exchange differences on translating the financial statements of a foreign operation	115,610	1,752,376	-
<b>Total (a + b + c + d)</b>	<u>712,525,624</u>	<u>646,252,998</u>	<u>540,069,602</u>

#### Nature and purpose of reserves

- Securities Premium Reserve:** Securities premium reserve is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc.
- General reserve:** The general reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
<b>Note 16</b>			
<b>Borrowings</b>			
<b>Secured Loans</b>			
Term Loans from Banks and Financial Institution - Note (a)	42,732,221	2,811,779	2,765,978
Less : Current Maturities of Long Term Debts (Refer Note No.21)	(6,689,644)	(1,186,946)	(1,560,533)
	<u>36,042,577</u>	<u>1,624,833</u>	<u>1,205,445</u>
<b>Unsecured</b>			
Loan from Partner	14,803,868	3,766,539	-
<b>Total</b>	<u><u>50,846,445</u></u>	<u><u>5,391,372</u></u>	<u><u>1,205,445</u></u>

**Note (a) - Term Loans from Banks in Local Currency**

Secured:			
Name of the Bank - BMW Financial Services Repayment Terms : 59 Months ROI: 10.99% Nature of Security : Vehicle	-	1,020,106	2,765,978
Name of the Bank - AXIS Bank Repayment Terms : 60 Months ROI: 8.51% Nature of Security : Vehicle	9,815,904	-	-
Name of the Bank - Kotak Mahindra Prime Ltd Repayment Terms - 60 Month ROI:9.51% Nature of Security : Vehicle	1,438,673	1,791,673	-
Name of the Bank - Kotak Mahindra Bank Repayment Terms - 42 Months ROI: 8.50% Nature of Security : Fixed Assets	31,477,644	-	-
Unsecured Loan from Partner Repayment Terms : After Moratorium period of 12 Months ROI : 5%	14,803,868	3,766,539	-
Less : Current Portion of Term Loans shown under Other Financial Liabilities	(6,689,644)	(1,186,946)	(1,560,533)
<b>Total</b>	<u><u>50,846,445</u></u>	<u><u>5,391,372</u></u>	<u><u>1,205,445</u></u>

**Note 17**
**Provisions**
**Provision for Employee Benefits**

Provision for Gratuity	360,908	-	-
<b>Total</b>	<u><u>360,908</u></u>	<u><u>-</u></u>	<u><u>-</u></u>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
<b>Note 18</b>			
<b>Deferred Tax Liabilities (Net)</b>			
Deferred Tax Liabilities			
- On Difference in WDV	28,020,606	20,696,440	13,159,913
- Others	173,030	360,746	-
Less : Deferred Tax Assets			
- On 43B Disallowance for VAT/CST	(34,679)	-	-
- On 43B Disallowance for Leave Salary	(583,646)	(353,599)	(269,684)
- On 43B Disallowance for Bonus	(912,089)	(589,058)	(425,597)
- Others	(1,202,072)	(142,623)	-
<b>Total</b>	<b>25,461,150</b>	<b>19,971,906</b>	<b>12,464,632</b>
<b>Note 19</b>			
<b>Borrowings</b>			
<b>Secured</b>			
(a) Working Capital Loan from Bank	218,763,835	28,942,176	6,549,373
(b) FCNR Loan from Bank	22,765,435	16,513,202	-
<b>Total</b>	<b>241,529,270</b>	<b>45,455,378</b>	<b>6,549,373</b>
Working capital loan from a banker, repayable on demand, secured by hypothecation of inventories, receivable, other current assets and other tangible fixed assets, pledge of immovable properties and personal guarantee of promoter directors. ROI ranges from 8.70% to 9%.			
FCNR loan in Foreign currency (US\$) to fund working capital requirement from a banker is secured against current assets, fixed assets of the Company and personal guarantee from promoter directors. ROI 3.66%.			
<b>Note 20</b>			
<b>Trade Payables</b>			
Due to Micro and Small enterprises (To the extent identified with available information)	-	-	-
Trade Payables (other than Micro and Small Enterprises)	17,719,176	17,064,234	11,452,572
<b>Total</b>	<b>17,719,176</b>	<b>17,064,234</b>	<b>11,452,572</b>
<b>Note 21</b>			
<b>Other Current Financial Liabilities</b>			
Current Maturities of Long Term Debts (Refer Note No.16)	6,689,644	1,186,946	1,560,533
Sundry Creditors for Expenses	11,521,165	4,871,092	4,992,538
Unclaimed Dividend	3,505,567	3,059,767	3,442,851
Provision for Expenses	7,826,348	5,294,323	4,881,949
<b>Total</b>	<b>29,542,724</b>	<b>14,412,128</b>	<b>14,877,871</b>
<b>Note 22</b>			
<b>Current Tax Liabilities (Net)</b>			
Current Tax Liabilities	-	4,396,128	609,872
<b>Total</b>	<b>-</b>	<b>4,396,128</b>	<b>609,872</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
<b>Note 23</b>			
<b>Other Current Liabilities</b>			
Statutory Remittances	1,834,108	10,016,981	14,338,365
Advances from Customers	5,814,421	4,580,016	9,876,955
<b>Total</b>	<b>7,648,529</b>	<b>14,596,997</b>	<b>24,215,320</b>
<b>Note 24</b>			
<b>Provisions</b>			
<b>Provision of Employee Benefits</b>			
Provision for Bonus/Leave Salary	4,321,685	2,773,894	2,142,954
Provision for Gratuity	3,898,407	-	-
<b>Total</b>	<b>8,220,092</b>	<b>2,773,894</b>	<b>2,142,954</b>
		<b>Year ended March 31, 2018 ₹</b>	<b>Year ended March 31, 2017 ₹</b>
<b>Note 25</b>			
<b>Revenue from Operations (Refer Note 54)</b>			
Sale of Manufactured Products			
- Export		116,094,061	178,022,761
- Local		929,829,355	740,511,331
		<b>1,045,923,416</b>	918,534,092
Other Operating Revenues			
- Sale of Scrap		328,600	896,750
- Others		3,716,970	9,530,567
<b>Total</b>		<b>1,049,968,986</b>	928,961,409
<b>Note 26</b>			
<b>Other Income</b>			
<b>Interest Income</b>			
- from Banks Fixed Deposits		506,731	1,069,199
- from Inter Corporate Deposits		2,016,834	5,920,250
- Others		180,182	256,651
		<b>2,703,747</b>	7,246,100
<b>Dividend Income</b>			
- from Investment in Shares		-	1,016,909
		-	1,016,909
<b>Other Non-Operating Income</b>			
- Profit / (Loss) on Sale of Fixed Assets		106,095	3,865,838
- Profit / (Loss) on Sale of Short Term Investment		-	229,458
- Exchange Gain / (Loss) (Net)		-	117,000
- Other non operating income		570,894	468,060
		<b>676,989</b>	4,680,356
<b>Total</b>		<b>3,380,736</b>	12,943,365

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	Year ended March 31, 2018 ₹	Year ended March 31, 2017 ₹
<b>Note 27</b>		
<b>Cost of Materials Consumed</b>		
Opening Stock of Raw Material	51,694,822	59,123,692
Add : Purchases	700,887,303	492,645,678
	<u>752,582,125</u>	<u>551,769,370</u>
Less : Closing Stock of Raw Material	<u>(102,633,943)</u>	<u>(51,694,822)</u>
<b>Total</b>	<b><u>649,948,182</u></b>	<b><u>500,074,548</u></b>
<b>Note 28</b>		
<b>Changes in Inventories of Finished Goods, work in progress and stock in trade (Refer Note 54)</b>		
Inventories at the End of the year		
- Finished Goods	135,348,001	107,445,984
- Semi Finished Goods	2,893,968	-
Inventories at the Beginning of the year	107,445,984	95,727,330
Excise duty on Stock	<u>(15,630,479)</u>	<u>1,676,437</u>
<b>Total</b>	<b><u>(46,426,464)</u></b>	<b><u>(10,042,217)</u></b>
<b>Note 29</b>		
<b>Employee Benefits Expense</b>		
Salaries, Wages and Bonus	90,569,290	59,822,829
Leave Salary	5,565,269	3,409,265
Contribution to provident and other funds	4,279,648	3,161,517
Gratuity Expenses	3,785,041	1,243,465
Staff Welfare	5,723,985	4,121,424
<b>Total</b>	<b><u>109,923,233</u></b>	<b><u>71,758,500</u></b>
<b>Note 30</b>		
<b>Finance Costs</b>		
Interest Expenses		
On Borrowings	10,461,277	2,842,966
Other Borrowing Costs	4,233,130	3,275,399
<b>Total</b>	<b><u>14,694,407</u></b>	<b><u>6,118,365</u></b>
<b>Note 31</b>		
<b>Other Expenses</b>		
<b>Manufacturing Expenses</b>		
Labour Charges	12,400,052	11,712,236
Store, Spare and Packing Expenses	14,082,193	12,859,296
Power and Fuel	29,153,756	21,187,658
Repairs to Buildings	2,333,149	522,349
Repairs to Machinery	4,060,505	3,812,960
Factory Insurance	560,283	522,953
Freight Inward	7,054,977	9,441,803
Factory Expenses	4,909,240	833,202
Other Manufacturing Expenses	<u>7,580,064</u>	<u>8,619,313</u>
	<b><u>82,134,217</u></b>	<b><u>69,511,770</u></b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

	Year ended March 31, 2018 ₹	Year ended March 31, 2017 ₹
<b>Selling and Distribution Expenses</b>		
Business Promotion	1,069,427	1,358,993
Freight, Forward and others	48,632,852	51,444,356
Sales Discount and others	4,155,601	4,091,075
	<u>53,857,880</u>	<u>56,894,424</u>
<b>Other Expenses</b>		
Professional Fees	7,681,732	6,072,470
Rent	22,131,436	12,242,514
Insurance (Others)	2,390,505	1,744,584
Corporate Social Responsibility	1,300,000	1,050,000
Travelling Expenses	5,944,868	6,163,515
Telephone Expenses	1,259,156	1,530,132
General Expenses	11,177,788	7,736,810
Loss on Sale of Fixed Assets	167,063	156,550
Printing and Stationery	1,822,446	1,881,440
Repairs to Other's	2,833,111	932,080
Payment to Auditors (Refer Note No.40)	970,401	717,500
Exchange Loss / (Gain) (Net)	2,106,893	1,021,523
Postage and Telegram	862,940	921,921
Provision for Bad Debt and Bad Debts W/off	6,431,559	3,737,867
Preliminary Expenses	98,200	-
Impairment of Fixed assets	301,445	-
Director's Sitting Fees	360,000	315,000
Conveyance Expenses	1,523,355	765,934
Vehicle Expenses	2,364,367	2,731,495
Interest on income tax	890,112	-
	<u>72,617,377</u>	<u>49,721,335</u>
<b>Total</b>	<u><b>208,609,474</b></u>	<u><b>176,127,529</b></u>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 33 : Principles of Consolidation:

These Consolidated Financial Statements (CFS) are prepared on the following basis in accordance with Ind AS on "Consolidated Financial Statements" (Ind AS – 110), "Investments in Associates and Joint Ventures" (Ind AS – 28) and "Disclosure of interest in other entities" (Ind AS – 112), specified under Section 133 of the Companies Act, 2013.

#### (i) Subsidiaries:

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

#### (ii) Non-controlling interest (NCI):

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

#### (iii) Loss of control:

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in profit or loss.

#### (iv) Equity accounted investees:

The Group's interests in equity accounted investees comprise interest in joint venture.

A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities.

Interest in joint venture is accounted for using equity method. They are initially recognized at cost which includes transaction costs. Subsequent to initial recognition, consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence or joint control ceases.

#### (v) Transactions eliminated on consolidation:

The reporting date of the Company is different from the reporting date its Subsidiary Company and Joint Venture. However significant transactions are drawn upto the same reporting date i.e March 31, 2018 for the purpose of elimination. The difference between reporting date of the Company and its Subsidiary Company and Joint Venture is 3 months.

The financial statements of the Company and its subsidiary company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

(vi) The Company has obtained audited Financial Statement of Prima Union Plasticos S.A. subsidiary for the year December 2016, which was consolidated based on Management certified accounts during previous year. Accordingly, previous year consolidated Financial Statement is restated to give impact of losses of Rs. 28.53 Lakh of said subsidiary for year ended December 31, 2016 as per audited Financial Statement.

The Consolidated Financial Statements are comprised of the financial statements of the members of the Group as under:

Name of Related Parties	Principal Place of Business	% Shareholding and Voting Power		
		As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Prima Union Plasticos S.A. - Subsidiary	Guatemala	90%	90%	Nil
Prima Deelite Plastics S.A.R.L. - Joint Venture	Cameroon	50%	50%	50%

Notes on Accounts of the financial statements of the Company, its Subsidiary and its interest in Joint Venture are set out in their respective financial statements.



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 34 : Contingent Liabilities (Ind AS 37)

#### a. Claims against the Company not acknowledged as debts - Nil

The Company does not have any pending litigations and proceedings as at March 31, 2018.

#### b. Guarantees :

The company has issued corporate guarantees as under:

- Guarantee of ₹ 12,504,296 {March 31, 2017: Nil, April 1, 2016: Nil} in favour of Tricon Energy on behalf of its subsidiary , Prima union Plasticos S.A. for the purpose of procurement of raw material and other corporate purpose.
- Guarantee of ₹ 3,842,959 {March 31, 2017: Nil, April 1, 2016: Nil} in favour of Muehlstein International on behalf of its subsidiary, Prima union Plasticos S.A. for the purpose of procurement of raw material and other corporate purpose.

### Note 35: Capital and other commitments

Estimated amount of Contracts remaining to be executed on capital account, not provided for (net of advances) ₹ 2,173,421 (March 31, 2017 - ₹ 5,479,825, April 1, 2016 - ₹ 6,979,438).

### Note 36: Employee Benefits (Ind AS 19)

#### a. Defined Benefit Plan:

##### Gratuity:

The gratuity payable to employees is based on the employee's service and last drawn salary at the time of leaving the services of the Company and is in accordance with the rules of the Company for payment of gratuity.

##### Inherent Risk on above:

The plan is defined in nature which is sponsored by the Company and hence it underwrites all the risks pertaining to the plan. In particular, this exposes the Company to actuarial risk such as adverse salary growth, change in demographic experience, inadequate return on underlying plan assets. This may result in an increase in cost of providing these benefits to the employees in future. Since the benefits are lump sum in nature, the plan is not subject to any longevity risk.

#### Statement of Assets and Liabilities for Defined Benefit Obligation as on April 1, 2016:

Particulars	Gratuity (Unfunded)
Defined Benefit Obligation	11,871,444
Fair Value of Assets	10,311,242

Particulars	As at March 31, 2018 (₹)	As at March 31, 2017 (₹)
<b>Change in Defined Benefit Obligation</b>		
Balance at the beginning of the year #	13,171,319	10,072,278
Adjustment of:		
Current Service Cost	1,632,358	981,048
Interest Cost	1,204,949	805,783
Actuarial (gains)/losses recognised in Other Comprehensive Income:		
Change in Financial Assumptions	(268,320)	469,221
Experience Changes	1,102,937	-
Benefits Paid	(1,600,878)	(956,177)
<b>Balance at the end of the year</b>	<b>15,242,365</b>	<b>11,372,153</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

Particulars	As at March 31, 2018 (₹)	As at March 31, 2017 (₹)
<b>Change in Fair value of assets</b>		
Balance at the beginning of the year	11,383,576	10,311,242
Expected Return on Plan Assets	835,554	876,828
Re-measurements due to:		
Actual Return on Plan Assets less interest on Plan Assets	(68,701)	27,369
Contribution by the employer	433,500	1,124,314
Benefits Paid	(1,600,878)	(956,177)
<b>Balance at the end of the year</b>	<b>10,983,050</b>	<b>11,383,575</b>
<b>Net Asset / (Liability) recognized in the Balance Sheet</b>		
Present value of the funded defined benefit obligation at the end of the period	(15,242,365)	(11,372,153)
Fair Value of Plan Assets	10,983,050	11,383,575
<b>Net Asset / (Liability) in the Balance Sheet</b>	<b>(4,259,315)</b>	<b>11,422</b>
<b>Expenses recognized in the Statement of Profit &amp; Loss</b>		
Current Service Cost	1,632,358	981,048
Interest Cost	369,395	(71,045)
<b>Amount charged to the Statement of Profit and Loss</b>	<b>2,001,753</b>	<b>910,003</b>
<b>Re-measurements recognized in Other Comprehensive Income(OCI):</b>		
Actuarial (Gain)/Losses on Obligation for the period.		
Changes in Financial Assumptions	(211,025)	472,482
Experience Adjustments	1,102,937	-
Actual return on Plan assets less interest on plan assets	68,701	(27,369)
<b>Amount recognized in Other Comprehensive Income(OCI)</b>	<b>960,613</b>	<b>445,113</b>
<b>Maturity Profile of Defined Benefit Obligation:</b>		
Within the next 12 months	2,875,090	1,431,474
Between 1 and 5 years	4,863,422	4,176,088
Between 5 and 10 years	3,634,572	4,886,490
10 Years and above	22,564,234	21,599,355
<b>Sensitivity analysis for significant assumptions:*</b>		
Increase/(Decrease) on present value of defined benefits obligation at the end of the year		
1% increase in discount rate	(1,063,770)	(1,127,340)
1% decrease in discount rate	1,232,816	1,311,189
1% increase in salary escalation rate	1,230,969	1,302,547
1% decrease in salary escalation rate	(1,081,015)	(1,140,558)
1% increase in employee turnover rate	57,756	16,615
1% decrease in employee turnover rate	(67,301)	(20,549)

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

Particulars	As at March 31, 2018 (₹)	As at March 31, 2017 (₹)
<b>The major categories of plan assets as a percentage of total plan:</b>		
Insurer Managed Funds	100%	100%
<b>Actuarial Assumptions:</b>		
Discount Rate (p.a.)	7.85%	7.34%
Expected Return on Plan Assets (p.a.)	7.85%	7.34%
Turnover Rate	2.00%	2.00%
Mortality tables	<b>Indian Assured Lives Mortality (2006-08)</b>	Indian Assured Lives Mortality (2006-08)
Salary Escalation Rate (p.a.)	7.00%	7.00%
Retirement age	<b>60 Years</b>	60 Years
<b>Weighted Average duration of Defined benefit obligation</b>	<b>9 years</b>	10 Years

# The Balance as at beginning of the March 31, 2018 for defined benefit obligation is based on independent actuarial report and is different compared to balance as at end of March 31, 2017 which was based on LIC report.

\*The Sensitivity Analysis have been calculated to show the movement in defined benefit obligation in isolation and assuming there are no other changes in market conditions at the accounting date. There have been no changes from the previous periods in the methods and assumptions used in preparing the sensitivity analysis.

**Basis used to determine Expected Rate of Return on Plan Assets:**

Expected rate of return on Plan Assets is based on expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

**Salary Escalation Rate:**

The estimates of future salary are considered taking into account inflation, seniority, promotion and other relevant factors.

**Asset Liability matching strategy**

The money contributed by the Company to the Gratuity fund to finance the liabilities of the plan has to be invested.

The trustees of the plan have outsourced the investment management of the fund to an Insurance Company. The Insurance Company in turn manages these funds as per the mandate provided to them by the trustees and the asset allocation which is within the permissible limits prescribed in the insurance regulations. Due to the restrictions in the type of investments that can be held by the fund, it is not possible to explicitly follow an asset liability matching strategy.

There is no compulsion on the part of the Company to fully prefund the liability of the Plan. The Company's philosophy is to fund these benefits based on its own liquidity and the level of under funding of the plan.

The Company's expected contribution during next year is ₹ 38,98,407 {March 31, 2017: ₹ 2,928,973}.

**b. Defined Contribution Plans:**

Amount recognized as an expense and included in Note 29 under the head "Contribution to Provident and other Funds" of Statement of Profit and Loss is ₹ 3,680,690 (March 31, 2017 ₹ 3,161,517).

**Note 37: Segment Reporting (Ind AS 108):**

The Company is exclusively engaged in the business of plastic and plastic related products primarily in India. As per Ind AS 108 "Operating Segments", specified under Section 133 of the Companies Act 2013, there are no reportable operating or geographical segments applicable to the Company.

**A. Basis for segmentation**

The Company's Managing Director, the Chief Operating Decision Maker for the Company, periodically reviews the internal management reports and evaluates performance/allocates resources based on the analysis of various performance indicators relating to the segment.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### B. Information about reportable segments

The Company's business activity falls within a single operating segment i.e. "Plastic Articles" and operates in one geography "within India" which in terms of Ind AS 108 constitutes a single reporting segment. There are no material reportable transaction in subsidiary.

### C. Information about major customers

The Group is not reliant on revenues from transaction with any single external customers and does not receive 10% or more of its revenues from transaction with any single external customers.

### Note 38: Related Party Disclosures (Ind AS 24):

#### (A) List of Related Parties where control exists:

Name of Related Parties	Principal Place of Business	% Shareholding and Voting Power		
		As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
Prima Deelite Plastics S.A.R.L. - Joint Venture	Cameroon	50%	50%	50%

#### (B) Entities controlled by Directors/Relatives of Directors

1. Sanya Plastics
2. Classic Plastics
3. National Plastics and Allied Industries

#### (C) Other Related Parties with whom there were transactions during the year:

Name of Related Parties	Nature of Relationship
Shri Bhaskar M. Parekh - Executive Chairman	Key Management Personnel
Shri Dilip M. Parekh - Managing Director	Key Management Personnel
Hina V. Mehta - Non Executive Director	Key Management Personnel
Shri Mulchand S. Chheda - Independent Director	Key Management Personnel
Shri Krishnakant V. Chitalia - Independent Director	Key Management Personnel
Shri Rasiklal M. Doshi - Independent Director	Key Management Personnel
Pratik B. Parekh	Relative of KMP
Paras B. Parekh	Relative of KMP
Shri Rakesh Punjabi	Key Management Personnel
Shri Dinesh Punjabi	Key Management Personnel
Shri Smith Patel	Key Management Personnel
Shri Manoj O. Toshniwal - Chief Financial Officer	Key Management Personnel
Shri Alok S. Desai (Resigned 12/08/17) (Company Secretary)	Key Management Personnel
Ms. Niddhi Shah (DOJ 14/12/17) (Company Secretary)	Key Management Personnel

#### (D) The following transactions were carried out with the related parties in the ordinary course of business:

Nature of Transaction/Relationship	As at March 31, 2018 ₹	As at March 31, 2017 ₹
<b>Rent Paid:</b>		
Classic Plastics	2,716,254	2,462,438
Sanya Plastics	300,900	-
National Plastics and Allied Industries	4,047,414	3,669,193
<b>Total</b>	<b>7,064,568</b>	<b>6,131,631</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

Nature of Transaction/Relationship	As at March 31, 2018 ₹	As at March 31, 2017 ₹
<b>Sale of Raw Material</b>		
Sanya Plastics	-	1,792,688
<b>Purchase of Raw Material</b>		
Sanya Plastics	<b>21,636,990</b>	53,136
<b>Reimbursement of Expenses:</b>		
National Plastics and Allied Industries	<b>213,886</b>	220,383
<b>Services received from:</b>		
KMP	<b>15,527,583</b>	11,653,227
Relative of Key Management Personnel	<b>5,955,364</b>	2,879,200
<b>Total</b>	<b>21,482,947</b>	14,532,427
<b>Dividend to JV Partners:</b>		
Shri Rakesh Punjabi	<b>14,719,523</b>	25,498,157
Shri Dinesh Punjabi	<b>14,719,523</b>	25,498,157

**(E) Outstanding balances:**

Nature of Transaction/Relationship	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
<b>Rent Deposits</b>			
Classic Plastics	<b>1,000,000</b>	1,000,000	1,000,000
National Plastics and Allied Industries	<b>1,500,000</b>	1,500,000	1,500,000
Sanya Plastics	<b>151,000</b>	-	-
<b>Dividend Outstanding</b>			
Prima Deelite Plastics S.A.R.L. - Joint Venture	<b>24,581,603</b>	13,223,254	-

**(F) Compensation of Key Management Personnel of the Company:**

Nature of Transaction/Relationship	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
<b>Total Compensation</b>	<b>21,482,947</b>	14,532,427	11,974,797

The remuneration paid to key managerial personnel excludes gratuity and compensated absences as the provision is computed for the Company as a whole and separate figures are not available.

Based on the recommendation of the Nomination, Remuneration and Compensation Committee, all decisions relating to the remuneration of the Directors are taken by the Board of Directors of the Company, in accordance with shareholder's approval, wherever necessary.

**Terms and Conditions of transactions with Related Parties:**

The transactions with the related parties are made in the normal course of business and on the terms equivalent to those that prevails in arm's length transactions. Outstanding balances at the year-end are unsecured .

For the year ended March 31, 2018, the Company has not recorded any impairment of receivables relating to amounts owned by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related parties operate.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 39: Income Taxes (Ind AS 12):

#### a. Reconciliation of Effective Tax Rate:

Particulars	Year ended March 31, 2018 %	Year ended March 31, 2017 %
Applicable Tax Rate	34.61	34.61
Effect of MAT	(2.67)	(2.56)
Effect of Tax Paid at a Lower Rate	(10.38)	(9.07)
Effect of previous year adjustments	-	1.80
Others	2.43	2.38
<b>Effective Tax Rate</b>	<b>23.99</b>	<b>27.15</b>

- b. The Company has announced a proposed dividend of ₹ 2 per share and accordingly, the dividend distribution tax on account of the same amounting to ₹ 0.41 shall be recognized once the dividend is paid.

### Note 40 : Auditors' Remuneration (excluding GST) and expenses

Particulars	Year ended March 31, 2018 ₹	Year ended March 31, 2017 ₹
Audit Fees (including Quarterly Limited Review)	926,941	405,000
Tax Audit Fees	-	95,000
Fees for Other Services	43,460	217,500

### Note 41: Earnings per Share (EPS) (Ind AS 33):

Particulars	Year ended March 31, 2018 ₹	Year ended March 31, 2017 ₹
<b>A. Basic / Diluted EPS</b>		
(i) Net Profit attributable to Equity Shareholders	92,634,692	104,566,869
(ii) Weighted average number of Equity Shares outstanding (Nos.)	11,000,470	11,000,470
<b>Basic Earnings Per Share / Diluted Earning Per Share (i) / (ii)</b>	<b>8.42</b>	<b>9.51</b>

### Note 42: Financial Instruments: Disclosure (Ind AS 107):

#### a. Classification of Financial Assets and Liabilities (Ind AS 107):

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
<b>Financial assets at Amortized cost:</b>			
Investment (Non Current)	216,074,407	177,910,471	168,110,980
Loans (Non Current)	16,009,676	11,859,684	9,819,771
Loans (Current)	15,996,498	15,786,688	43,335,867
Trade Receivables	244,299,154	139,231,498	148,102,426
Cash and Cash Equivalents	51,423,459	74,463,681	65,025,064
Other Bank Balances	3,505,567	3,059,767	3,442,851
Other Non Current Financial Assets	4,610,608	3,161,612	611,593
Other Current Financial Assets	39,905,874	16,697,495	3,988,081

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
<b>Financial assets at Fair Value through P&amp;L:</b>			
Investment (Current), if any	-	-	5,000,000
<b>Total</b>	<b>591,825,243</b>	442,170,896	447,436,633
<b>Financial liabilities at Amortized cost:</b>			
Borrowings	<b>50,846,445</b>	5,391,372	1,205,445
Trade Payables	<b>17,719,176</b>	17,064,234	11,452,572
Cash Credits/Working Capital Borrowings	<b>241,529,270</b>	45,455,378	6,549,373
Other Current Financial Liability	<b>29,542,724</b>	14,412,128	14,877,871
<b>Total</b>	<b>339,637,615</b>	82,323,112	34,085,261

**Note 43: Fair Value measurement (Ind AS 113):**

The fair values of the financial assets and liabilities are included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company has established the following fair value hierarchy that categorizes the values into 3 levels. The inputs to valuation techniques used to measure fair value of financial instruments are:

**Level 1:** This hierarchy uses quoted (unadjusted) prices in active markets for identical assets or liabilities. The company does not have any such asset or liabilities.

**Level 2:** The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on company specific estimates. The investment in mutual funds are valued using the closing Net Asset Value based on the mutual fund statements received by the company. If all significant inputs required to fair value an instrument are observable, the instrument is included in Level 2.

**Level 3:** If one or more of the significant inputs is not based on observable market data, the instrument is included in Level 3.

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
<b>Financial Asset at Fair Value through profit or loss:</b>			
Investments – Level 2	-	-	5,000,000
Investments – Level 3	-	-	-
<b>Total</b>	-	-	5,000,000

The management assessed that cash and bank balances, trade payables, and other financial asset and liabilities approximate their carrying amounts largely due to the short-term maturities of these instruments.

**The following methods and assumptions were used to estimate the fair values:**

The fair values of the quoted investments/units of mutual fund schemes are based on market price/net asset value at the reporting date.

**Note 44: Financial Risk Management Objectives and Policies (Ind AS 107):**

The Company's principal financial liabilities comprises of borrowings, trade and other payables. The main purpose of these financial liabilities is to finance and support the Company's operations. The Company's principal financial assets include Investments, Loans and Other receivables, Cash and Cash Equivalents, Other Bank Balances that directly derive from its operations.

The Company is exposed to Market Risk, Credit Risk and Liquidity Risk. The Company's senior management oversees the management of these risks. The Company's senior management ensures that the Company's financial risk activities are governed by appropriate policies and procedures and that financial risks are identified, measured and managed in accordance with the Company's policies and risk objectives.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Market Risk

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument.

The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and borrowings.

### Foreign Currency Risk

Foreign currency risk is the risk of impact related to fair value or future cash flows of an exposure in foreign currency, which fluctuate due to changes in foreign exchange rates. The Company's exposure to the risk of changes in foreign exchange rates relates primarily to the foreign currency borrowings, exports of finished goods, loan to foreign subsidiary and the Company's net investments in foreign subsidiaries.

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies, where management enters into forward contract, if required for the purpose of being hedge.

Outstanding Foreign Currency Exposure	As at March 31, 2018	As at March 31, 2017	As at April 01, 2016
<b>Trade Receivables</b>			
USD	262,484	285,228	547,120
<b>Borrowings</b>			
USD	350,000	254,796	-
<b>Dividend Receivable</b>			
Euro	365,148	228,564	-
<b>Investments</b>			
EURO	191,444	191,444	-

### Foreign Currency Sensitivity on unhedged exposure:

1% increase in foreign exchange rate will have the following impact on profit before tax:

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
USD	(56,924)	19,732	362,920
EURO	294,390	158,275	-

**Note:** If the rate is decreased by 100 bps profit will increase/ decrease by an equal amount.

### Interest rate risk :

Interest rate risk is the risk that the fair value or future cash flows of a financial instrument will fluctuate because of changes in market interest rates. The Company's exposure to the risk of changes in market interest rates relates primarily to the Company's short term borrowing with floating interest rates. The Company constantly monitors the credit markets and rebalances its financing strategies to achieve an optimal maturity profile and financing cost.

Particulars	Total borrowings ₹	Floating Rate Borrowings ₹	Fixed Rate Borrowings ₹
INR	261,496,056	218,763,835	42,732,221
USD *	22,765,435	-	22,765,435
Quetzals	14,803,868	-	14,803,868
<b>Total as at March 31, 2018</b>	<b>299,065,359</b>	<b>218,763,835</b>	<b>80,301,524</b>
INR	31,753,955	28,942,176	2,811,779
USD	16,513,202	-	16,513,202
Quetzals	3,766,539	-	3,766,539
<b>Total as at March 31, 2017</b>	<b>52,033,696</b>	<b>28,942,176</b>	<b>23,091,520</b>
INR	9,315,351	6,549,373	2,765,978
USD	-	-	-
<b>Total as at April 1, 2016</b>	<b>9,315,351</b>	<b>6,549,373</b>	<b>2,765,978</b>

\* Above exposure in foreign currency is unhedged:



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Interest rate sensitivities for unhedged exposure (impact on increase in 100 bps):

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
INR	2,187,638	289,422	65,494

**Note:** If the rate is decreased by 100 bps profit will increase by an equal amount.

### Credit Risk :

Credit risk is the risk that counterparty will not meet its obligations under a financial instrument or customer contract, leading to a financial loss. The Company is exposed to credit risk from its operating activities (primarily Trade Receivables), investing and financing activities including Mutual Fund Investments, Deposits with Bank, Security Deposits, Loans to Employees and other financial instruments.

### Trade Receivables :

Trade receivables are consisting of a large number of customers. The Company has credit evaluation policy for each customer and based on the evaluation credit limit of each customer is defined.

Total Trade receivable as on March 31, 2018 - ₹ 244,299,154/- {March 31, 2017- ₹ 139,231,498/-, April 1, 2016 - ₹ 148,102,426/-}.

As per simplified approach, the Company makes provision of expected credit losses on trade receivables using a provision matrix to mitigate the risk of default payments and makes appropriate provision at each reporting date wherever outstanding is for longer period and involves higher risk.

As per policy, Receivables are classified into different buckets based on the over due period ranging from 3 months to more than 2 years. There are different provisioning rates for each bucket which are ranging from 2% to 100%.

### Movement of Allowances for Credit Loss:

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹
Opening Provision	784,989	1,390,665
Add: Provided during the Year	4,172,700	-
Less: Utilised during the Year	-	(605,676)
Closing Provision	4,957,689	784,989

### Investments, Cash and Cash Equivalent and Bank Deposit:

Credit Risk on cash and cash equivalent, deposits with the banks/financial institutions is generally low as the said deposits have been made with the banks/financial institutions who have been assigned high credit rating by international and domestic rating agencies.

Investments of surplus funds are made only based on Investment Policy of the Company. Investments primarily include investment in units of mutual funds. These Mutual Funds have low credit risk.

### Liquidity Risk

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. The Company's treasury team is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related to such risks are overseen by senior management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The table below provides details regarding the remaining contractual maturities of financial liabilities and investments at the reporting date based on contractual undiscounted payments.

As at March 31, 2018	Less than 1 Year ₹	1 to 5 Years ₹	More than 5 Years ₹	Total ₹
Trade Payables	17,719,176	-	-	17,719,176
Borrowings (including current maturities of long term debt)	249,278,000	49,787,359	-	299,065,359
Interest accrued but not due on borrowings	330,005	-	-	330,005
Other Financial Liabilities	19,017,508	-	-	19,017,508
As at March 31, 2017	Less than 1 Year	1 to 5 Years	More than 5 Years	Total
Trade Payables	17,064,234	-	-	17,064,234
Borrowings (including current maturities of long term debt)	46,821,783	5,211,913	-	52,033,696
Interest accrued but not due on borrowings	19,997	-	-	19,997
Other Financial Liabilities	10,145,418	-	-	10,145,418
As at April 01, 2016	Less than 1 Year	1 to 5 Years	More than 5 Years	Total
Trade Payables	11,452,572	-	-	11,452,572
Borrowings (including current maturities of long term debt)	9,315,351	1,020,283	-	10,335,634
Other Financial Liabilities	9,874,487	-	-	9,874,487
Investments	5,000,000	-	-	5,000,000

### Note 45: Distribution made and proposed (Ind AS 1):

Particulars	Year Ended 31st March, 2018 ₹	Year Ended 31st March, 2017 ₹
<b>Cash dividends on equity shares declared and paid:</b>		
Final dividend for the year ended on March 31, 2017: ₹ 2/- per share (March 31, 2016: Nil)	22,000,940	-
DDT on final dividend	4,479,000	-
<b>Total Dividend paid</b>	<b>26,479,940</b>	-
<b>Proposed dividends on Equity shares:</b>		
Final dividend for the year ended on March 31, 2018: ₹ 2 Per share (March 31, 2017: ₹ 2 per share)	22,000,940	22,000,940
DDT on proposed dividend	4,479,000	4,479,000
<b>Total dividend proposed</b>	<b>26,479,940</b>	26,479,940

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognized as a liability (including Dividend Distribution Tax thereon) as at March 31 of respective year.

### Note 46: Capital Management (Ind AS 1):

The Company's objectives when managing capital are to

- maximise shareholder value and provide benefits to other stakeholders and
- maintain an optimal capital structure to reduce the cost of capital.

For the purposes of the Company's capital management, capital includes issued capital, share premium and all other equity reserves attributable to the equity holders.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

The Company monitors capital using debt-equity ratio, which is total debt less investments divided by total equity.

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at March 31, 2016 ₹
Total Debt(bank and other borrowings)	299,065,359	52,033,696	10,335,634
Total Equity	822,530,317	756,257,698	650,074,302
<b>Debt to Equity (Net)</b>	<b>0.36</b>	0.07	0.02

In addition the Company has financial covenants relating to the borrowing facilities that it has taken from the lenders like interest coverage service ratio, Debt to EBITDA, etc. which is maintained by the Company.

### Note 47: Operating Leases (Ind AS 17):

rent paid for machinery to be included

- Operating lease payment recognised in the Statement of Profit and Loss amounting to ₹ 26,175,289/- (March 31, 2017 ₹ 18,002,575/-).
- General Description of Leasing Agreements:
  - Leased assets: Godowns & Machinery.
  - Future lease rental income are determined on basis of agreed terms
  - At the expiry of lease terms, the Company has an option to return the assets or extend the term by giving notice in writing.
  - Lease agreements are generally cancellable and are renewable by mutual consent on mutually agreed terms.

### Note 48: Micro, Small and Medium Enterprises

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises.

Particulars	As at March 31, 2018 ₹	As at March 31, 2017 ₹	As at April 01, 2016 ₹
Principal amount and interest due thereon remaining unpaid to any supplier as at the year end	-	-	-
Amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') , along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-	-

There is no principal amount and interest overdue to Micro and Small Enterprises. During the year no interest has been paid to such parties. This information has been determined to the extent such parties have been identified on the basis of information available with the Company and the same has been relied upon by the auditors.

### Note 49: Corporate Social Responsibility

Expenditure incurred on Corporate Social Responsibility activities, included in different heads of expenses in the Statement of Profit and Loss is ₹ 13.00 lacs (March 31, 2017 ₹ 10.50 lacs).

The amount required to be spent under Section 135 of the Companies Act, 2013 for the year ended March 31, 2018 is ₹ 12.96 lacs (March 31, 2017 ₹ 10.28 lacs) i.e. 2% of average net profits for last three financials years, calculated as per section 198 of the Companies Act, 2013.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 50: Disclosure for Specified Bank Notes

Pursuant to the gazette notification G.S.R 308(E) dated 30<sup>th</sup> March 2017, issued by the Ministry of Corporate Affairs, details of Specified Bank Notes (SBN) held and transacted during the period 08/11/2016 to 30/12/2016 is provided in the table below. Disclosure is not applicable for FY 2017-18.

Particulars	SBN's ₹	Other denomination notes ₹	Total Cash ₹
Opening Balance of cash	148,500.00	418,999	567,499
Permitted Receipts - Sales from 09 <sup>th</sup> November 2016 to 30 <sup>th</sup> Decemeber 16	-	1,926,500	1,926,500
Permitted Payment	-	1,895,322	1,895,322
Deposit -10 <sup>th</sup> Nov'16 to 30 <sup>th</sup> December 2016	148,500.00	-	148,500
<b>Closing balance of cash as of 30th December 2016</b>	-	<b>450,177</b>	<b>450,177</b>

### Note 51:

In March 2018, the Ministry of Corporate Affairs issues the Companies (Indian Accounting Standards) Amendment Rules, 2018, notifying Ind AS 115 'Revenue from Contract with Customers' which replaces Ind AS 11 'Construction Contracts' and Ind AS 18 'Revenue'. Expect for disclosure requirement, the new standard will not materially impact the Company's financial statements. The amendment will come into force from April 01, 2018.

### Note 52:

Name of the Entity in the group	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount	As % of consolidated profit / loss	Amount	As % of consolidated OCI	Amount	As % of consolidated TCI	Amount
Parent Company	72.55%	597,434,595	84.70%	78,465,086	100.00%	(2,264,911)	84.32%	76,200,175
Prima Union Plasticos S.A. - Subsidiary	1.10%	9,021,322	(23.31%)	(21,594,897)	-	-	(23.90%)	(21,594,897)
Non Controlling Interest in Subsidiary	0.12%	1,002,369	(2.59%)	(2,399,433)	-	-	(2.66%)	(2,399,433)
Joint Venture	26.24%	216,074,407	41.20%	38,163,936	-	-	42.24%	38,163,936
<b>Total</b>	<b>100%</b>	<b>823,532,693</b>	<b>100%</b>	<b>92,634,692</b>	<b>100%</b>	<b>(2,264,911)</b>	<b>100%</b>	<b>90,369,781</b>

### Note 53: First Time Adoption of Ind AS (Ind AS 101):

As stated in Note 1, these financial statements, for the year ended March 31, 2018, are the first the Company has prepared in accordance with IndAS. For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with accounting standards notified under section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014 (IGAAP).

Accordingly, the Company has prepared financial statements which comply with Ind AS applicable for periods ending on March 31, 2018, together with the comparative period data as at and for the year ended March 31, 2017, as described in the summary of significant accounting policies. In preparing these financial statements, the Company's opening balance sheet was prepared as at April 01, 2016, the Company's date of transition to Ind AS. This note explains the principal adjustments made by the Company in restating its IGAAP financial statements, including the balance sheet as at April 01, 2016 and the financial statements as at and for the year ended March 31, 2017 and how the transition from IGAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Exemption Availed:

Ind AS 101 allows first-time adopters certain exemptions from the retrospective application of certain requirements under Ind AS. The Company has availed the following exemptions:

#### a. Deemed cost for PPE and Intangible Assets:

The Company has elected to continue with the carrying value of all of its plant and equipment and intangible assets as recognised as of April 01, 2016 (transition date) measured as per the IGAAP and use that carrying value as its deemed cost as of the transition date.

#### b. Investment in Subsidiary and Joint Venture:

The Company has elected to carry its investment in subsidiary and joint venture at deemed cost which is its IGAAP carrying amount at the date of transition to Ind AS.

#### c. Fair Value of Financials Assets and Liabilities:

As per Ind AS exemption the Company has not fair valued the financial assets and liabilities retrospectively and has measured the same prospectively.

### Disclosure as required by Ind AS 101 - First time adoption of Indian Accounting Standards

#### Reconciliation of Equity

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Particulars	As on March 31, 2017			As on April 01, 2016			
	Note Reference	IGAAP	+/-	Ind AS	IGAAP	+/-	Ind AS
<b>Assets</b>							
<b>Non Current Assets</b>							
A) Property, Plant & Equipment	F	282,466,343	(86,995,324)	195,471,019	189,096,631	(86,680,881)	102,415,750
B) Intangible Assets		320,296	-	320,296	390,955	-	390,955
C) CWIP	F	113,513,330	(65,920,737)	47,592,593	24,016,945	(22,166,034)	1,850,911
D) Financial Assets							
- Investments	F	-	177,910,471	177,910,471	-	168,110,980	168,110,980
- Loans	A,F	19,794,380	(7,934,696)	11,859,684	11,269,759	(1,449,989)	9,819,770
- Other Financial Assets		3,161,612	-	3,161,612	611,593		611,593
E) Other Non Current Assets	F	2,922,770	-	2,922,770	12,009,504	(9,117,473)	2,892,031
<b>Current Assets</b>				-			-
A) Inventories	F	223,355,978	-58,800,599	164,555,379	199,050,936	(43,693,272)	155,357,664
B) Financial Assets				-			-
- Investments		-	-	-	5,000,000		5,000,000
- Trade receivables	B,F	198,354,051	(59,122,553)	139,231,498	180,212,916	(32,110,490)	148,102,426
- Cash and cash equivalents	F	88,252,657	(13,788,976)	74,463,681	95,950,399	(30,925,336)	65,025,063
- Bank Balances other than Cash and Cash Equivalents		3,059,767	-	3,059,767	3,442,851	-	3,442,851
- Loans	F	15,947,751	(161,063)	15,786,688	43,412,377	(76,510)	43,335,867
- Others (to be specified)		16,697,495	-	16,697,495	3,988,081	-	3,988,081
C) Other Current Assets	A,F	43,944,520	(13,255,936)	30,688,584	37,480,097	(24,231,698)	13,248,399
<b>Total Assets</b>		<b>1,011,790,950</b>	<b>(128,069,413)</b>	<b>883,721,537</b>	<b>805,933,044</b>	<b>(82,340,703)</b>	<b>723,592,341</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

Particulars	As on March 31, 2017			As on April 01, 2016			
	Note Reference	IGAAP	+/-	Ind AS	IGAAP	+/-	Ind AS
<b>Equity &amp; Liabilities</b>							
<b>Equity</b>							
A) Equity Share Capital		110,004,700	-	110,004,700	110,004,700	-	110,004,700
B) Other Equity	A,B,C,E,F	644,579,054	1,673,944	646,252,998	538,965,512	1,104,090	540,069,602
Non Controlling Interest		3,401,802	-	3,401,802	-	-	-
<b>Liability</b>							
Non Current Liability							
A) Financial Liabilities							
- Borrowings	F	52,507,725	(47,116,353)	5,391,372	1,205,445	-	1,205,445
B) Deferred Tax Liabilities (net)	C	19,753,783	218,123	19,971,906	12,464,632	-	12,464,632
Current Liabilities							
A) Financial Liabilities							
- Borrowings		45,455,378	-	45,455,378	6,549,373	-	6,549,373
- Trade Payables	F	34,431,978	(17,367,744)	17,064,234	49,921,985	(38,469,413)	11,452,572
- Others	F	56,529,271	(42,117,143)	14,412,128	17,701,526	(2,823,655)	14,877,871
B) Current Tax Liabilities (net)		4,396,128	-	4,396,128	1,997,628	(1,387,756)	609,872
C) Other Current Liabilities	F	16,589,131	(1,992,134)	14,596,997	64,979,289	(40,763,969)	24,215,320
D) Provisions	F	24,142,000	(21,368,106)	2,773,894	2,142,954	-	2,142,954
<b>Total Equity &amp; Liabilities</b>		<b>1,011,790,950</b>	<b>(128,069,413)</b>	<b>883,721,537</b>	<b>805,933,044</b>	<b>(82,340,703)</b>	<b>723,592,341</b>

**Reconciliation of Total Comprehensive Income for the year ended March 31, 2017**

₹

Particulars	Note Reference	IGAAP	+/-	Ind AS
<b>Revenue</b>				
Revenue from Operations	D,F	1,268,390,095	(339,428,686)	928,961,409
Other Income	A	12,506,725	436,640	12,943,365
<b>Total Income</b>		<b>1,280,896,820</b>	<b>(338,992,046)</b>	<b>941,904,774</b>
<b>Expenses</b>				
Cost of Raw Materials Consumed	F	696,531,622	(196,457,074)	500,074,548
Purchase of Stock in Trade		19,395,801	-	19,395,801
Changes in Inventory of Finished Goods, WIP & Stock in Trade	F	(14,465,469)	4,423,252	(10,042,217)
Employee Benefit Expense	E,F	90,197,986	(18,439,486)	71,758,500
Finance Costs	A,F	7,999,741	(1,881,376)	6,118,365
Depreciation & Amortisation Expense	F	31,484,455	(21,888,124)	9,596,331
Excise duty on Sales	D	-	86,125,210	86,125,210
Other Expenses	D,F	277,364,381	(101,236,852)	176,127,529
<b>Total Expenses</b>		<b>1,108,508,517</b>	<b>(249,354,450)</b>	<b>859,154,067</b>
<b>Profit Before Tax expenses and Share in Profit of Joint Venture</b>		<b>172,388,303</b>	<b>(89,637,596)</b>	<b>82,750,707</b>
Share in Profit of Joint Venture	F	-	60,795,805	60,795,805
<b>Profit Before Tax expenses</b>		<b>172,388,303</b>	<b>(28,841,791)</b>	<b>143,546,512</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**

Particulars	Note Reference	IGAAP	+/-	Ind AS
<b>Tax Expenses:</b>				
Current Tax	F	61,235,451	(29,917,136)	31,318,315
Deferred Tax	C	7,443,205	218,122	7,661,327
<b>Total</b>		<b>68,678,656</b>	<b>(29,699,014)</b>	<b>38,979,642</b>
<b>Profit for the Year</b>		103,709,647	857,223	104,566,870
Profit / (Loss) attributable to Non Controlling Interest		(155,209)	-	(155,209)
Profit attributable to owners of the Parent		103,864,856	857,223	104,722,079
<b>Other Comprehensive Income</b>				
Items that will not be reclassified to profit & loss	E	-	(445,113)	(445,113)
Income Tax relating to items that will not be reclassified to profit & loss		-	154,054	154,054
Items that will be reclassified to Profit & Loss		-	1,752,376	1,752,376
Income Tax relating to items that will be reclassified to profit & loss		-	-	-
<b>Other Comprehensive Income for the Year</b>		-	1,461,317	1,461,317
Other Comprehensive Income attributable to Non-Controlling Interest		-	-	-
Other Comprehensive Income attributable to Owners of the Parent		-	1,461,317	1,461,317
<b>Total Comprehensive Income for the year</b>		-	2,318,540	106,028,187
Total Comprehensive Income attributable to Non-Controlling Interest		-	(155,209)	(155,209)
Total Comprehensive Income attributable to Owners of the Parent		-	2,473,749	106,183,396

**Reconciliation of Statement of Cashflow for the year ended March 31, 2017**

₹

Particulars	IGAAP	+/-	Ind AS
Net Cashflow from Operating Activities	104,769,205	-	104,769,205
Net Cashflow from Investing Activities	(140,888,940)	-	(140,888,940)
Net Cashflow from Financing Activities	43,805,977	-	43,805,977

Notes to the Reconciliation of equity as at April 1, 2016 and March 31, 2017 and Total Comprehensive Income for the year ended March 31, 2017:

**A. Fair valuation of Security Deposits**

Interest free deposits have been fair valued and are discounted using an appropriate current market rate. The difference between the nominal value and the fair value of the deposit under the lease is considered as Prepaid Rent, Which is unwinded on a straight line basis over the period of the lease. The company also recognizes interest expenses using the discounting rate, over the life of the deposit. These adjustments are reflected in retained earnings as at the date of transition and subsequently in the statement of profit and loss.

**B. Allowances for Credit losses**

For Provision of Credit losses on Trade Receivables, the company has adopted Simplified Approach where by provision of expected credit losses is made using a provision matrix to mitigate the risk of default payments.

**C. Deferred Tax**

IGAAP requires deferred tax accounting using the income statement approach, which focuses on differences between taxable profits and accounting profits for the period. Ind AS 12 requires entities to account for deferred taxes using the balance sheet approach, which focuses on temporary differences between the carrying amount of an asset or liability in the balance sheet and its tax base. The application

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

of Ind AS 12 approach has resulted in recognition of deferred tax on new temporary differences which was not required under IGAAP. In addition, the various transitional adjustments lead to temporary differences. According to the accounting policies, the Company has to account for such differences. Deferred Tax adjustments are recognised in correlation to the underlying transaction either in retained earnings or profit and loss respectively.

### D. Revenue from Operations

Under IGAAP, cash discounts and other discounts directly attributable to sales was recognised as part of other expenses which has been adjusted against the revenue under Ind AS during the year ended March 31, 2017.

Under IGAAP, revenue was presented net of excise duty. However, as per Schedule III to the Companies Act, 2013, revenue from operations is to be shown inclusive of excise duty. Accordingly, excise duty has been included in revenue from operations and shown separately as an expense.

### E. Defined Benefit Liabilities

Both under IGAAP and Ind AS, the Company recognised costs related to its post-employment defined benefit plan on an actuarial basis. Under IGAAP, the entire cost, including actuarial gains and losses, are charged to Statement of Profit and Loss. Under Ind AS, remeasurements (comprising of actuarial gains and losses, the effect of the asset ceiling, excluding amounts included in net interest on the net defined benefit liability and the return on plan assets excluding amounts included in net interest on the net defined benefit liability) are recognised immediately in the balance sheet with a corresponding debit or credit to retained earnings through OCI.

### F. Share in Profit of Investment accounted using equity method

Investment in Joint Venture has been consolidated for using equity method, accordingly, share in profit of Joint Venture has been accounted for in the Consolidated Statement of Profit and Loss. Under IGAAP, Investment in Joint Venture was consolidated using proportionate consolidation method.

#### Note 54 :

Effective July 01, 2017, sales are recorded net of GST whereas earlier sales were recorded gross of excise duty which formed part of expenses. Hence revenue from operations for the year ended March 31, 2018 is not comparable with the previous year corresponding figures.

#### Note 55 :

The Company has a process whereby periodically all the long term contracts (including derivatives contracts) are assessed for material foreseeable losses. At the year end, the Company has reviewed and ensured that adequate provision as required under any law / accounting standards for material foreseeable losses on such long term contracts has been made in the books of accounts. There are no derivatives contract outstanding as at year end.

#### Note 56 :

Previous year figures have been regrouped / reclassified wherever necessary to correspond with current year classification / disclosure.

As per our Report of even date attached

**For Khimji Kunverji & Co**  
Chartered Accountants  
Firm Regn. No.105146W

**Gautam V. Shah**  
Partner  
Membership No.117348  
Mumbai  
May 28, 2018

**Manoj O. Toshniwal**  
Chief Financial Officer

**Nidhi Shah**  
Company Secretary  
M. No. A34893

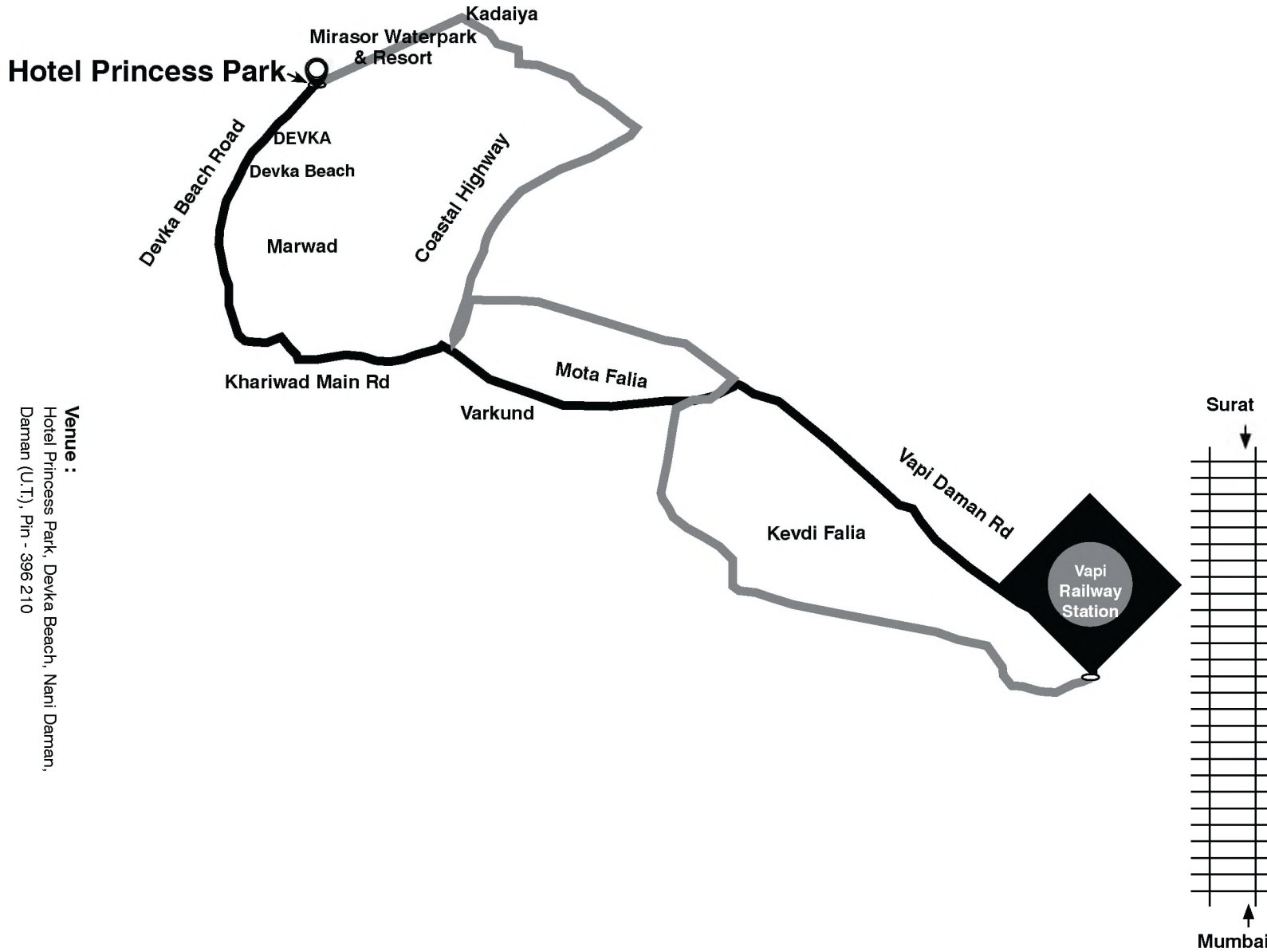
For and on behalf of the Board of  
Directors of Prima Plastics Limited  
CIN : L25206DD1993PLC001470

**Bhaskar M. Parekh**  
Executive Chairman  
DIN No. 00166520

**Dilip M. Parekh**  
Managing Director  
DIN No. 00166385



# Route Map



**Venue :**  
Hotel Princess Park, Devka Beach, Nani Daman,  
Daman (U.T.), Pin - 396 210

**Prima Plastics Limited**  
**CIN – L25206DD1993PLC001470**  
**Registered Office – 98/4, Prima House, Daman Industrial Estate, Kadaiya, Daman – 396 210 (U.T.)**

**ATTENDANCE SLIP**  
(To be presented at the entrance)

**DP ID:** \_\_\_\_\_

**Folio No./Client ID:** \_\_\_\_\_

I / We hereby record my/our presence at the 24<sup>th</sup> ANNUAL GENERAL MEETING of the Company at Hotel Princess Park, Devka Beach, Nani Daman, Daman (U.T.), Pin - 396 210 Saturday, August 25, 2018 at 11.30 a.m.

\_\_\_\_\_  
Signature of the Member/ Proxy

**Prima Plastics Limited**  
**CIN – L25206DD1993PLC001470**  
**Registered Office – 98/4, Prima House, Daman Industrial Estate, Kadaiya, Daman – 396 210 (U.T.)**

**FORM NO MGT - 11**  
**PROXY FORM**

[Pursuant to Section 105 (6) of the Companies Act, 2013 read with Rule 19 (3) of the Companies (Management and Administration) Rules, 2014]

Name of the Member(s) : \_\_\_\_\_

Registered Office : \_\_\_\_\_

Email Id : \_\_\_\_\_

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

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

(1) Name: \_\_\_\_\_

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

E-mail Id: \_\_\_\_\_ or failing him;

(2) Name: \_\_\_\_\_

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

E-mail Id: \_\_\_\_\_ or failing him;

(3) Name: \_\_\_\_\_

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

E-mail Id: \_\_\_\_\_

as my / our proxy to attend and vote (on a poll) for me / us and on my / behalf at the 24<sup>th</sup> ANNUAL GENERAL MEETING of the Company at Hotel Princess Park, Devka Beach, Nani Daman, Daman (U.T.), Pin - 396 210 Saturday, August 25, 2018 at 11.30 a.m. and at any adjournment thereof in respect of such resolutions as are indicated below:

Resolution No.	RESOLUTIONS
	<b>Ordinary Business</b>
1	Consider and Adopt the (a) Audited financial statements of the Company for the financial year ended March 31, 2018 together with the Reports of the Board of Directors and the Auditors thereon and (b) the Audited Consolidated financial statements of the Company for the financial year ended March 31, 2018 together with the Reports of the Board of Directors and the Auditors thereon.
2	Approve and declare the payment of final dividend on equity shares for the financial year ended March 31, 2018.
3	Re-appoint Smt. Hina V. Mehta (DIN No. 07201194), a Director retiring by rotation.
	<b>Special Business</b>
4.	Determine the fees for delivery of any document through a particular mode of delivery to a Member.
5.	Approve the grant of Loans/ Guarantees or providing securities to entities in which directors are interested.
6.	Approve the related party transactions.

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2018.

Signature of Shareholder :



\_\_\_\_\_

\_\_\_\_\_  
Signature of first proxy holder

\_\_\_\_\_  
Signature of second proxy holder

\_\_\_\_\_  
Signature of third proxy holder

**NOTES:**

A member entitled to attend and vote at the meeting is also entitled to appoint one or more proxies to attend & vote on poll instead of himself and the proxy need not be a member of the company. The proxy form, in order to be effective must be deposited at the registered office of the company, not less than 48 hours before the commencement of the meeting.

A person can act as a proxy on behalf of members not exceeding fifty and holding in the aggregate not more than ten percent of the total share capital of the company carrying voting rights. A member holding more than ten percent of the total share capital of the company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

# NEW ARRIVALS



CUPBOARD



KIDS STUDY TABLE



BARRICADE



INSULATED BOX



PALLET



SAFETY CONE



**Corporate Office:**

**PRIMA PLASTICS LTD.**

41, National House, Saki Vihar Road,  
Andheri (East), Mumbai-400 072. INDIA

**Tel.:** +91 22 2857 4765 / 8 / 9

**Fax:** +91 22 2857 2859

**Email:** investor@primaplastics.com

**Website:** www.primaplastics.com



An ISO 9001 : 2015 Company