



Annual
Report
2010 - 11



New Arrivals



PRIMA PLASTICS LIMITED

BOARD OF DIRECTORS

Shri Bhaskar M. Parekh (Executive Chairman)
Shri Mulchand S. Chheda
Shri Krishnakant V. Chitalia
Shri Rasiklal M. Doshi
Shri Dilip M. Parekh (Managing Director)

BANKERS

Corporation Bank
Bank of India

AUDITORS

M/s. G. P. Kapadia & Co.
Chartered Accountants

REGISTRAR & SHARE TRANSFER AGENTS

M/s. Bigshare Services Pvt. Ltd.
E-2/3, Ansa Indl. Estate, Saki Vihar Road, Andheri (E),
Mumbai – 400 072.

REGISTERED OFFICE

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

CORPORATE OFFICE

41, National House, Saki-Vihar Road,
Andheri (East), Mumbai - 400 072.

WORKS

Moulded Furniture Division:

- 98/4, Prima House, Daman Industrial Estate,
Kadaiya, Nani Daman, Daman (U.T.), Pin - 396 210.
- Door No.X/588-Q, Kinfra SIP, Survey No.508 (Part),
Block No.32, Nellad P.O., Mazhuvannur Village,
Ernakulam District, Kerala – 686 721.

Aluminium Composite Panel Division:

- 85/1, Prima House, Daman Industrial Estate,
Kadaiya, Nani Daman, Daman (U.T.), Pin - 396 210.

MARKETING DEPOTS

Coimbatore, Jammu, Kanpur, Rohtak, Secunderabad, Vapi &
Zirakpur (Punjab)

MARKETING OFFICE

New Delhi

17TH ANNUAL GENERAL MEETING

Date : September 10, 2011
Time : 10.30 a.m.
Venue : Hotel Sandy Resorts,
Devka Beach,
Nani Daman,
Daman (U.T.), Pin - 396 210

CONTENTS:

→ Notice	2
→ Directors' Report, Management Discussion & Analysis Report.....	4
→ Report on Corporate Governance	9
→ Auditors' Report	21
→ Balance Sheet	24
→ Profit & Loss Account	25
→ Cash Flow Statement.....	26
→ Schedules Forming Part of the Accounts	27
→ Balance Sheet Abstract.....	40
→ Auditors' Report of Consolidated Financial Statement	41
→ Consolidated Balance Sheet.....	42
→ Consolidated Profit & Loss Accounts.....	43
→ Consolidated Cash Flow Statement.....	44
→ Schedules Forming Part of the Consolidated Accounts	45

NOTICE

Notice is hereby given that the Seventeenth Annual General Meeting of the Members of PRIMA PLASTICS LIMITED will be held at Hotel Sandy Resorts, Devka Beach, Nani Daman, Daman (U.T.), Pin - 396 210 on September 10, 2011 at 10.30 a.m. to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at March 31, 2011, the Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend for the year 2010-11 on Equity Shares.
3. To appoint a Director in place of Shri Rasiklal M. Doshi, who retires by rotation and being eligible, offers him for reappointment.
4. To appoint M/s. G. P. Kapadia & Co., the retiring Auditors of the Company, as Statutory Auditors, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, on such remuneration as may be decided by the Board of Directors.

Registered Office:

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

By Order of the Board of Directors

Mumbai
May 30, 2011

Bhaskar M. Parekh
Chairman

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll instead of him and the proxy need not be a member of the Company. The Proxy form should be lodged with the Company at the Registered Office at least 48 hours before the schedule time of the meeting.
2. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote at the meeting.
3. The Register of Members and the Share Transfer Book of the Company will remain closed from Monday, September 05, 2011 to Saturday, September 10, 2011 (both days inclusive) for the purpose of determining the eligibility of the Members to attend the Annual General Meeting and payment of Dividend.
4. The Board of Directors in their Meeting held on May 30, 2011 have recommended a dividend of Rupee 1/- per share on equity share of Rs.10/- each, which if approved at the Annual General Meeting, will be paid on or after September 15, 2011, to those members whose names shall appear on the Company's Register of members on September 04, 2011; in respect of the shares held in dematerialised form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
5. All documents referred to in the 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 Annual General Meeting.
6. The members are requested to:
 - (a) Bring their copy of Annual Report and the attendance slips at the Meeting.
 - (b) Members desiring any information as regards the accounts are requested to write to the Company at least 10 days prior to the date of meeting to enable the Management to keep the information ready at the meeting.
7. Shareholders holding shares in dematerialized form should intimate change of their address, request for making nomination etc. if any, to their Depository Participant. Members who are holding shares in physical form are requested to notify regarding change in address, Bank particulars, ECS details etc. if any, to the Company's Share Transfer Agent, M/s. Bigshare Services

Pvt. Ltd., Unit: Prima Plastics Ltd., E-2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai – 400 072 quoting their folio number.

“Our Registrar & Transfer Agent, M/s. Bigshare Services Private Limited has an advanced tool to interact with shareholders. Please login into iBoss www.bigshareonline.com and help them to serve you better.”

8. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, dividend for the financial year ended 31st March 2010 and thereafter, which remain unclaimed for a period of seven years, will be transferred by the Company to “The Investor Education and Protection Fund” (IEPF) pursuant to Section 205C of the Companies Act, 1956.
9. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to Bigshare Services Private Limited, will be printed on their dividend warrants as per the applicable regulations of the Depositories and the Company / Bigshare Services Pvt. Limited, will not entertain any direct request from such members for deletion or/ change in such bank details. While members holding shares in physical form may write to the Registrar & Share Transfer Agent / Company for any change in their addresses and bank mandates etc. and members holding shares in electronic form may write to their depository participants for immediate updating so as to enable the Registrar & Share Transfer Agent / Company to dispatch dividend warrants to the correct addresses.
10. Important Communication to Members.

The Ministry of Corporation Affairs (vide circular nos.17/2011 and 18/2011, dated April 21 and April 29, 2011 respectively) has taken a “Green Initiative in the Corporate Governance” by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold shares in physical form are requested to send their email id along with their folio no. / client id at investor@primaplastics.com or info@bigshareonline.com.

11. Additional information on Director seeking re-appointment at the forthcoming Annual General Meeting.

**DETAILS OF DIRECTOR SEEKING REAPPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING
(Pursuant to Clause 49 of the Listing Agreement)**

Name of Director	Shri Rasiklal M. Doshi
Age	82 years
Date of appointment	18-06-1996
Qualification	B.Com
Expertise in specific area	Vast experience in Finance & Manufacturing Industry with international exposures.
Other Directorships in Public Limited Co.	None
Number of Shares held	6,000 Equity Shares

Registered Office:

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

By Order of the Board of Directors

Mumbai
May 30, 2011

Bhaskar M. Parekh
Chairman

DIRECTORS' REPORT, MANAGEMENT DISCUSSION & ANALYSIS REPORT

Dear Shareholders,

Your Directors submit the 17th Annual Report along with the Audited Statement of Accounts of the Company for the year ended March 31, 2011.

(Rs. In Lacs)

FINANCIAL RESULTS	2010-2011	2009-2010
Gross Income	8,140.63	7,044.72
Profit before Interest, Depreciation and Tax	535.70	556.05
Less : Interest	46.52	35.89
Less : Depreciation	158.53	154.62
Profit/(Loss) before Taxation	330.65	365.54
Less : Current Tax	67.89	63.00
Profit /(Loss) after Tax	262.76	302.54
Add : Balance b/f from previous year	1,711.66	1,587.81
Balance available for appropriation	1,974.42	1,890.35
Appropriation :		
Balance c/f	1,974.42	1,890.35
Less : Proposed Dividend	110.00	110.00
Less: Dividend Tax	18.27	18.69
Less : General Reserve	50.00	50.00
Balance c/f to Balance Sheet	1,796.15	1,711.66

DIVIDEND

Based on the Company's performance, the Directors are pleased to recommend a dividend of Rs.1/- per Equity Share for the financial year ended March 31, 2011 amounting to Rs.128.27 lacs (inclusive of tax of Rs.18.27 lacs). The dividend has been paid by the Management by balancing the shareholders aspiration as well as growth objective by plans to invest in new manufacturing units / Joint Ventures.

TRANSFER TO RESERVES

The Company proposes to transfer Rs.50 lacs to the General Reserve out of the amount available for appropriations and an amount of Rs.1796.15 lacs is proposed to be retained in the Profit and Loss Account.

OPERATIONAL PERFORMANCE

The Indian Industries continued in growth trajectory inspite of slow revival in world economy overall. The main concern for India is inflation & higher crude prices. Your Company has delivered positive growth in sales & operation for both of its divisions.

Your Company achieved higher net sales in moulded furniture segment of Rs.5,247.48 lacs as against Rs.4,751.32 lacs in the last year. The growth in sales in percentage terms achieved is 10.44%. The Exports were higher at Rs.870.46 lacs as compared to Rs.794.94 lacs in last year. The growth in export in percentage term achieved is 9.50%. The moulded furniture division has earned a profit before interest of Rs.224.66 lacs from its operation.

The Sales of ACP Division were higher at Rs.646.48 lacs as compared to Rs.342.51 lacs in last year. The growth in sales in percentage term achieved is 88.75%. The ACP Division has earned a profit before interest of Rs.14.66 lacs as compared to loss of Rs.117.26 lacs in last year.

In institutional segment of ACP, where the Company has taken the maximum exposure is showing sign of slow recovery and expected to improve in the coming year. The Company has also taken necessary steps for starting retail business with dealer / distributor's network throughout India. It is expected that once implemented, the profit of your Company will improve substantially.

The Prices of Polypropylene were more volatile during the Financial Year 2010-11 as compared to previous years and impacted the margins of moulded furniture division.

The main raw material for ACP division is Coated Aluminum Coil and prices of the Aluminum are driven by global market and at present the prices are within the reasonable range. The Company mainly sources, its raw materials from China & other leading countries.

Overall the Company's performance is satisfactory and registered a profit before tax of Rs. 330.65 lacs.

RECOGNITIONS

The Company has been accorded the status of "EXPORT HOUSE" by the Ministry of Commerce & Industry for a period of five years, effective from 1st April, 2010 based on its past Export Performance.

SUBSIDIARY COMPANY

With a view to expand its business in UAE Countries (Gulf), the Company has incorporated "Prima Global (FZE)", a wholly owned subsidiary of the Company at RAK SEZ Ras Al khaimah, UAE with an investment of AED 100,000/- (equivalent to Rs.1,244,324/-). The Company is yet to start its commercial operation.

PERFORMANCE OF JOINT VENTURE

Prima Dee-lite Plastics Pvt. Ltd., a Joint Venture Company set up at Cameroon with a local partner to produce and sale Plastic Moulded Articles in and around Cameroon and neighbouring countries. The turnover for the calendar year 2010 was Rs. 1432.32 (lacs) as compared to previous calendar year of Rs. 1314.93/- (lacs). The profit for the year after depreciation and tax was Rs. 341.27 (lacs) as compared to Rs. 346.61 (lacs) in the previous year. The Joint Venture Company has paid interest of Rs.35.73 (lacs) on unsecured loan granted by the Promoters.

The encouraging performance of Joint Venture Company has boosted the confidence of both the Joint Venture Partners and initiatives have taken to expand the capacity by adding more Moulding Machines and also to diversify in to HDPE Woven Sack Bags business.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Accounts form part of this Annual Report.

Pursuant to the provision of Section 212(8) of the Act, the Ministry of Corporate Affairs vide its circular dated February 8, 2011 has granted general exemption from attaching the Balance Sheet, Profit and Loss Account and other documents of the subsidiary companies with Balance Sheet of the Company. The annual accounts of these subsidiary / Joint Venture Company and the related detailed information are available for inspection by any member at the registered office of the Company. The Company shall furnish a copy of details of annual accounts of subsidiary / Joint Venture Company to any member on demand.

MANAGEMENT'S DISCUSSION & ANALYSIS REPORT**OVERVIEW**

Global economic environment continues to remain quite volatile. In the current globalize economy; it is not possible to remain insulated from swings in the global economy. However, Government of India is quite alert and proactive to continuously guide the economy on a growth path in this tough period. The Indian entrepreneurs also have shown great resilience to ride through smoothly in this economic situation.

MOULDED FURNITURE

Prima is investing its resources in core business within India as well global joint ventures. It is also taking initiative to invest in latest technology and help to meet the economy of operations. These strategies are aimed to ensure consolidation of its market and to deliver long term growths.

Financial year 2010-11 was reasonable for moulded furniture except for increase in input prices. The demand for the product was on raise and stable. The Company has delivered the Financial & Operating Results in line with industry specific performance.

ALUMINIUM COMPOSITE PANEL

The Indian Real Estate has partially recovered in Financial Year 2010-2011. The Residential Segment demands were on raise due to overall shortage of affordable housing and metro cities have seen demand for premium housing projects. The Commercial Segment was slowly improving and demand for rental premises are raising due to overall increased economical activities.

BUSINESS OUTLOOK**MOULDED FURNITURE**

The Indian economy is expected to grow by more than 8% and there is all round growth in consumption due to overall increases in income of middle class. Your Company expects the growth in sales and setting up another manufacturing unit at Andhra Pradesh to meet its demand of Moulded Furniture. Your Company is well placed to take advantage of the sustained growth of our economy.

The per capita consumption of plastics in our country is very low when compared with western country's consumption and it is bound to increase in years to come. Plastic moulded furniture is fast replacing conventional furniture made of woods and steel due to its various inherent advantages.

The supply of polymers is expected to ease with additional plants operational in recent past and the prices of polymers are expected in affordable range. There is also demand to remove antidumping duty on import of polymers imposed last year by the Government of India.

The introduction of GST is expected in a short span and will integrate the country economy in to one and provide level playing in every part of the country. This is expected to boost the growth of your Company's business at pan India level. The Company expects to achieve 15-20 percent annual growth in turnover in medium term.

ALUMINIUM COMPOSITE PANEL

The Commercial real estate is showing some positive sign of revival and it seems that it may take little longer to recover the segment than expected earlier. With the small positive in commercial construction, your Company had taken fullest advantage and registered growth in sales by 88%. The growing Indian business and financial activities will lead to demand of commercial premises and recovery of this segment of Real Estate. The Management expects full fledged business in ACP Division in years to come.

The Company was selective in executions of Orders and register growth of 88% in turnover. The sales target is even though short of the managements expectation but confident to achieve higher sales in steady manner.

OPPORTUNITY

The Company has acquired an Industrial Plot at Andhra Pradesh to cater south eastern coast of India. The Company plans to start construction of Factory Building from 2nd quarter of 2011-2012 and to start commercial operation by end of this financial year.

The Company's present distributor's network is stable from past 2-3 years. The Company is focusing to expand its network to far off places to take advantage of GST regime.

The ACP products can be used in varied areas apart from commercial real estate. The Company may focus the other market of ACP by appointing nationwide dealer-distributor's network.

THREAT

With the rise in demand & overall industrial sentiment, the industry is witnessing many new entrants with low capital base & to serve the local market. The new players are prone to un-ethical practices in a temporary phase.

China is a major supplier of ACP globally and has influence in the market with excess supply and moderate price.

The real estate industry is known for excessive credit time.

Internal Control System and Their Adequacy

The Company's internal control systems, commensurate with the size of the Company and nature of its business, has well defined policies and procedures ensuring that all transactions are authorized, recorded and correctly reported, all assets are safeguarded and protected against loss from unauthorized use or disposition, reducing wastages and maintenance of proper accounting records for ensuring accuracy and reliability of its financial information. 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 statutory auditors and the Audit Committee of the Board of Directors.

Risk Management

The Company is exposed to risks from market fluctuations of foreign exchange, commodity prices, business risk etc. The risks outlined below are not exhaustive and for information only. The Board and the Audit Committee periodically review the risk management procedures.

Foreign Exchange Risk

The Company exposed to volatility in the Exchange Rate. The Company makes payment in foreign currency for import of machinery and other item including raw materials. Considering the nature of business of the Company, except by way of hedge may not be available to the Company and hence the volatility in foreign currency rates is consistently addressed by ensuring adequate cover by way forward contract. The Company does not deal in derivate transaction as a matter of policy.

Commodity Price Rise

The Company is exposed to the risk of price fluctuation on raw materials as well as finished goods in its entire product. The Company manages these risks in input their inventory management, input through buyer credit etc. However impact on price risk on finished goods is minimal due to its brand image and marketing network.

Business Risks

The Company developed new products to meet the growing demand and customers need. Although the competition in the market may be increasing, your Company is able to control the same by strategic planning and improved manufacturing process. Besides continues R&D activities undertaken by the Company contribute to minimization of the risk.

Risk Element in Individual Business

Apart from the risks on account of foreign exchange and commodity price, both the business of the Company are exposed to certain operating business risk, which are managed by regular monitoring and collective actions.

The identified risk are reviewed and evaluated on continues basis and suitable strategies are framed 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.

Environment & Safety

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires the conduct of all operations in such manner so as to ensure safety of all concerned compliance of statutory and industrial requirements for environment protection and conservation of natural resources to the extent possible.

Human Resource

We believe that people are the backbone of the organization and hence we lay great emphasis on optimizing their performance. The Company provides employees with a fair and equitable work environment and support from the peers to develop their capabilities. The Company strongly believes that its team of capable and committed manpower, which is its core strength, is the key factor behind all achievements and trusting them with the freedom to act and to take responsibility success. Occupational health and safety are given the utmost importance in the Company. The relationship between the Company and the employees were cordial and the Company experienced peace and harmony through out the year.

DIRECTORS

Shri Rasiklal M. Doshi retires by rotation and being eligible, offers himself for reappointment at the ensuing Annual General Meeting. Brief resume of Shri Rasiklal M. Doshi and nature of his experience is given in the Section on Notice elsewhere in the Annual Report.

DIRECTORS' RESPONSIBILITY STATEMENT

As stipulated in Section 217(2AA) of the Companies Act, 1956, the Board of Directors of the Company hereby state and confirm that :

- I. In the preparation of the annual accounts for the year ended March 31, 2011, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there has been no material departure;
- II. 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, 2011 and of the profit of the Company for the year ended on that date;
- III. The Directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956. They confirm that there are adequate system and control for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- IV. Directors have prepared the Annual Accounts on a going concern basis.

AUDITORS & AUDITOR'S REPORT

M/s. G.P. Kapadia & Co., Chartered Accountants, Mumbai, Statutory Auditors of the Company, holds office until the conclusion of the ensuing Annual General Meeting and are eligible for reappointment.

The Company has received letter from them to the effect that their reappointment, if made, would be within the limits prescribed under Section 224(1B) of the Companies Act, 1956 and that they are not disqualified for such reappointment within the meaning of the Section 226 of the said Act.

The observations made in the Auditors' Report, read together with the relevant notes thereon are self-explanatory and hence, do not call for any comments under section 217 of the Companies Act, 1956.

PARTICULARS OF EMPLOYEES

The Company does not have any employee drawing remuneration as stipulated under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

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

Additional information given as required under the Companies (Disclosures of Particulars in the report of Board of Directors) Rules, 1988.

ENERGY CONSERVATION

The Company continues to emphasize on energy conservation at the stage of selections of plant, equipment to optimize energy consumption and by installing necessary power saving equipments.

Energy cost is one of important cost of operation and all necessary steps are taken to achieve better energy and avoid wastage of energy.

RESEARCH & DEVELOPMENT

The Company has in-house design department to develop new and innovative product and improving existing products. The designed department is directly working in the supervision and guidance of the Managing Director. The Company further plans to develop and introduce new range of products in the current year.

TECHNICAL ABSORPTION, ADAPTATION & INNOVATION

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 in new technology upgraded machines & moulds.

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

II. 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 products are well established in the exports market and repeated orders are received year after years from its existing foreign clients. The Company has won 12 top export awards from "PLEXCONCIL" of India in last 14 years, during the year, the Company has exported worth Rs. 870.46 lacs (Rs.794.94 lacs last year) which itself speaks of its performance on export front.

2) Total foreign exchange used and earned.

(Rs.)

	2010-2011	2009-2010
Foreign Exchange earned (FOB) – (Finished Goods)	77,849,953	72,746,223
Foreign Exchange earned (Capital Goods)	NIL	5,17,000
Foreign Exchange used	69,285,899	65,439,668

FIXED DEPOSITS

The Company has not accepted any Fixed Deposit covered under Section 58A of the Companies Act, 1956 from the Members or the Public during the year.

CORPORATE GOVERNANCE

The Report on Corporate Governance as stipulated under Clause 49 of the Listing Agreement forms part of the Annual Report.

The requisite Certificate from the Auditors of the Company confirming compliance with the conditions of Corporate Governance as stipulated under the aforesaid Clause 49, is attached to this Report.

ACKNOWLEDGEMENT

The Directors thank the Company's customers, vendors, investors and banks for their support to the Company.

The Directors also thanks the Governments of other countries, Government of India, State Governments in India and concerned Government Departments/Agencies for their co-operation.

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

Mumbai,
May 30, 2011

Bhaskar M Parekh
Chairman

CORPORATE GOVERNANCE

(a) Company's Philosophy

Statement on Company's philosophy on Corporate Governance.

Corporate Governance helps to serve corporate purposes by providing a framework within which stakeholders can pursue the objectives of the organization most effectively. Corporate governance signifies acceptance by management of the inalienable rights of shareholders as the true owners of the organization and of their own role as trustees on behalf of the shareholders. Corporate governance is a journey for constantly improving sustainable value creation and is an upward moving target.

Corporate Governance essentially is a set of standards, which aims to improve the Company's efficiency, effectiveness and social responsibility. The concept emphasizes on transparency, accountability, independence and integrity of the management, with focus on public interest in particular.

The Company's Corporate Governance philosophy encompasses not only regulatory and legal requirements, such as the terms of listing agreement with stock exchanges, but also several voluntary practices at a superior level of business ethics, effective supervision and enhancement of shareholders' value.

It is our endeavour to achieve higher standards and provide oversight and guidance to management in strategy implementation, the Company has adopted a Code of Conduct for its employees including the Managing Director and the Non Executive Directors. The Company's corporate governance philosophy has been further strengthened through the Business Excellence Model, the Code of Conduct for Prevention of Insider Trading and Risk Management.

The Company believes that timely disclosures, transparent accounting policies and a strong and independent Board go a long way in protecting shareholders trust while maximizing long-term corporate value.

Observance of the Secretarial Standards issued by the Institute of Company Secretaries of India:

The Institute of Company Secretaries of India (ICSI), one of the premier professional bodies in India, has issued Secretarial Standards on important aspects like Board meetings, General meetings, Payment of Dividend, Maintenance of Registers and Records, Minutes of Meetings, Transmission of Shares and Debentures, Passing of Resolutions by Circulation, Affixing of Common Seal, Forfeiture of Shares and Board's Report. Although these standards are recommendatory in nature, the Company substantially adheres to the standards voluntarily.

(b) Board of Directors

Composition

The Company's policy is to maintain optimum combination of Executive and Non-Executive Directors. Majorities of the Board, 3 out of 5, are independent directors. All Independent Directors are persons of eminence and bring a wide range of expertise and experience to the Board thereby ensuring the best interest of stakeholders and the Company.

All the independent Directors of the Company furnish a declaration at the time of their appointment as also annually that they qualify the conditions of their being independent. All such declarations are place before the Board.

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. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2011 have been made by the Directors.

Board Meetings

The Board critically evaluates strategic direction of the Company, management policies and their effectiveness. The agenda for Board reviews include strategic review from each of the Board committees, a detailed analysis and review of annual strategic and operating plans and capital allocation and budgets. Frequent and detailed interaction sets the agenda and provides the strategic roadmap for the future growth of the Company.

A. Institutionalised decision making process

The Board of Directors oversees the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, Management policies and their effectiveness and ensures that the long term interests of the stakeholders are being served. The Chairman and Managing Director are assisted by the Senior Managerial Personnel in overseeing the functional matters of the Company.

The Board has constituted 5 Standing Committees, namely Audit Committee, Investors' Grievances Committee, Remuneration Committee, Management Committee and Share Transfer Committee. The Board may constitutes additional functional committees, from time to time, depending on these business needs.

B. Scheduling and selection of Agenda Items for Board Meetings.

The Company has defined guidelines and established framework for the meetings of the Board and Board Committees. These guidelines seek to systematize the decision-making process at the meeting of the Board and Board Committees in an informed and efficient manner.

A minimum of four Board Meetings are held every year. Dates for the Board Meetings in the ensuing quarter are decided well in advance and communicated to the Directors. Additional meetings of the Board are held when deemed necessary to address the specific needs of the Company. In case of business exigencies or urgency of matters, resolutions are passed by circular meeting.

The meetings of the Board are generally held at Mumbai and are scheduled well in advance. The Board Agenda is circulated to the Directors in advance.

C. Distribution of Board Agenda Material.

Agenda and Notes on Agenda are circulated to the Directors, in advance, in the defined Agenda format. All material information is incorporated in the Agenda papers for facilitating meaningful and focused discussions at the meeting. Where it is not practicable to attach any document to the Agenda, the same is tabled before the meeting with specific reference to this effect in the Agenda. In special and exceptional circumstances, additional or supplementary item(s) on the Agenda are considered.

D. Recording Minutes of proceedings at Board and Committee Meetings.

The Company records the minutes of the proceedings of each Board and Committee meeting. Draft minutes are circulated to all the members of the Board/Committee for their comments. The final minutes are entered in the Minutes Book within 30 days from conclusion of the meeting and are signed by the Chairman of the meeting/Chairman of the next meeting.

E. Post Meeting Follow-up Mechanism.

The Company has an effective post meeting follow up, review and reporting process mechanism for the decisions taken by the Board/Committees. The important decisions taken at the Board/Committee meetings are communicated to the concerned Functional Heads promptly. Action Taken Report on decisions of the previous meeting(s) is placed at the immediately succeeding meeting of the Board/Committee for noting by the Board/Committee members.

During the year under review, four Board Meetings of Directors were held on:
May 29, 2010, August 06, 2010, November 11, 2010 & February 05, 2011.

Board's Responsibilities.

The Board's mandate is to oversee the Company's strategic direction, review and monitor performance, ensure regulatory compliance and safeguard the interests of stakeholders.

Role of Independent Directors.

For a Director to be considered independent, the Board determines that the Director does not have any direct or indirect material pecuniary relationship with the Company. The Board has adopted guidelines which are in line with the applicable legal requirements.

Lead Independent Director.

The Company has Independent Directors. The role of Independent Directors are as follows:

- To ensure that there is adequate and timely flow of information to independent Directors.
- To liaise between the Chairman & Managing Director, the Management and the independent Directors.
- To advise on the necessity of retention or otherwise of consultants who report directly to the Board or the Independent Directors.
- To preside over meetings of the Board and Shareholders when the Chairman & Managing Director is not present or where he is an interested party.
- To perform such other duties as may be delegated to the Independent Directors by the Board / Independent Directors.

Constitution of Board of Directors and Related Information.

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 outside directorship(s) held		No. of outside Committee Position(s) held	
		Public	Private	Chairman	Member
Shri Bhaskar M. Parekh	Executive Chairman	Nil	Nil	Nil	Nil
Shri Dilip M. Parekh	Managing Director	Nil	Nil	Nil	Nil
Shri Mulchand S. Chheda	Independent Non-Executive Director	1	4	Nil	Nil
Shri Rasiklal M. Doshi	Independent Non-Executive Director	Nil	6	Nil	Nil
Shri Krishnakant V. Chitalia	Independent Non-Executive Director	1	Nil	1	Nil

Name	Category	No. of Board Meetings during the year 2010-11		Attendance at last AGM
		Held	Attended	
Shri Bhaskar M. Parekh	Executive Chairman	4	4	Present
Shri Dilip M. Parekh	Managing Director	4	3	Present
Shri Mulchand S. Chheda	Independent Non-Executive Director	4	4	Present
Shri Rasiklal M. Doshi	Independent Non-Executive Director	4	3	Present
Shri Krishnakant V. Chitalia	Independent Non-Executive Director	4	3	Present

Shareholdings of Non-Executive Directors as on March 31, 2011 are as under:

Name	No. of Ordinary Shares held	% of Paid-up Capital
Mr. Krishnakant V. Chitalia	5,295	0.05
Mr. Mulchand S. Chheda	0	0.00
Mr. Rasiklal M. Doshi	6,000	0.06

Details of Director(s):

In compliance with Clause 49 IV (G) of Listing Agreement, brief resume, expertise and details of other directorships, membership in committees of directors of other companies and shareholding in the Company of the Directors proposed to be reappointed are attached along with the Notice to the ensuing Annual General Meeting.

Code of Conduct

The Board has laid down a Code of Conduct for all Board members and senior management of the Company.

The Code of Business Conduct and Ethics for Directors and management personnel ('the Code'), as recommended by the Corporate Governance and Stakeholders' Interface Committee and adopted by the Board, is a comprehensive Code applicable to all Directors and management personnel. The Code while laying down, in detail, the standards of business conduct, ethics and governance, centers around the following theme:

"The Company's Board of Directors and Management Personnel are responsible for and are committed to setting the standards of conduct contained in this Code and for updating these standards, as appropriate, to ensure their continuing relevance, effectiveness and responsiveness to the needs of local and international investors and all other stakeholders as also to reflect corporate, legal and regulatory developments. The Code should be adhered to in letter and in spirit.

All Board members and senior management personnel have affirmed compliance with the Code on an annual basis.

Audit Committee**Composition**

- (i) The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 292A of the Companies Act, 1956.
- (ii) The Terms of reference of the Audit Committee are broadly as under:
 - Overview of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statements reflect a true and fair position and that sufficient and credible information are disclosed.
 - Recommending the appointment and removal of auditors, fixation of audit fee and also approval for payment for any other services.

- Discussion with the auditors before the audit commences, of the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
 - Reviewing the financial statements and draft audit report, including the quarterly/half-yearly financial information.
 - Reviewing with the management the annual financial statements before submission to the Board, focusing primarily on:
 - Any change in accounting policies and practices;
 - Major accounting entries based on exercise of judgment by management;
 - Qualifications in draft audit report;
 - Significant adjustments arising out of audit;
 - The going concern assumption;
 - Compliance with accounting standards;
 - Compliance with stock exchange and legal requirements concerning financial statements;
 - Any related party transactions as per Accounting Standard 18.
 - Reviewing the Company's financial and risk management policies.
 - Disclosure of contingent liabilities.
 - Reviewing with the management, external auditors, the adequacy of internal control systems.
 - Discussion with auditors of any significant findings and follow-up thereon.
 - Reviewing the findings of any internal investigations by the auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - Looking into the reasons for substantial defaults in payments to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 - Reviewing compliances as regards the Company's Whistle Blower Policy.
- (iii) The Audit Committee invites such of the executives, as it considers appropriate (particularly the head of the finance function), representatives of the Statutory Auditors to be present at its meetings.
- (iv) The previous Annual General Meeting of the Company was held on August 28, 2010 and was attended by Chairman of the Audit Committee.
- (v) The dates on which the said meetings were held are as follows:
May 29, 2010, August 05, 2010, November 11, 2010 and February 05, 2011.
- (vi) The composition of the Audit Committee and the details of meetings attended by its members as given below:

Name	Category	Number of Meetings during the year 2010-11	
		Held	Attended
Shri Krishnakant V. Chitalia (Chairman)	Independent Director	4	4
Shri Mulchand S. Chheda	Independent Director	4	4
Shri Dilip M. Parekh	Managing Director	4	3

Remuneration Committee

- (i) The Company has a Remuneration Committee of Directors.
- (ii) The Broad terms of reference of the Remuneration Committee are as under:
- To approve the annual remuneration plan of the Company;
 - To approve the remuneration and commission/incentive remuneration payable to the Managing Director for each financial year;
 - Such other matters as the Board may from time to time request the Remuneration Committee to examine and recommend/approve.
- (iii) Remuneration Policy:
The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to its Managing Director and the Executive Directors. Annual increments are decided by the Remuneration Committee within the salary scale approved by the members. The Remuneration Committee decides on

the commission payable to the Managing Director and the Executive Directors out of the profits for the financial year and within the ceilings prescribed under the Companies Act, 1956, based on the performance of the Company as well as that of the Managing Director and each Executive Director.

- (iv) Meeting of the Remuneration Committee was held during the year on May 28, 2010.
- (v) The Company does not have any Employee Stock Option Scheme.
- (vi) The Composition of the Remuneration Committee and the details of meetings attended by its members are given below:

Name	Category	Number of Meetings during the year 2010-11	
		Held	Attended
Shri Krishnakant V. Chitalia (Chairman)	Independent Director	1	1
Shri Mulchand S. Chheda	Independent Director	1	1
Shri Rasiklal M. Doshi	Independent Director	1	1

Details of Remuneration paid to Whole-Time Director(s) / Managing Director.

(Rs.)

Name	Salary	Allowances & Perquisites	Contribution to PF	Total
Shri Bhaskar M. Parekh(Executive Chairman)	1,070,000	705,000	57,600	1,832,600
Shri Dilip M. Parekh(Managing Director)	1,055,000	705,000	55,200	1,815,200

Details of Remuneration paid to Independent Directors.

(Rs.)

Name	Total Sitting Fees Paid
Shri Krishnakant V. Chitalia	20,000
Shri Mulchand S. Chheda	27,500
Shri Rasiklal M. Doshi	20,000

Investors' Grievances Committee

Composition

- (i) The Board has constituted a Committee of Directors, which inter-alias also functions as "Shareholders'/Investors' Grievance Committee" consisting of three members, chaired by Independent Director.
- (ii) The Committee meets once in three month and inter-alias, deals with various matters relating to:
- approval of transfer of shares/debentures and issue of duplicate/split/consolidation/sub-division of share/debenture certificates,
 - to fix record date/book closure of share/debenture transfer book of the Company from time to time.
 - To carry out any other duties that may be delegated to the Committee by the Board of Directors from time to time.
- (iii) The Secretarial Department of the Company and the Registrar and Share Transfer Agent, Bigshare Services Pvt. Limited attend all grievances of the shareholders and investors received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs and Registrar of Companies etc.
- (iv) The Minutes of the Shareholders'/Investors' Grievances Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings.
- (v) 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.
- (vi) Four Investors' Grievances Committee Meetings were held during the year. The dates on which the said meetings were held are as follows:

May 28, 2010, August 05, 2010, November 11, 2010 and February 05, 2011

(vii) The composition of the Committee of Directors and the attendance during 2010-11 is as under:

Name	Category	Number of Meetings during the year 2010-11	
		Held	Attended
Shri Bhaskar M. Parekh (Chairman)	Executive Chairman	4	4
Shri Mulchand S. Chheda	Independent Director	4	4
Shri Dilip M. Parekh	Managing Director	4	3

Name of the Compliance Officer

Mr. Jayant B. Bhatt is the Compliance Officer in terms of Clause 47 of the Listing Agreement.

The Company has also taken compliance certificate on quarterly basis from a Company Secretary in whole time practice.

Investors' Service

Details of complaints regarding shares for the year 2010-2011.

Nature of Complaint	Number of complaints received	Number redressed
Non-receipt of Dividend	8	8
Non-receipt of Annual Report	6	6
TOTAL	14	14

There were no outstanding complaints as on March 31, 2011

Management Committee

Composition

- (i) In addition to the above 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 availment of various facility from Banks/Financial Institution;
 - To grant authority to execute and sign foreign exchange contracts and derivative transactions;
 - To carry out any other duties that may be delegated to the Committee by the Board of Directors from time to time.
- (ii) During the year under review, five meetings of the Committee were held on June 14, 2010, October 11, 2010, October 25, 2010, November 08, 2010 & February 28, 2011.
- (iii) The Composition and attendance details are given below:

Name	Category	Number of Meetings during the year 2010-11	
		Held	Attended
Shri Bhaskar M. Parekh(Chairman)	Executive Chairman	5	5
Shri Dilip M. Parekh	Managing Director	5	5
Shri Mulchand S. Chheda	Independent Director	5	5

General Body Meetings:

Date, time and venue of the last three Annual General Meetings (AGM).

Financial year (ended)	Name of Meetings	Date & Time	Venue
March 31, 2008	Fourteenth Annual General Meeting.	September 20, 2008 10.30 a.m.	Hotel Sandy Resorts, Daman.
March 31, 2009	Fifteenth Annual General Meeting.	September 05, 2009 10.30 a.m.	Hotel Sandy Resorts, Daman.
March 31, 2010	Sixteenth Annual General Meeting	August 28, 2010 10.30 a.m.	Hotel Sandy Resorts, Daman.

SPECIAL RESOLUTION PASSED IN PREVIOUS THREE ANNUAL GENERAL MEETINGS (AGMs).

Date of AGM	Details of Special Resolution
September 20, 2008.	None
September 05, 2009.	To appoint a relative of director at an office or place of profit u/s 314(IB)
August 28, 2010	None

Passing of resolution by Postal Ballot:

No Postal Ballot was conducted during the year 2010-11.

No item of business, which required the Members approval through Postal Ballot was transacted during 2010-2011 Accordingly, the Companies (Postal Ballot) Rules 2001 is not applicable to the Company during the said year.

(c) Disclosure:**Related Party Transaction.**

The Company follows the following policy in disclosing the related party transactions to the Audit Committee.

- A statement in summary form of transactions with related parties in the ordinary course of business is placed periodically before the Audit Committee.
- Details of material individual transactions with related parties, which are not in the normal course of business, if any, are placed before the Audit Committee.
- Details of material individual transactions with related parties or others, which are not on an arm's length basis, if any, are placed before the Audit Committee, together with Management's justification for the same.
- Transactions with related parties entered in the ordinary course of business have been disclosed in Note 12 of the Notes to accounts of Schedule 23 to the Accounts of the Company as at March 31, 2011.
- There is no materially significant transactions made by the Company with its promoters, Directors or Management, their subsidiaries or relatives etc. that may have potential conflict with the interest of the Company at large.

Disclosure of Accounting Treatment.

In the preparation of the financial statements, the Company has followed the accounting standards referred to in sections 211(3) (c) of the Companies Act 1956. The significant accounting policies which are consistently applied are set out in the Schedule 22 forming part of Accounts.

Insider Trading

The Company has comprehensive guidelines in accordance with the SEBI Regulations in this regard, which advise and caution the Directors, Management and Executives on the procedures to be followed, whilst dealing with the securities of the Company. The Insider Trading Code framed by the Company helps in ensuring compliance with these requirements. These guidelines were modified during the year, in terms of the SEBI Notification No.LAD-NRO/GN/2008/29/44801 dated November 19, 2008.

Risk Management

Business risk evaluation and management is an ongoing process within the Company. During the year under review, a detailed exercise on 'Risk Assessment and Management' was carried out covering the entire gamut of business operations and the Board was informed of the same.

Details of non-compliance

The Company has complied with all requirements of the Listing Agreements entered into with the Stock Exchanges as well as the 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.

Compliance of Non-Mandatory requirements

Adoption of non-mandatory requirements of Clause 49 of the Listing Agreement has been reviewed by the Board from time to time.

The Company has implemented the following non-mandatory requirements recommended by Clause 49 of the Listing Agreement.

1. Remuneration Committee

The Remuneration Committee comprising three Non-Executive Directors is already functional, for review and decisions on the Remuneration package of the Whole Time Directors.

2. Financial Results

Financial results as published in the newspapers are made available to the members on request. These results are also sent by email to those members who have provided their email ID to the Company.

3. Whistle Blower Policy

The Company has a dedicated email ID addressed to the Managing Director for enabling the employees to represent concerns about unethical practice, fraud or violation of the Company's code of business practice. This medium provides sufficient safeguards against victimization of employees who report such matters.

Means of Communication:

1. Quarterly Results

The Board of Directors of the Company approves and takes on record the quarterly, half yearly and yearly financial results in the Proforma prescribed by Clause 41 of the Listing Agreement within one month of the close of the respective period.

The approved financial results are forthwith sent to the Listed Stock Exchanges and are published in a national English newspaper. In addition, the same are published in local language (Gujarathi) newspaper, within forty eight hours of approval thereof. Presently the same are not sent to the shareholders separately.

The Company's financial results, official news released are displayed and other corporate governance on the Company's Website www.primaplastics.com

3. Annual Report

Annual Report containing, inter alia, Audited Annual Accounts, Directors' Report, Auditors' Report and other important information is circulated to members and other entitled thereto. The Management Discussion and Analysis (MD&A) report forms part of the Annual Report

4. Chairman is Communique

Printed copy of the Chairman's Speech is distributed to all the shareholders at the Annual General Meeting.

5. Designated Exclusive email-id

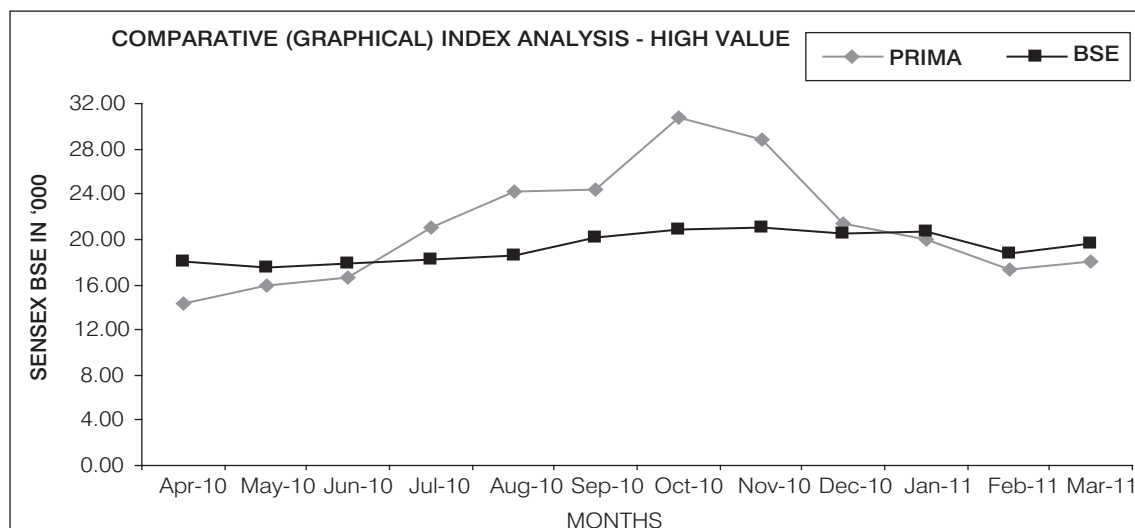
The Company has designated the following email-id exclusively for investor servicing. For Annual Report and other queries – investor@primaplastics.com.

General Shareholders' Information

1.	Date, Time & Venue of AGM	September 10, 2011 at 10.30 a.m. at Sandy Resorts, Devka Beach, Nani Daman, Daman (U.T.), Pin - 396 210.
2.	Financial Calendar:	
	Financial Year	April 01, 2011 to March 31, 2012.
	First Quarter Results	By 15th of August 2011.
	Second Quarter Results	By 15th of November, 2011.
	Third Quarter Results	By 15th of February, 2012.
	Year Ended March 31, 2012	By 31st of May, 2012.
3.	Book Closure	The Register of Members will remain closed for transfer from September 05, 2011 to September 10, 2011(inclusive of both days).
4.	Name & Address of Registrar & Transfer Agent	M/s. Bigshare Services Pvt. Ltd., E-2, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai – 400 072.
5.	Dividend Payment date	Paid on or after September 15, 2011.
6.	Registered Office Address	98/4, Prima House, Daman Industrial Estate, Kadaiya, Nani Daman, Daman (U.T.) Pin. - 396 210.
7.	Listing	The Company's shares are listed and traded on the Stock Exchange, Mumbai.
8.	Stock Code:	
	Stock Exchange of Mumbai.	530589
9.	ISIN No.(Demat No.):	
	NSDL & CDSL.	INE573B01016

Market Price Data of Prima: High each month during last financial year.

Month	April-10	May-10	June-10	July-10	Aug.-10	Sept.-10	Oct.-10	Nov.-10	Dec.-10	Jan.-11	Feb.-11	Mar.-11
High	14.38	16.00	16.70	21.00	24.20	24.40	30.70	28.80	21.45	20.00	17.25	18.00
Low	12.61	12.40	14.30	13.50	19.05	19.00	20.50	19.15	17.10	14.65	13.00	11.05



Distribution of Shareholding by ownership, March 31, 2011

Category			No. of Shares	% of
			Held	Shareholding
A		Promoter's holding		
	a)	Indian Promoters	5,167,030	46.97
	b)	Persons acting in concert.	1,311,613	11.92
		Sub-Total	6,478,643	58.89
B	(i)	Non-Promoters Holding		
	a)	Mutual Funds and UTI	2,300	0.02
	b)	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-Government Inst.)		
		Sub-Total	2,300	0.02
	(ii)	Others		
	a)	Private Corporate Bodies	354,195	3.22
	b)	Indian Public	3,716,208	33.79
	c)	NRIs. / OCBs.	449,124	4.08
		Sub-Total	4,519,527	41.09
		Grand Total	11,000,470	100.00

Distribution of Shareholding by size, March 31, 2011

Number of Shares		Number of Shareholders	Shareholders %	Number of Shares held	Shareholding %
1	500	4595	85.06	759,166	6.90
501	1000	396	7.33	344,328	3.13
1001	2000	176	3.26	271,079	2.46
2001	3000	99	1.83	254,387	2.31
3001	4000	24	0.45	85,502	0.78
4001	5000	24	0.44	114,171	1.04
5001	10000	43	0.80	308,952	2.81
10001 and above		45	0.83	8,862,885	80.57
TOTAL		5,402	100.00	11,000,470	100.00

As on March 31, 2011, Shares held in physical and dematerialised form.

Physical	654,335	5.95%
Dematerialised	10,346,135	94.05%
Total	11,000,470	100.00%

Plant Locations:

The Company's two manufacturing units for moulded furniture are located at Daman, (U.T.) and Kerala and manufacturing unit for Aluminium Composite Panel is located at Daman.

Address for Correspondence:**1. Investors can communicate at the following address:**

Mr. Jayant B. Bhatt – Compliance Officer,

M/s. Prima Plastics Limited, 41, National House, Saki-Vihar Road, Andheri (E), Mumbai – 400 072.

Tel. No.+ 91 22 - 2857 4768 / 2857 4769 * Fax No. + 91 22 - 2857 2859 * E-mail: investor@primaplastics.com

2. M/s. Bigshare Services Pvt. Ltd.,

Unit : Prima Plastics Limited,

E-2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai – 400 072.

Tel.No.+ 91 22 - 2847 0652/40430200 * Fax No.+ 91 22 - 2847 5207 * E-mail: info@bigshareonline.com
* Website: www.bigshareonline.com

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

Share Transfer System:

The transfer of shares in physical form is processed and completed by Registrar & Transfer Agent within a period of fifteen days from the date of receipt thereof provided all the documents are in order. In case of shares in electronic form the transfers are processed by NSDL/CDSL through respective Depository Participants. In compliance with the Listing Agreement with the Stock Exchanges, a Practicing Company Secretary carries out audit of the System of Transfer and a certificate to that effect is issued.

CEO/CFO Certification:

The Managing Director of the Company give annual certification on financial reporting and internal controls to the Board in terms of Clause 49. The Managing Director also give quarterly certification on financial results while placing the financial results before the Board in the terms of Clause 41.

For and on behalf of the Board

Mumbai
May 30, 2011

Bhaskar M. Parekh
Chairman

CERTIFICATION BY CEO/CFO UNDER CLAUSE 49 V OF THE LISTING AGREEMENT

The Board of Directors of Prima Plastics Ltd.

I have reviewed the financial statements and the cash flow statement of Prima Plastics Ltd. for the year ended 31st March, 2011 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 violative of the Company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I 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 I am aware and the steps I have taken or propose to take for rectifying these deficiencies.
- (d) I have indicated to the Auditors and the Audit Committee:
 - (i) significant changes in internal control over financial reporting during the year;
 - (ii) significant changes in accounting policies made during the year and the same have been disclosed in the notes to the financial statements; and
 - (iii) instances of significant fraud of which have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

For Prima Plastics Ltd.

Mumbai
May 23, 2011

Dilip M. Parekh
Managing Director

Certificate on Corporate Governance

To the Shareholders of Prima Plastics Limited

1. We have examined the compliance of conditions of corporate governance by Prima Plastics Limited, for the year ended on March 31, 2011 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange in India.
2. The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
4. We 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.

For **G.P. Kapadia & Co.**
Chartered Accountants

Kirit N. Mehta
Partner
M No.15759

Mumbai
May 30, 2011

AUDITORS' REPORT

To,

**The Members of
Prima Plastics Limited**

We have audited the attached Balance Sheet of PRIMA PLASTICS LIMITED ("the Company") as at March 31, 2011, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

As required by the Companies (Auditor's Report) Order, 2003 (CARO) issued by the Central Government in terms of Section 227(4A) of the Companies Act, 1956, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said Order.

Further to our comments in the Annexure referred to in paragraph 3 above, we that:

- i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii. 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;
- iii. the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- iv. in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956
- v. in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2011;
 - (b) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date;
 - (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date
- vi. On the basis of the written representations received from the Directors as on March 31, 2011 taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2011 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.:

For **G.P. Kapadia & Co.**
Chartered Accountants
Firm Regn.No.104768W

Mumbai
May 30, 2011

Kirit N. Mehta
Partner
M. No.15759

ANNEXURE TO THE AUDITOR'S REPORT

Referred to in paragraph 3 of our Report of even date on the accounts of Prima Plastics Limited for the year ended March 31, 2011:

1. In respect of its fixed assets:
 - (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - (b) As explained to us, some of the fixed assets have been physically verified by the Management at reasonable intervals having regard to size of the Company and nature of its assets and no material discrepancies have been noticed during such verification.
 - (c) In our opinion the disposal of fixed assets during the year does not affect the going concern assumption.
2. In respect of its inventories:
 - (a) As explained to us, inventories were physically verified during the year by the Management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures followed for physical verification of inventories, by the management, are reasonable and adequate, in relation to the size of the Company and the nature of its business
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories. As explained to us, there is no material discrepancies noticed on physical verification of inventory, as compared to book records.
3. In respect of loans, secured or unsecured, granted or taken by the Company to / from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
 - (a) The Company has granted loan to Prima Global FZE, UAE Company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.11,17,167/- and the year-end balance of loans granted to such parties was Rs.11,17,167/-
 - (b) In our opinion, the rate of interest and other terms and conditions of such loans are not, prima facie, prejudicial to the interest of the Company.
 - (c) The party have repaid the principal amounts as stipulated and have also been regular in the payment of interest to the Company.
 - (d) There is no overdue amount in excess of Rs. 1 lakh in respect of loans granted to Company, listed in the register maintained under section 301 of the Companies Act, 1956.
 - (e) The Company had not taken loan from parties covered in the register maintained under section 301 of the Companies Act, 1956.
Accordingly clauses (iii) (f) to (iii) (g) of CARO are not applicable.
4. In our opinion and according to the information given to us, there are adequate internal control procedures, commensurate to the size of the Company and nature of its business, for the purchase of inventory and fixed assets and for sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls.
5.
 - (a) According to the information and explanations given to us, the transactions that needs to be entered in the register maintained under Section 301 of the Companies Act, 1956, have been so entered.
 - (b) According to the information and explanations given to us, the transactions entered in the register maintained under Section 301 are at market prices for such goods and materials or the prices at which transactions for similar goods have been made with other parties
6. The Company has not accepted any deposit from the public to which the provisions of sections 58A and 58AA of Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules, 1975 apply..
7. The Company needs to strengthen Internal Audit system commensurate to the size of the Company and nature of the business.
8. According to the information & explanation given to us, and based on primary verification of records the Company has maintained cost records under Section 209 (1) (d) of the Companies Act, 1956, However we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.
9. According to the information and explanations given to us in respect of statutory dues

- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Value Added Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2011 for a period of more than six months from the date they became payable.
10. In our opinion and according to the information and explanations given to us, the Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to financial institutions, banks.
12. In our opinion and according to the information and explanations given to us and based on our examination of records, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of transactions and contracts for dealing or trading in shares, securities, debentures and other investments and timely entries have been made therein. The shares, securities, debentures and other securities have been held by the Company in its own name.
15. In our opinion and according to the information and explanations given to us and based on our examination of records, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. In our opinion and according to the information and explanations given to us, the Company did not have any term loan outstanding during the year.
17. In our opinion and according to the information and explanations given to us and based on our examination of records, we report that no funds raised on short-term basis have been used for long term investments.
18. In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and companies covered in the register maintained under Section 301 of the Act.
19. In our opinion and according to the information and explanations given to us, the Company has not issued debenture during the year.
20. In our opinion and according to the information and explanations given to us, the Company has not raised any money by public issue during the year.
21. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year nor have we been informed of such case by the management.

For **G.P. Kapadia & Co.**
Chartered Accountant
Firm Regn. No.104768W

Kirit N. Mehta
Partner
M. No.15759

Mumbai
May 30, 2011

BALANCE SHEET AS AT MARCH 31, 2011

	Schedule	As At 31-03-2011 Rs.	As At 31-03-2010 Rs.
I. SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	110,004,700	110,004,700
Reserves & Surplus	2	<u>273,351,277</u>	<u>259,902,118</u>
		383,355,977	369,906,818
Loan Funds			
Secured Loans	3	33,928,301	17,178,327
Unsecured Loans	4	<u>11,957,678</u>	<u>10,244,288</u>
		45,885,979	27,422,615
TOTAL		<u>429,241,956</u>	<u>397,329,433</u>
II. APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	397,095,154	378,022,076
Less : Depreciation		<u>264,462,170</u>	<u>249,178,716</u>
Net Block		132,632,984	128,843,360
Capital Work-in-Progress		<u>1,649,462</u>	<u>3,260,992</u>
		134,282,446	132,104,352
Investments	6	22,563,384	23,222,627
Current Assets, Loans & Advances			
Inventories	7	136,488,953	153,161,513
Sundry Debtors	8	121,727,304	124,656,039
Cash & Bank Balances	9	20,882,411	14,985,431
Loans & Advances	10	<u>68,858,646</u>	<u>49,112,064</u>
		347,957,314	341,915,047
Less : Current Liabilities & Provisions			
Current Liabilities	11	55,945,718	80,743,123
Provisions	12	<u>19,615,470</u>	<u>19,169,470</u>
Net Current Assets		<u>272,396,126</u>	<u>242,002,454</u>
TOTAL		<u>429,241,956</u>	<u>397,329,433</u>
Significant Accounting Policies and Notes forming part of the Accounts	22 & 23		

As per our Report of even date attached

For and on behalf of the Board

For G. P. Kapadia & Co.
Chartered Accountants

Bhaskar M. Parekh
Chairman

Kirit N. Mehta
Partner
Membership No.15759
Mumbai,
May 30, 2011

Krishnakant V. Chitalia
Director

PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

	Schedule	For the year ended 31-03-2011 Rs.	For the year ended 31-03-2010 Rs.
INCOME			
Sales(Net)	13	588,103,745	502,652,422
Interest & Dividend	14	12,207,584	4,049,858
Other Incomes	15	5,143,300	5,764,718
Increase/(Decrease) in Stock	16	(15,617,068)	40,342,329
Total		589,837,561	552,809,327
EXPENDITURE			
Cost of Materials	17	370,074,586	326,468,271
Trading Purchases		18,872,001	24,285,169
Operating and Other Expenses	18	93,866,444	101,078,252
Employees' Emoluments and Benefits	19	29,747,144	25,297,006
Selling and Distribution Expenses	20	21,434,157	18,107,580
Interest & Financial Expenses	21	6,925,237	5,556,556
Depreciation	5	15,852,833	15,462,179
Total		556,772,402	516,255,013
PROFIT			
Profit for the year before exceptional item		33,065,159	36,554,314
Exceptional item		NIL	NIL
Profit before tax		33,065,159	36,554,314
Provision For Tax – Income Tax		6,788,530	6,300,000
Net Profit after Tax		26,276,629	30,254,314
Balance of Profit brought forward		171,165,832	158,780,988
Profit available for appropriations		197,442,461	189,035,302
Appropriations			
Proposed Dividend		11,000,470	11,000,470
Tax on Dividend		1,827,000	1,869,000
Transfer to General Reserves		5,000,000	5,000,000
Balance carried to Balance Sheet		179,614,991	171,165,832
Total		197,442,461	189,035,302
Earning per share (equity share of Rs.10/- each) (Refer Notes to Accounts No.14)			
Basic and Diluted Earnings per share including exceptional items		2.39	2.75
Basic and Diluted Earnings per share excluding exceptional items		2.39	2.75
Significant Accounting Policies and Notes forming part of the Accounts	22 & 23		

As per our Report of even date attached

For and on behalf of the Board

For G. P. Kapadia & Co.
Chartered Accountants

Bhaskar M. Parekh
Chairman

Kirit N. Mehta
Partner
Membership No.15759
Mumbai,
May 30, 2011

Krishnakant V. Chitalia
Director

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011

	For the year ended 31-03- 2011 Rs.	For the year ended 31-03- 2010 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and after exceptional items	33,065,159	36,554,314
Adjustment:		
Depreciation	15,852,833	15,462,179
Interest	4,652,489	3,588,860
(Profit) / Loss on Sale of Assets	183,274	(963,772)
(Profit) / Loss on Sale of Investments	(1,829,146)	NIL
Dividend Income	(10,004,119)	(17,52,306)
Interest Income	(5,054,461)	(2,395,301)
Other Income	(553,775)	(2,202,051)
Operating Profit before working capital changes	36,312,254	48,291,923
Changes in Current Assets and Liabilities.		
Trade Receivables	2,928,735	(1,245,026)
Loans and Advances	(36,760,164)	7,335,967
Inventories	16,672,560	(68,163,794)
Trade Payable and Provision	(24,351,405)	50,004,898
Cash Generated from Operations	(5,198,020)	36,223,968
Income Tax Paid	(6,788,530)	(6,300,000)
Net Cash Inflow / (Outflow) from Operations (A)	(11,986,550)	29,923,968
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(20,499,261)	(14,243,502)
Sale of Fixed Assets	673,530	4,233,001
Capital Work-in-Progress	1,611,530	(932,532)
Sale of Investment	659,243	NIL
Movement in Loans and Advances	17,013,582	2,106,093
Interest, Dividend & Other Income	17,441,501	6,349,658
Net Cash Inflow from Investing Activities (B)	16,900,125	(2,487,282)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Unsecured Loans	1,713,390	(6,961,302)
Proceeds from Working Capital Loan	16,749,974	(4,776,347)
Interest Paid	(4,652,489)	(3,588,860)
Dividend	(11,000,470)	(11,000,470)
Dividend Tax	(1,827,000)	(1,869,000)
Net Cash Inflow / (Outflow) from financing Activities (C)	983,405	(28,195,979)
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	5,896,980	(759,293)
Cash & Cash Equivalents as at March 31, 2011	20,882,411	14,985,431
Cash & Cash Equivalents as at March 31, 2010	14,985,431	15,744,724

As per our Report of even date attached

For and on behalf of the Board

For G. P. Kapadia & Co.
Chartered Accountants

Bhaskar M. Parekh
Chairman

Kirit N. Mehta
Partner
Membership No.15759
Mumbai,
May 30, 2011

Krishnakant V. Chitalia
Director

Schedules forming part of the Balance Sheet

	As at 31-03-2011 Rs.	As at 31-03-2010 Rs.
SCHEDULE 1		
SHARE CAPITAL		
Authorised :		
1,20,00,000 Equity Shares of Rs.10/- each	<u>120,000,000</u>	<u>120,000,000</u>
Issued, Subscribed & Paid up :		
1,10,00,470 Equity Shares of Rs.10/- each fully Paid up	<u>110,004,700</u>	<u>110,004,700</u>
Total	<u><u>110,004,700</u></u>	<u><u>110,004,700</u></u>
SCHEDULE 2		
RESERVES & SURPLUS :		
General Reserve :		
Balance as per last Balance Sheet	75,656,286	70,656,286
Add : During the Year	<u>5,000,000</u>	<u>5,000,000</u>
Balance carried forward	<u>80,656,286</u>	<u>75,656,286</u>
Share Premium :		
Balance as per last Balance Sheet	13,080,000	13,080,000
Profit & Loss Account	<u>179,614,991</u>	<u>171,165,832</u>
Total	<u><u>273,351,277</u></u>	<u><u>259,902,118</u></u>
SCHEDULE 3		
SECURED LOAN :		
Working Capital Borrowings from Banks (Working Capital Borrowing from Bank is secured by hypothecation of Stock, Book debts, immovable properties and other assets).	4,630,292	14,470,213
Vehicle Loans (The vehicle Loans are secured by hypothecation of respective Vehicles)	1,688,509	2,708,114
Life Insurance Corporation	<u>27,609,500</u>	<u>NIL</u>
Total	<u><u>33,928,301</u></u>	<u><u>17,178,327</u></u>
SCHEDULE 4		
UNSECURED LOAN:		
Bills Discount from banks	11,957,678	10,244,288
Total	<u><u>11,957,678</u></u>	<u><u>10,244,288</u></u>

**SCHEDULE 5
FIXED ASSETS:**

(Rs.)

	Freehold Land	Leasehold Land	Buildings	Plant & Machineries	Furniture & Fixtures	Equipments	Vehicles	Total	Previous Year
GROSS BLOCK									
As on 01-Apr-10	6,571,240	1,041,581	66,978,899	282,347,804	7,989,931	5,368,602	7,724,019	378,022,076	381,333,849
Additions during the Year	4,042,300			15,751,882	53,012	178,062	474,005	20,499,261	14,243,502
Deletions during the Year							(1,426,183)	(1,426,183)	(17,555,275)
As on 31-Mar-11	10,613,540	1,041,581	66,978,899	298,099,686	8,042,943	5,546,664	6,771,841	397,095,154	378,022,076
DEPRECIATION									
Up to 01-Apr-10		42,900	21,158,208	217,595,780	5,455,055	3,668,559	1,258,214	249,178,716	248,002,583
For the Year		10,725	2,148,574	12,208,375	508,226	331,429	645,504	15,852,833	15,462,179
Adjustment during the year							(569,379)	(569,379)	(14,286,046)
Up to 31-Mar-11		53,625	23,306,782	229,804,155	5,963,281	3,999,988	1,334,339	264,462,170	249,178,716
NET BLOCK									
As at 31-Mar-11	10,613,540	987,956	43,672,117	68,295,531	2,079,662	1,546,676	5,437,502	132,632,984	128,843,360
As at 31-Mar-10	6,571,240	998,681	45,820,691	64,752,024	2,534,876	1,700,043	6,465,805	128,843,360	133,331,266

Schedules forming part of the Balance Sheet

		As at. 31-03-2011 Rs.		As at. 31-03-2010 Rs.
SCHEDULE 6	No. of		No. of	
INVESTMENTS:	Shares		Shares	
LONG TERM INVESTMENTS (A):				
Equity Shares (Quoted)				
Nilkamal Ltd. (FV Rs.10/- per share)	2,586	790,309	15,086	2,693,876
Provogue (India) Ltd. (FV Rs.2/- per share)	74,210	7,892,623	74,210	7,892,623
Reliance Power Ltd. (FV Rs.10/- per share)	139	39,150	139	39,150
S B & T International Ltd. (FV Rs.10/- per share)	370	22,509	370	22,509
Poddar Developers Ltd. (Wearology Ltd.) (FV Rs.10/- per share)	10,070	2,366,899	10,070	2,366,899
Total (A)		<u>11,111,490</u>		<u>13,015,057</u>
TRADE INVESTMENT (B):				
Equity Shares (Unquoted)				
Prima Dee-Lite Plastics Pvt. Ltd.	11,500	10,207,570	11,500	10,207,570
Equity shares of Cameroon FCFA 10,000/- each amounting to FCFA 115,000,000/- (Rs.10,207,570/-)				
Prima Global FZE				
1 Equity shares of AED 100,000/- each amounting to UAE AED 100,000/- (Rs.12,44,324/-)	1	1,244,324		NIL
Total (B)		<u>11,451,894</u>		<u>10,207,570</u>
TOTAL INVESTMENT (A + B)		<u>22,563,384</u>		<u>23,222,627</u>
Market Value of Quoted Shares		5,090,548		8,300,269
SCHEDULE 7				
INVENTORIES:				
(As valued and certified by the Management)				
Finished Goods		67,168,534		82,785,602
Raw Material (Including Goods in Transit)		66,682,044		67,777,365
Stores, Spares and Packing Materials		2,638,375		2,598,546
		<u>136,488,953</u>		<u>153,161,513</u>
SCHEDULE 8				
SUNDRY DEBTORS:				
(Unsecured, considered good, except otherwise stated)				
- Over Six months		50,884,796		49,515,358
- Others		76,246,083		79,412,722
		<u>127,130,879</u>		<u>128,928,080</u>
Less: Provision for Doubtful Debts		5,403,575		4,272,041
		<u>121,727,304</u>		<u>124,656,039</u>

Schedules forming part of the Balance Sheet

	As at. 31-03-2011 Rs.	As at. 31-03-2010 Rs.
SCHEDULE 9		
CASH & BANK BALANCES:		
Cash on Hand	285,606	182,698
Balance with Scheduled Banks in :		
- Current Accounts	7,664,878	6,374,165
- Deposits/Margin Money	12,931,927	8,428,568
	<u>20,882,411</u>	<u>14,985,431</u>
SCHEDULE 10		
LOANS & ADVANCES:		
(Unsecured, considered good, except otherwise stated)		
Advance recoverable in cash or kind or for value to be received	14,867,173	15,980,935
Deposits	6,098,256	4,370,616
Balance with Central Excise	4,124,540	2,612,885
Inter Corporate Deposits	25,000,000	NIL
Unsecured Loan to Joint Venture / Subsidiaries	1,117,167	18,130,749
Advance to Creditors	17,651,510	8,016,879
	<u>68,858,646</u>	<u>49,112,064</u>
SCHEDULE 11		
CURRENT LIABILITIES		
Current Liabilities:		
Sundry Creditors		
(i) Total outstanding dues of Micro enterprises and Small enterprises (Note 6 of Notes to Accounts of schedule 23)	NIL	NIL
(ii) Total outstanding dues of creditors other than Micro enterprises and Small Enterprises.	39,418,140	64,438,592
Advances from Customers	3,889,538	3,970,410
Statutory Liabilities	6,656,670	8,453,524
Other Liabilities	5,981,370	3,880,597
	<u>55,945,718</u>	<u>80,743,123</u>
SCHEDULE 12		
PROVISIONS		
Provision for Proposed Dividend	11,000,470	11,000,470
Provision for Income Tax	6,788,000	6,300,000
Provision for Dividend Tax	1,827,000	1,869,000
	<u>19,615,470</u>	<u>19,169,470</u>

Schedules forming part of the Profit and Loss Account

	For the year ended 31-03-2011 Rs.	For the year ended 31-03-2010 Rs.
SCHEDULE 13		
SALES:		
Sales	709,666,480	615,163,907
Export Sales	<u>87,045,961</u>	<u>79,493,849</u>
	796,712,441	694,657,756
Less :		
Inter Divisional Transfer	141,912,466	139,297,340
Duties and Taxes	<u>66,696,230</u>	<u>52,707,994</u>
Sales (Net)	<u>588,103,745</u>	<u>502,652,422</u>
SCHEDULE 14		
INTEREST & DIVIDEND:		
Interest on F/D (TDS Rs. 68,037/-, Previous year Rs. 62,065/-)	678,234	529,208
Interest on Loan from Joint Venture Company	1,600,436	1,866,093
Dividend from Joint Venture Company	<u>9,928,914</u>	<u>1,654,557</u>
	<u>12,207,584</u>	<u>4,049,858</u>
SCHEDULE 15		
OTHER INCOME:		
Profit / (Loss) on Sale of assets	(183,274)	963,772
Exchange Gain	92,657	2,501,146
Miscellaneous Income	<u>5,233,917</u>	<u>2,299,800</u>
	<u>5,143,300</u>	<u>5,764,718</u>
SCHEDULE 16		
INCREASE/(DECREASE) IN STOCKS:		
Closing Stock of Finished Goods	67,168,534	82,785,602
Less : Opening Stock of Finished Goods	<u>82,785,602</u>	<u>42,443,273</u>
	<u>(15,617,068)</u>	<u>40,342,329</u>
SCHEDULE 17		
COST OF MATERIALS:		
Opening Stock of Raw Materials	67,777,365	41,229,010
Add : Purchases (Including Goods in Transit)	<u>368,979,265</u>	<u>353,016,626</u>
	436,756,630	394,245,636
Less : Closing Stock of Raw Materials	<u>66,682,044</u>	<u>67,777,365</u>
	<u>370,074,586</u>	<u>326,468,271</u>

Schedules forming part of the Profit and Loss Account

	For the year ended 31-03-2011 Rs.	For the year ended 31-03-2010 Rs.
SCHEDULE 18		
OPERATING AND OTHER EXPENSES:		
Consumption of Stores & Packing Materials	7,185,271	5,954,530
Power & Fuel	17,185,361	17,806,095
Rent	4,233,250	3,750,100
Repairs to Building	977,011	23,490
Repairs to Machinery	3,203,970	3,915,815
Repairs to Others	421,474	741,080
Postage and Telegram	491,409	452,010
Rent, Rates & Taxes	55,180	34,405
Bad Debts W/off	NIL	554,153
Labour and Other Charges	14,760,318	27,457,159
Insurance	1,326,303	1,211,077
Telephone Expenses	1,413,465	1,549,793
Auditors' Remuneration - Audit Fees	135,000	125,000
- Tax Audit Fees	45,000	35,000
Printing and Stationery	745,891	716,782
Carriage Outward	20,234,152	16,402,483
Directors' Remuneration	3,535,000	3,430,000
Travelling Expenses	2,610,492	1,472,613
Provision for Doubtful Debts	1,131,534	2,853,595
Excise Duty on Finished Goods	3,825,512	5,061,055
Miscellaneous Expenses	10,350,851	7,532,017
	<u>93,866,444</u>	<u>101,078,252</u>
SCHEDULE 19		
EMPLOYEES' REMUNERATION AND BENEFITS:		
Salaries, Wages and Bonus	27,035,199	22,748,661
Contribution to Provident Fund	1,446,516	1,360,089
Workmen and Staff Welfare Expenses	1,265,429	1,188,256
	<u>29,747,144</u>	<u>25,297,006</u>
SCHEDULE 20		
SELLING AND DISTRIBUTION EXPENSES:		
Advertisement & Publicity	606,092	478,484
Brokerage & Commission	588,260	1,442,568
Sales Discount & Others	20,239,805	16,186,528
	<u>21,434,157</u>	<u>18,107,580</u>
SCHEDULE 21		
INTEREST AND OTHER FINANCIAL EXPENSES:		
Interest on Working Capital/Vehicle Loans/Others	4,652,489	3,588,860
Financial Expenses	2,272,748	1,967,696
	<u>6,925,237</u>	<u>5,556,556</u>

SCHEDULE "22"

Statement of significant Accounting Policies:

1) Basis of preparation of financial Statements:

These financial statements have been prepared on an accrual basis and under historical cost convention and in compliance, in all material aspects, with the applicable accounting principles in India, the applicable accounting standards notified under Section 211 (3C) and the relevant provisions of the Companies Act, 1956. The significant accounting policies adopted by the Company are detailed below.

2) Use of Estimates:

Preparation of financial statements in conformity with generally accepted accounting principles, requires estimates and assumption to be made, that affect reported amounts of assets and liabilities on the date of financial statements and reported amount of revenues and expenses during the reported period. Actual results could differ from these estimates and differences between the actual results and estimates are recognized in the period in which results are known / materialized.

3) Revenue Recognition:

Revenue on sales is recognised when risk and rewards of ownership of products are passed on to customers, which are generally on dispatch of goods. Incomes from services are recognised when services are rendered. Sales are net of discounts, sales tax and returns; excise duty collected on sales is shown by way of deduction from sales. Dividend income is recognised when right to receive dividend is established and there is no uncertainty as to its realisability. Revenue in respect of other income is recognised when a reasonable certainty as to its realisation exists.

4) Fixed Assets:

Fixed assets are recorded at cost of acquisition or construction net of Cenvat credit wherever eligible. Cost includes all expenses related to acquisition or construction, including attributable borrowing cost on qualifying assets.

Fixed assets, which are not in use or are held for disposal, are stated at cost less accumulated depreciation or at net realizable value, whichever is lower.

Advances paid towards the acquisition of fixed assets outstanding at each balance sheet date and the cost of fixed assets not ready for their intended use before such days are disclosed under Capital Work-in-Progress.

5) Impairment of Assets:

The carrying amounts of assets are reviewed at each balance sheet date, if there is an indication of impairment based on the internal and external factors.

An asset is treated as impaired when the carrying cost of the asset exceeds its recoverable amount. An impairment loss, if any, is charged to the Profit and Loss Account in the year in which the asset is identified as impaired. Reversal of impairment loss recognised in prior years is recorded when there is an indication that impairment loss recognised for the asset no longer exists or has been decreased.

6) Investments:

Long term investments are stated at cost of acquisition. Provision for diminution in value, is made only if, in the opinion of management such a decline is other than temporary. Investments in foreign currency are stated at cost by converting at exchange rate prevailing at the time of acquisition / remittance.

7) Depreciation:

i) Depreciation is provided on Straight Line method at the rates specified in Schedule XIV of the Companies Act, 1956.

ii) Premium on leasehold land and improvement to leasehold premises are being written off over the period of lease.

8) Valuation of Inventories:

Inventories are valued at lower of cost and estimated net realizable value except stores and spares which are valued at cost. The excise duty in respect of the closing inventory of finished goods is included as part of the finished goods. Inter divisional transfers are valued either at works / factory costs of the transferor unit / division, plus transport and other charges. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventory to their respective

Inventories of plastic goods Raw Material & Components are valued at First In First Out basis (FIFO). Obsolete, defective and unserviceable inventories are duly provided for.

9) Taxes on Income:**I. Current Tax Provision**

Provision for Current Tax is made on the basis of estimated taxable income for the current accounting year and in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) eligible for set-off in subsequent years (as per tax laws), is recognized as an asset by way of credit to the Profit and Loss Account only if there is convincing evidence of its realization. At each Balance Sheet date, the carrying amount of MAT Credit Entitlement receivable is reviewed to reassure realization.

II. Deferred Tax Provision

Deferred tax asset or liability is recognized for timing differences between the profit as per financial statements and the profit offered for income tax, based on tax rates that have been enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognized only if there is virtual certainty that sufficient future taxable income will be available, against which they can be realized.

10) Foreign Currency Transactions:

The reporting currency of the Company is Indian Rupee.

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions are recognised as income or expenses of the period in which they arise. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported using the rate prevailing as on that date. The resultant exchange differences are recognised in the profit and loss account.

11) Expenditure during Construction and Expenditure on New Projects:

In case of new Projects and in case of substantial modernization / Expansion at existing units of the Company, all pre-operating expenditure specifically for the project, incurred up to the date of installation, is capitalized and added pro-rata to the cost of fixed assets.

12) Employee Benefits:

Short Term Employee Benefits

Short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised undiscounted during the period employee renders services.

Post Employment / Retirement Benefits

Contribution to Defined Contribution Plans such as Provident Fund etc., are charged to the Profit and Loss Account as incurred.

Defined Benefit Plan:**Gratuity:**

Gratuity liability is covered under the Gratuity-cum-Insurance Policy of Life Insurance Corporation of India (LIC). The present value of the obligation is determined based on an actuarial valuation. Actuarial gains and losses arising on such valuation are recognized immediately in the Profit and Loss Account. The amount funded by the Trust administered by the Company under the aforesaid Policy, is reduced from the gross obligation under the defined benefit plan, to recognize the obligation on a net basis.

13) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised only when there is present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of amount of the obligation cannot be made. Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.

14) Segment Reporting:

The Company operates in two segments namely: I- Moulded Furniture II – Aluminium Composite Panel. Segments have been identified and reported taking into account the nature of the product, the differential risk and return of the segment, the organizational structure and the internal financial reporting system.

SCHEDULE "23"

Notes on Accounts.

1. Contingent Liabilities not provided for:

Rs.

		31.3.2011	31.3.2010
a)	Guarantees given by the Company's Bankers	2,996,305	4,705,070
b)	Letter of Credit opened by Bankers and outstanding at the year end.	8,428,177	14,280,617

- Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance payment) Rs.5,512,084/- (previous year of Rs.8,618,140/-)
- The Company has an investment of Rs. 1,244,324/- in the shares of Prima Global FZE, UAE, (PGFZE) a wholly owned subsidiary of the Company. Further, the Company has also extended unsecured loans of Rs. 1,117,167/- during the year. The PGFZE was incorporated during the year to undertake trading of Plastic Moulded Furniture Items in UAE countries.
- Auditors remuneration (excluding service tax) and expenses charged to the accounts:

Rs.

S. No.	Particulars	31.3.2011	31.3.2010
	Statutory Auditors:		
1)	Audit Fees	135,000	125,000
2)	Tax Audit fees	45,000	35,000
3)	Fees for other services	27,500	20,000

- Remuneration to the Directors of the Company (including the Managing Director) paid or provided in accordance with section 198 of the Companies Act, 1956.

Since the Company does not pay any commission on its net profits, the computation of net profits under section 349 of the Companies Act, 1956 is not required to be appended.

Rs.

	31.3.2011	31.3.2010
Salary & Allowances	3,255,000	3,185,000
Provident Funds	112,800	108,000
Bonus	280,000	245,000

- In absence of any intimation received from vendors the status of their registration under "The Micro, Small and Medium Enterprises Development Act, 2006", the Company is unable to comply with the disclosures required to be made under said Act. There are no amount is payable to any Small Scale Industrial undertaking.
- In the opinion of the management, the Current Assets, Loans and Advances are expected to realize at least amount at which they are stated, if realized in the ordinary course of business and provision of all known liabilities have been adequately made in accounts.
- Previous year's figures are regrouped, reclassified and recast wherever necessary to conform to this year's classification. Figures in brackets pertain to previous year.
- Segment have been identified in line with the Accounting Standard on segment reporting (AS-17) taken into account of Company Organisation structure as well as differential risks and returns of these segment.

Segment Information for the year ended March 31, 2011

(Rs. In Lacs)

	Particulars	Year Ended Audited 31-03-2011	Year Ended Audited 31-03-2010
A	Segment revenue		
	Plastic Moulded Furniture	5,247.48	4,751.32
	Aluminium Composite Panel	646.48	342.51
	Others	NIL	NIL
	Revenue from operations	5,893.96	5,093.83
B	Segment results		
	Profit (+) / Loss (-) before interest and tax		
	Plastic Moulded Furniture	224.66	507.53
	Aluminium Composite Panel	14.66	(117.26)
	Total	239.32	390.27
	Less : Financial Expenses	69.25	55.57
	Add : Un-allocable Income	160.59	30.84
	Profit before tax	330.66	365.54
C	Other Information		
	Segment Assets		
	Plastic Moulded Furniture	3,448.51	3,384.62
	Aluminium Composite Panel	1,286.96	1,250.85
	Unallocated Corporate Assets	312.56	336.95
	Total Assets	5,048.03	4,972.42
	Segment Liabilities		
	Plastic Moulded Furniture	377.24	711.28
	Aluminium Composite Panel	182.22	96.15
	Unallocated Corporate Liabilities	655.01	465.92
	Total Liabilities	1,214.47	1,273.35
	Capital Expenditure		
	Plastic Moulded Furniture	216.44	123.93
	Aluminium Composite Panel	0.29	NIL
	Unallocated Capital Expenditure	4.76	51.12
	Total	221.49	175.05
	Depreciation		
	Plastic Moulded Furniture	124.01	120.66
	Aluminium Composite Panel	20.66	20.65
	Unallocated Depreciation	13.86	13.31
	Total	158.53	154.62

10. The proportionate share of assets, liabilities, income & expenditure as on December 31, 2010 based on audited accounts of Prima Dee-Lite Plastics Pvt. Ltd. (50% Joint Venture) are stated as under:

Particulars	Cameroon FCFA 31-12-2010	Indian Rupee 31-12-2010	Cameroon FCFA 31-12-2009	Indian Rupee 31-12-2009
LIABILITIES				
Loan Funds	NIL	NIL	200,000,000	20,576,220
Current Liabilities	83,082,783	7,421,724	49,221,452	5,063,957
ASSETS				
Fixed Assets – Net Block	184,853,396	16,512,819	231,224,345	23,788,614
Current Assets	196,249,925	17,530,862	271,896,034	27,972,962
INCOME				
Sales and operating income	801,706,712	71,615,874	639,054,268	65,746,604
EXPENDITURE				
Manufacturing and other expenses	557,495,753	49,800,688	415,618,578	42,759,295
Depreciation	53,195,512	4,751,916	54,980,930	5,656,498
PROFIT (LOSS) FOR THE PERIOD	191,015,447	17,063,270	168,454,760	17,330,811

11. As per Accounting Standards 22 “Accounting for Taxes on Income” issued by the Institute of Chartered Accountants of India, the Company has unabsorbed depreciations which is to be carry forward as per the provisions of the Income Tax Act, 1961, and also other deferred tax assets. The Management of the Company considered its prudent not to be recognized any deferred tax assets in the current year.

The break up of Net Deferred Tax Assets are as under :

Rs. In Lacs

Timing Differences on account of		As on 31st March, 2011	As on 31st March, 2010
Deferred Tax Assets			
1.	Unabsorbed depreciation	200.39	308.76
2.	Disallowance in earlier year u/s. 43 B of the Income Tax Act.	13.61	9.85
3.	Provisional for doubtful debts/Loans	17.95	14.52
4.	Provision for Employee benefit (AS-15)	12.64	10.15
	Total	244.59	343.28
Deferred Tax Liabilities			
1.	Difference between book depreciation and depreciation under Income Tax Act. 1961	191.62	176.47
	Net deferred tax Assets	52.97	166.81

12. Related party disclosure.

Related party disclosures as required under Accounting Standard on ‘Related Party Disclosure’ issued by the Institute of Chartered Accountants of India are given below:

(A) Name of the related parties and descriptions of relatives.

Joint Venture Company

Prima Dee-Lite Plastics Pvt. Ltd.

Subsidiary Company

Prima Global FZE, UAE

Key Management personnel (Whole time Directors).

Mr. Bhaskar M. Parekh

Mr. Dilip M. Parekh

Mr. Pratik B. Parekh

Mr. Paras B. Parekh

Entities over which the key management personnel and or their relatives are able to exercise significant influence.
Firms (Where the Director has substantial interest).

M/s. Classic Plastics

M/s. Sanya Plastics

M/s. National Plastics Allied Industries

(B) The following transactions were carried out with the related parties in the ordinary course of business.

(Rs.)

	2010-2011	2009-2010
Key Management Personnel		
Remuneration to Directors	3,647,800	3,538,000
Remuneration to Relatives	1,400,000	1,120,000
Other Entities.		
Purchase of Services	4,722,100	4,970,175
Purchase of Raw Materials	2,829,871	1,662,013
Payment of rent	2,484,000	2,160,000
Reimbursement of expenses	49,649	37,572
Sale of Raw Material	2,813,544	92,150
Subsidiary Company.		
Investment equity of Prima Global FZE, UAE	1,244,324	NIL
Unsecured loan paid to Prima Global FZE,UAE (with no interest & no repayment schedule)	1,117,167	NIL

Balances receivable / payable at the end of the year.

Name of Subsidiary/JV Companies	Amount Outstanding		Maximum Balance outstanding during the Year		Investment by subsidiary in Shares of the Company (no. of shares)
	2010-11	2009-10	2010-11	2009-10	
	Nil	18,130,749	18,130,749	20,236,842	Nil
Prima Dee-Lite Plastics Pvt. Ltd.	Nil	18,130,749	18,130,749	20,236,842	Nil
Prima Global FZE	1,117,167	Nil	1,117,167	Nil	Nil

(Rs.)

	2010-2011	2009-2010
Other Entities.		
Rent Deposit (Dr.)	3,000,000	3,000,000
Joint Venture Company. Unsecured loan paid to Prima Dee-Lite Plastics Pvt. Ltd. Cameroon	NIL	18,130,749
Subsidiary Company. Unsecured loan paid to Prima Global FZE, UAE	1,117,167	NIL

13. Disclosures under Accounting Standard 15 on Employee benefits:

Defined benefit plan disclosures:

	As at March 31, 2011	As at March 31, 2010
1 Change in benefit obligations:		
Present value of obligation, beginning of the year	2,986,924	2,480,680
Interest Cost	238,954	198,454
Service Cost	420,472	343,609
Benefit Paid	(126,606)	(151,950)
Actuarial (gain) / Loss	285,837	116,131
Present Value of obligation, as at end of the year	3,805,581	2,986,924
2 Change in Plan Assets.		
Fair value of plan assets at beginning of the year	1,902,071	999,205
Expected return on plan assets	189,898	106,295
Employer's Contribution	441,931	948,521
Benefit Paid	(126,606)	(151,950)
Fair Value of plan assets at the end of the year	2,407,294	1,902,071
Excess of (obligation over plan assets/plan assets over obligation) (Accrued liability) / Prepaid benefit	(1,398,287)	(1,084,853)
3 Expenses Recognized in statement of Profit & Loss		
Interest Cost	238,954	198,454
Current Service Cost	420,472	343,609
Expected return on plan assets	(189,898)	(106,295)
Net Actuarial (gain) / Loss recognized in the year	285,837	116,131
Expenses recognized in statement of Profit & Loss	755,365	551,899
4 Category of Assets as at March 31, 2011		
Insurer managed funds	2,407,294	1,902,071
Total	2,407,294	1,902,071
5 Assumptions used in accounting for the gratuity plan	%	%
Discount Rate	8	8
Salary escalation rate	5	5
Expected rate of return on plan assets	8	8

14. Earning per Share (EPS).

	2010-2011	2009-2010
Numerator-Net Profit as disclosed in Profit & Loss A/c	26,276,629	30,254,314
Denominator-Weighted avg. number of Equity Shares outstanding - Basic/Diluted	11,000,470	11,000,470
EPS- Basic/Diluted (in Rs.)	2.39	2.75
Nominal Value of Shares (in Rs.)	10	10

1. Additional information required under Part II of Schedule VI to the Companies Act, 1956 (as certified by the Executives of the respective Divisions) is as per Schedule 22.

a. Licensed Capacity and Installed Capacity in TPA (as per the certificate from the Management).

Particulars	2010-2011	2009-2010
Plastic Injection Moulded Items (in TPA)		
Installed Capacity	8,740	7,875
Aluminium Composite Panel (Sq. mtr. In thousand)		
Installed Capacity	900	900

The Ministry of Corporate Affairs, Government of India vide its General Notification No.S.O.301(E) dated 8th February 2011 issued under Section 211(3) of the Companies Act, 1956 has exempted certain classes of companies from disclosing certain information in their profit and loss account. The Company being an 'export oriented Company' is entitled to the exemption. Accordingly, disclosures mandated by paragraphs 3(i)(a), 3(ii)(a), 3(ii)b and 3(ii)d of Part II, Schedule VI to the Companies Act, 1956 have not been provided.

The Ministry of Corporate Affairs, Government of India, vide General Circular No.2 and 3 dated 8th February 2011 and 21st February 2011 respectively has granted a general exemption from compliance with section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statements.

b. Value of Import on CIF basis.

(Rs.)

	2010-2011	2009-2010
Raw material	50,330,465	101,837,221
Capital goods	2,670,206	4,041,384

c. Expenditure in Foreign Currency.

(Rs.)

	2010-2011	2009-2010
Traveling Expenses	574,941	52,430
Others	51,631	4,975

e. Earnings in Foreign Exchange.

	2010-2011	2009-2010
Export of Finished Goods on FOB basis	77,849,953	72,746,223
Export of Capital Goods	NIL	5,17,000

For Prima Plastics Limited

Bhaskar M. Parekh
Chairman

Krishnakant V. Chitalia
Director

Mumbai,
May 30, 2011

**DETAILS AS REQUIRED UNDER PART IV OF SCHEDULE VI OF THE COMPANIES ACT, 1956 ARE GIVEN BELOW:
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

1) REGISTRATION DETAILS

REGISTRATION NO.	:	L25206DD1993PLC001470
STATE CODE	:	56
BALANCE SHEET DATE	:	31.3.2011

2) CAPITAL RAISED DURING THE YEAR

PUBLIC ISSUE	:	Nil
RIGHTS ISSUE	:	Nil
BONUS ISSUE	:	Nil
PRIVATE PLACEMENT	:	Nil

3) POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS

TOTAL LIABILITIES	:	429,241,956
TOTAL ASSETS	:	429,241,956
SOURCES OF FUNDS		
PAID UP CAPITAL	:	110,004,700
RESERVES AND SURPLUS	:	273,351,277
SECURED LOANS	:	33,928,301
UNSECURED LOANS	:	11,957,678
APPLICATION OF FUNDS		
NET FIXED ASSETS	:	134,282,446
INVESTMENTS	:	22,563,384
NET CURRENT ASSETS	:	272,396,126
MISC. EXPENSES	:	NIL

4) PERFORMANCE OF THE COMPANY

TURNOVER AND INTER DIVISIONAL TRANSFER	:	796,712,441
NET TURNOVER	:	588,103,745
TOTAL EXPENDITURE	:	555,038,586
PROFIT / (LOSS) BEFORE TAX	:	33,065,159
PROFIT / (LOSS) AFTER TAX	:	26,276,629
DIVIDEND RATE	:	10%
EARNINGS PER SHARE	:	Rs.2.39

5) GENERIC NAMES OF FOUR PRINCIPAL PRODUCTS/SERVICES OF THE COMPANY

ITEM CODE NO.	:	9401-00
PRODUCT DESCRIPTION	:	PLASTIC MOULDED CHAIRS
ITEM CODE NO.	:	9403-00
PRODUCT DESCRIPTION	:	PLASTIC MOULDED TABLES
ITEM CODE NO.	:	76061190
PRODUCT DESCRIPTION	:	ALUMINIUM PANEL SHEET

**AUDITORS' REPORT ON THE CONSOLIDATED FINANCIAL STATEMENTS
OF PRIMA PLASTICS LIMITED****TO THE BOARD OF DIRECTORS OF PRIMA PLASTICS LIMITED**

1. We have audited the attached Consolidated Balance Sheet of PRIMA PLASTICS LIMITED ("the Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group") as at 31st March, 2011, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement of the Group for the year ended on that date, both annexed thereto. The Consolidated Financial Statements include the jointly controlled entities accounted in accordance with Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006. These financial statements are the responsibility of the Company's Management and have been prepared on the basis of the separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. We did not audit the financial statements of subsidiary and jointly controlled entities, whose financial statements reflect total assets of Rs. 422.32 Lacs as at 31st March, 2011, total revenues of Rs. 809.34 Lacs and net cash outflows amounting to Rs. 20.94 Lacs for the year ended on that date as considered in the Consolidated Financial Statements are unaudited and certified by the Management and our opinion in so far as it relates to the amounts included in respect of these jointly controlled entities is based solely on such management certification.
4. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 (Consolidated Financial Statements) and Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006.
5. Based on our audit and on consideration of the separate audit reports on individual financial statements of the Company, its aforesaid subsidiaries, associates and jointly controlled entities and subject to our comments in relation to financial statements of jointly controlled entities in paragraph 4 above and to the best of our information and according to the explanations given to us, in our opinion, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2011;
 - ii. in the case of the Consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date and
 - iii. in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

For **G.P. Kapadia & Co.**
Chartered Accountants
Firm Regn. No. 104768W

Kirit N. Mehta
Partner
Mn. No.15759

Mumbai,
May 30, 2011

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2011

	Schedule	As At 31-03-2011 Rs.	As At 31-03-2010 Rs.
I SOURCES OF FUNDS			
Shareholders' Funds			
Share Capital	1	110,004,700	110,004,700
Reserves & Surplus	2	<u>291,444,683</u>	<u>277,002,178</u>
		401,449,383	387,006,878
Loan Funds			
Secured Loans	3	36,670,235	17,178,327
Unsecured Loans	4	<u>11,957,678</u>	<u>10,244,288</u>
		48,627,913	27,422,615
TOTAL		<u>450,077,296</u>	<u>414,429,493</u>
II. APPLICATION OF FUNDS			
Fixed Assets			
Gross Block	5	441,564,927	421,899,935
Less : Depreciation		<u>293,350,210</u>	<u>273,594,537</u>
Net Block		148,214,717	148,305,398
Capital Work-in-Progress		<u>1,649,462</u>	<u>3,260,992</u>
		149,864,179	151,566,390
GOODWILL		35,324	NIL
Investments	6	11,111,490	13,015,057
Current Assets, Loans & Advances			
Inventories	7	150,206,543	163,646,399
Sundry Debtors	8	128,533,955	131,292,738
Cash & Bank Balances	9	22,870,194	19,067,393
Loans & Advances	10	<u>71,879,838</u>	<u>36,791,918</u>
		373,490,530	350,798,448
Less : Current Liabilities & Provisions			
Current Liabilities	11	64,808,757	81,849,850
Provisions	12	<u>19,615,470</u>	<u>19,169,470</u>
Net Current Assets		<u>289,066,303</u>	<u>249,779,128</u>
MISCELLANEOUS EXPENDITURE			
(To the extent not written off or adjusted)			
Preliminary Expenses		<u>NIL</u>	<u>68,918</u>
TOTAL		<u>450,077,296</u>	<u>414,429,493</u>
Significant Accounting Policies and Notes forming part of the Accounts	22 & 23		

As per our Report of even date attached

For and on behalf of the Board

For G. P. Kapadia & Co.
Chartered Accountants

Bhaskar M. Parekh
Chairman

Kirit N. Mehta
Partner
Membership No.15759
Mumbai,
May 30, 2011

Krishnakant V. Chitalia
Director

CONSOLIDATED PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2011

		For the year ended 31-03-2011 Rs.	For the year ended 31-03-2010 Rs.
INCOME	Schedule		
Sales(Net)	13	669,024,093	568,415,432
Interest & Dividend	14	678,234	529,208
Other Incomes	15	5,162,098	5,816,769
Increase/(Decrease) in Stock	16	(13,948,369)	41,688,394
Total		<u>660,916,056</u>	<u>616,449,803</u>
EXPENDITURE			
Cost of Materials	17	415,304,707	357,814,392
Trading Purchases		18,872,001	24,285,169
Operating and Other Expenses	18	101,285,696	109,440,464
Employees' Emoluments and Benefits	19	33,295,647	28,128,376
Selling and Distribution Expenses	20	21,559,316	18,206,993
Interest & Financial Expenses	21	7,116,759	5,776,787
Depreciation	5	20,339,354	20,916,344
Total		<u>617,773,480</u>	<u>564,568,525</u>
PROFIT			
Profit for the year before exceptional item		43,142,576	51,881,278
Exceptional item		NIL	NIL
Profit before tax		43,142,576	51,881,278
Provision For Taxes		14,582,308	9,296,543
Net Profit after Tax		<u>28,560,268</u>	<u>42,584,735</u>
Balance of Profit brought forward		188,908,863	164,500,572
Profit available for appropriations		<u>217,469,131</u>	<u>207,085,307</u>
Appropriations			
Proposed Dividend		11,000,470	11,000,470
Tax on Dividend		2,822,989	1,999,730
Transfer to General Reserves		6,344,517	5,176,244
Balance carried to Balance Sheet		<u>197,301,155</u>	<u>188,908,863</u>
Total		<u>217,469,131</u>	<u>207,085,307</u>
Earning per share (equity share of Rs.10/- each) (Refer Notes to Accounts No.11)			
Basic and Diluted Earnings per share including exceptional items		2.60	3.87
Basic and Diluted Earnings per share excluding exceptional items		2.60	3.87
Significant Accounting Policies and Notes forming part of the Accounts	22 & 23		

As per our Report of even date attached

For and on behalf of the Board

For G. P. Kapadia & Co.
Chartered Accountants

Bhaskar M. Parekh
Chairman

Kirit N. Mehta
Partner
Membership No.15759
Mumbai,
May 30, 2011

Krishnakant V. Chitalia
Director

CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011

	For the year ended 31-03- 2011 Rs.	For the year ended 31-03- 2010 Rs.
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and after exceptional items	43,142,576	51,881,278
Adjustment:		
Depreciation	20,339,354	20,916,344
Interest	4,688,396	3,588,860
Misc. Expenses Written off	71,964	292,149
(Profit) / Loss on Sale of Assets	178,546	(963,772)
(Profit) / Loss on Sale of Investment	(1,829,146)	NIL
Dividend Income	(75,205)	(97,749)
Interest Income	(3,449,067)	(529,208)
Other Income	(572,803)	(2,254,102)
Operating Profit before working capital changes	62,494,615	72,833,800
Changes in Current assets and liabilities.		
Trade Receivables	2,758,783	(1,387,109)
Loans and Advances	(35,087,920)	7,507,273
Inventories	13,439,856	(71,349,931)
Trade Payable and Provision	(16,595,093)	45,183,845
Cash Generated from Operations	27,010,241	52,787,878
Income Tax Paid	(14,582,308)	(9,296,543)
Net Cash Inflow / (Outflow) from Operations (A)	12,427,933	43,491,335
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of Fixed Assets	(21,105,477)	(22,382,709)
Sale of Fixed Assets	678,258	4,233,001
Capital Work-in-Progress	1,611,530	(932,532)
Sale of Investment	1,903,567	NIL
Movement in Loans and Advances	NIL	NIL
Interest, Dividend & Other Income	5,926,221	2,881,059
Goodwill on Consolidation	(35,324)	NIL
Net Cash Inflow from Investing Activities (B)	(11,021,225)	(16,201,181)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from Unsecured Loans	1,713,390	(6,961,302)
Proceeds from Working Capital Loan	19,491,908	(4,776,347)
Interest Paid	(4,688,396)	(3,588,860)
Dividend	(11,000,470)	(11,000,470)
Dividend Tax	(2,822,989)	(1,999,730)
Net Cash Inflow / (Outflow) from financing Activities (C)	2,693,443	(28,326,709)
D CHANGE IN TRANSLATION RESERVE ARISING ON CONSOLIDATION	(297,350)	21,658
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C+D)	3,802,801	(1,014,897)
Cash & Cash Equivalents as at March 31, 2011	22,870,194	19,067,393
Cash & Cash Equivalents as at March 31, 2010	19,067,393	20,082,290

As per our Report of even date attached
For **G. P. Kapadia & Co.**
Chartered Accountants

For and on behalf of the Board

Bhaskar M. Parekh
Chairman

Kirit N. Mehta
Partner
Membership No.15759

Krishnakant V. Chitalia
Director

Mumbai,
May 30, 2011

Schedules forming part of the Consolidated Accounts

	As at 31-03-2011 Rs.	As at 31-03-2010 Rs.
SCHEDULE 1		
SHARE CAPITAL		
Authorised :		
1,20,00,000 Equity Shares of Rs.10/- each	<u>120,000,000</u>	<u>120,000,000</u>
Issued, Subscribed & Paid up :		
1,10,00,470 Equity Shares of Rs.10/- each fully Paid up	<u>110,004,700</u>	<u>110,004,700</u>
Total	<u><u>110,004,700</u></u>	<u><u>110,004,700</u></u>
SCHEDULE 2		
RESERVES & SURPLUS :		
General Reserve :		
Balance as per last Balance Sheet	76,016,318	70,840,074
Add : During the Year	6,344,517	5,176,244
Balance carried forward	<u>82,360,835</u>	<u>76,016,318</u>
Share Premium :		
Balance as per last Balance Sheet	13,080,000	13,080,000
Translation Reserve	(1,297,307)	(1,003,003)
Profit & Loss Account	<u>197,301,155</u>	<u>188,908,863</u>
Total	<u><u>291,444,683</u></u>	<u><u>277,002,178</u></u>
SCHEDULE 3		
SECURED LOAN :		
Working Capital Borrowings from Banks	7,372,226	14,470,213
Working Capital Borrowing from Bank is secured by hypothecation of Stock, Book debts, immovable properties and other assets.		
Vehicle Loans	1,688,509	2,708,114
The vehicle Loans are secured by hypothecation of respective Vehicles.		
Life Insurance Corporation	<u>27,609,500</u>	<u>NIL</u>
Total	<u><u>36,670,235</u></u>	<u><u>17,178,327</u></u>
SCHEDULE 4		
UNSECURED LOAN:		
Bills Discount from banks	<u>11,957,678</u>	<u>10,244,288</u>
Total	<u><u>11,957,678</u></u>	<u><u>10,244,288</u></u>

SCHEDULE 5
FIXED ASSETS:

	Freehold Land	Leasehold Land	Buildings	Plant & Machineries	Furniture & Fixtures	Equipments	Vehicles	Total	Previous Year
(Rs.)									
GROSS BLOCK									
As on 01-Apr-10	7,410,912	1,041,581	77,417,332	314,044,245	8,091,174	5,614,239	8,280,452	421,899,935	417,072,501
Additions during the Year	4,042,300			16,358,098	53,012	178,062	474,005	21,105,477	22,382,709
Deletions during the Year							(1,440,485)	(1,440,485)	(17,555,275)
As on 31-Mar-11	11,453,212	1,041,581	77,417,332	330,402,343	8,144,186	5,792,301	7,313,972	441,564,927	421,899,935
DEPRECIATION									
Up to 01-Apr-10		42,900	23,006,304	239,361,620	5,504,067	3,909,192	1,770,454	273,594,537	266,964,239
For the Year		10,725	2,716,625	16,106,812	510,936	336,433	657,823	20,339,354	20,916,344
Adjustment during the year							(583,681)	(583,681)	(14,286,046)
Up to 31-Mar-11		53,625	25,722,929	255,468,432	6,015,003	4,245,625	1,844,596	293,350,210	273,594,537
NET BLOCK									
As at 31-Mar-11	11,453,212	987,956	51,694,403	74,933,911	2,129,183	1,546,676	5,469,376	148,214,717	148,305,398
As at 31-Mar-10	7,410,912	998,681	54,411,028	74,682,625	2,587,107	1,705,047	6,509,998	148,305,398	150,108,262

Schedules forming part of the Consolidated Accounts

		As at. 31-03-2011 Rs.		As at. 31-03-2010 Rs.
SCHEDULE 6	No. of		No. of	
INVESTMENTS:	Shares		Shares	
LONG TERM INVESTMENTS:				
Equity Shares (Quoted)				
Nilkamal Ltd. (FV Rs.10/- per share)	2,586	790,309	15,086	2,693,876
Provogue (India) Ltd. (FV Rs.2/- per share)	74,210	7,892,623	74,210	7,892,623
Reliance Power Ltd. (FV Rs.10/- per share)	139	39,150	139	39,150
S B & T International Ltd. (FV Rs.10/- per share)	370	22,509	370	22,509
Poddar Developers Ltd. (Wearology Ltd.) (FV Rs.10/- per share)	10,070	2,366,899	10,070	2,366,899
TOTAL INVESTMENT		<u>11,111,490</u>		<u>13,015,057</u>
Market Value of Quoted Shares		5,090,548		8,300,269
 SCHEDULE 7				
INVENTORIES:				
(As valued and certified by the Management)				
Finished Goods		71,405,272		85,353,641
Raw Material (Including Goods in Transit)		76,162,896		75,694,212
Stores, Spares and Packing Materials		2,638,375		2,598,546
		<u>150,206,543</u>		<u>163,646,399</u>
 SCHEDULE 8				
SUNDRY DEBTORS:				
(Unsecured, considered good, except otherwise stated)				
- Over Six months		50,884,796		49,515,358
- Others		83,052,734		86,049,421
		<u>133,937,530</u>		<u>135,564,779</u>
Less: Provision for Doubtful Debts		5,403,575		4,272,041
		<u>128,533,955</u>		<u>131,292,738</u>
 SCHEDULE 9				
CASH & BANK BALANCES:				
Cash on Hand		1,062,878		261,874
Balance with Scheduled Banks in :				
- Current Accounts		8,875,389		10,376,951
- Deposits/Margin Money		12,931,927		8,428,568
		<u>22,870,194</u>		<u>19,067,393</u>

Schedules forming part of the Consolidated Accounts

	As at. 31-03-2011 Rs.	As at. 31-03-2010 Rs.
SCHEDULE 10		
LOANS & ADVANCES:		
(Unsecured, considered good, except otherwise stated)		
Advance recoverable in cash or kind or for value to be received	16,964,454	16,600,023
Deposits	6,199,888	4,463,994
Balance with Central Excise	4,124,540	2,612,885
Inter Corporate Deposits	25,000,000	NIL
Advance to Creditors	19,590,956	13,115,016
	<u>71,879,838</u>	<u>36,791,918</u>
SCHEDULE 11		
CURRENT LIABILITIES		
Current Liabilities:		
Sundry Creditors		
(i) Total outstanding dues of Micro enterprises and Small enterprises (Note 5 of Notes to Accounts of schedule 23)		
(ii) Total outstanding dues of creditors other than Micro enterprises and Small Enterprises.		
	39,600,817	65,144,898
Advances from Customers	4,917,626	3,970,410
Statutory Liabilities	6,656,670	7,368,671
Other Liabilities	13,633,644	5,365,871
	<u>64,808,757</u>	<u>81,849,850</u>
SCHEDULE 12		
PROVISIONS		
Provision for Proposed Dividend	11,000,470	11,000,470
Provision for Income Tax	6,788,000	6,300,000
Provision for Dividend Tax	1,827,000	1,869,000
	<u>19,615,470</u>	<u>19,169,470</u>

Schedules forming part of the Consolidated Accounts

	For the year ended 31-03-2011 Rs.	For the year ended 31-03-2010 Rs.
SCHEDULE 13		
SALES:		
Sales	806,579,712	694,149,476
Export Sales	<u>87,045,961</u>	<u>79,493,849</u>
	893,625,673	773,643,325
Less :		
Inter Divisional Transfer	141,912,466	139,297,340
Duties and Taxes	<u>82,689,114</u>	<u>65,930,553</u>
Sales (Net)	<u>669,024,093</u>	<u>568,415,432</u>
SCHEDULE 14		
INTEREST		
Interest on F/D (TDS Rs.68,037/-, Previous year Rs.62,065/-)	<u>678,234</u>	<u>529,208</u>
	<u>678,234</u>	<u>529,208</u>
SCHEDULE 15		
OTHER INCOME:		
Profit / (Loss) on Sale of assets	(178,546)	963,772
Exchange Gain	92,657	2,501,146
Miscellaneous Income	<u>5,247,987</u>	<u>2,351,851</u>
	<u>5,162,098</u>	<u>5,816,769</u>
SCHEDULE 16		
INCREASE/(DECREASE) IN STOCKS:		
Closing Stock of Finished Goods	71,405,272	85,353,641
Less : Opening Stock of Finished Goods	<u>85,353,641</u>	<u>43,665,247</u>
	<u>(13,948,369)</u>	<u>41,688,394</u>
SCHEDULE 17		
COST OF MATERIALS:		
Opening Stock of Raw Materials	75,694,212	47,305,785
Add : Purchases (Including Goods in Transit)	<u>415,773,391</u>	<u>386,202,819</u>
	<u>491,467,603</u>	<u>433,508,604</u>
Less : Closing Stock of Raw Materials	<u>76,162,896</u>	<u>75,694,212</u>
	<u>415,304,707</u>	<u>357,814,392</u>

Schedules forming part of the Consolidated Accounts

	For the year ended 31-03-2011 Rs.	For the year ended 31-03-2010 Rs.
SCHEDULE 18		
OPERATING AND OTHER EXPENSES:		
Consumption of Stores & Packing Materials	7,463,504	6,217,873
Power & Fuel	20,771,111	21,562,145
Rent	4,592,068	4,130,103
Repairs to Building	977,011	23,490
Repairs to Machinery	4,268,156	5,621,936
Repairs to Others	547,999	764,830
Postage and Telegram	513,511	456,600
Rent, Rates & Taxes	55,180	34,405
Bad Debts W/off	NIL	554,153
Labour and Other Charges	15,168,896	28,032,608
Insurance	1,644,585	1,487,256
Telephone Expenses	1,489,934	1,631,933
Auditors' Remuneration - Audit Fees	177,548	141,793
- Tax Audit Fees	45,000	35,000
Printing and Stationery	814,236	775,887
Carriage Outward	20,234,152	16,402,483
Directors' Remuneration	3,535,000	3,430,000
Travelling Expenses	2,811,080	1,645,711
Provision for Doubtful Debts	1,131,534	2,853,595
Preliminary Expenses	71,964	292,149
Excise Duty on Finished Goods	3,825,512	5,061,055
Miscellaneous Expenses	11,147,715	8,285,459
	<u>101,285,696</u>	<u>109,440,464</u>
SCHEDULE 19		
EMPLOYEES' REMUNERATION AND BENEFITS:		
Salaries, Wages and Bonus	30,218,624	25,316,278
Contribution to Provident Fund	1,446,516	1,360,089
Workmen and Staff Welfare Expenses	1,630,507	1,452,009
	<u>33,295,647</u>	<u>28,128,376</u>
SCHEDULE 20		
SELLING AND DISTRIBUTION EXPENSES:		
Advertisement & Publicity	606,092	478,484
Brokerage & Commission	588,260	1,442,568
Sales Discount & Others	20,364,964	16,285,941
	<u>21,559,316</u>	<u>18,206,993</u>
SCHEDULE 21		
INTEREST AND OTHER FINANCIAL EXPENSES:		
Interest on Working Capital/Vehicle Loans/Others	4,688,396	3,588,860
Financial Expenses	2,428,363	2,187,927
	<u>7,116,759</u>	<u>5,776,787</u>

SCHEDULE "22"

Report for Consolidation:

1) Basis of preparation of Financial Statements:

- (i) The financial statements of the Subsidiary Company and Joint Venture Company used in the consolidation are drawn up to the same reporting date as that of the Company i.e. year ended 31st March 2011.
- (ii) The financial statements of the Company and the Joint Venture Company have been prepared under historical cost convention on an accrual basis and comply with Accounting Standards. The financial statements of the foreign Subsidiary Company have been prepared in accordance with the local laws and the applicable accounting standards / generally accepted accounting principles.

2) Principles of Consolidation:

The consolidated financial statements relate to Prima Plastics Ltd. ("the Company") and its majority owned Subsidiary Company and a Joint Venture Company. The consolidated financial statements have been prepared on the following basis.

- The financial statements of the Company and Subsidiary Company have been consolidated on a line-by-line basis by adding together the book values like items of assets, liabilities, income and expenses after eliminating material intra-group balances and intra-group transactions as per Accounting Standard (AS-21) "Consolidated Financial Statement" and the unrealized profits or losses.
- The consolidated financial statements have been prepared using uniform accounting policies like transactions and other events in similar circumstances and are presented to the extent possible, in the same manner as the Company's separate financial statements.
- Accounts of the Subsidiary and a Joint Venture Companies are certified and converted by the Management as per the requirement of Indian GAAP and are not audited.
- The Subsidiary Company considered in the consolidated financial statements are:

Name of the Company	Country of Incorporation	% of Ownership held as at 31 st March 2011	% of Ownership held as at 31 st March, 2010
Prima Global FZE	UAE	100%	N.A.

- The Joint Venture Company considered in the consolidated financial statement is:

Name of the Company	Country of Incorporation	% of Ownership held as at 31 st March 2011	% of Ownership held as at 31 st March, 2010
Prima Dee-Lite Plastics Pvt. Ltd.	Cameroon (West Africa)	50%	50%

3) Use of Estimate:

Preparation of financial statements in conformity with generally accepted accounting principles, requires estimates and assumption to be made, that affect reported amounts of assets and liabilities on the date of financial statements and reported amount of revenues and expenses during the reported period. Actual results could differ from these estimates and differences between the actual results and estimates are recognized in the period in which results are known / materialized

4) Revenue Recognition:

Revenue on sales is recognised when risk and rewards of ownership of products are passed on to customers, which are generally on dispatch of goods. Incomes from services are recognised when services are rendered. Sales are net of discounts, sales tax and returns; excise duty collected on sales is shown by way of deduction from sales. Dividend income is recognised when right to receive dividend is established and there is no uncertainty as to its realisability. Revenue in respect of other income is recognised when a reasonable certainty as to its realisation exists.

5) Fixed Assets:

Fixed assets are recorded at cost of acquisition or construction net of Cenvat credit wherever eligible. Cost includes all expenses related to acquisition or construction, including attributable borrowing cost on qualifying assets.

Fixed assets, which are not in use or are held for disposal, are stated at cost less accumulated depreciation or at net realisable value, whichever is lower.

6) Impairment of Assets:

The fixed assets and producing properties are reviewed for impairment at each balance sheet date. An asset is impaired when the carrying cost of assets exceeds its recoverable value. An impairment loss is charged to the Profit & Loss Account in the year in which an asset is identified as impaired. The impairment loss recognized in prior accounting periods is reversed, if there has been a change in the estimate or recoverable amount.

7) Investments:

Long term investments are stated at cost of acquisition. Provision for diminution in value, is made only if, in the opinion of management such a decline is other than temporary. Investments in foreign currency are stated at cost by converting at exchange rate prevailing at the time of acquisition / remittance

8) Depreciation:

- i) By in Indian Company Depreciation on Fixed Assets has been provided on straight-line method at the rates and in the manner specified in schedule XIV to the Companies Act, 1956
- ii) By in foreign Company Depreciation on Fixed Assets has been provided on Written Down method at the rates and in the manner specified as per local law.
- iii) Premium on leasehold land and improvement to leasehold premises are being written off over the period of lease.

9) Valuation of Inventories:

Inventories are valued at lower of cost and estimated net realizable value except stores and spares which are valued at cost. The excise duty in respect of the closing inventory of finished goods is included as part of the finished goods. Inter divisional transfers are valued either at works / factory costs of the transferor unit / division, plus transport and other charges. Cost comprises all cost of purchase, cost of conversion and other costs incurred in bringing the inventory to their respective. Inventories of plastic goods Raw Material & Components are valued at. First in first out (FIFO).

10) Taxes on Income:**I. Current Tax Provision**

Provision for Current Tax is made on the basis of estimated taxable income for the current accounting year and in accordance with the provisions of the Income Tax Act, 1961.

Minimum Alternate Tax (MAT) eligible for set-off in subsequent years (as per tax laws), is recognized as on asset by way of credit to the Profit and Loss Account only if there is convincing evidence of its realization. At each Balance Sheet date, the carrying amount of MAT Credit Entitlement receivable is reviewed to reassure realization.

II. Deferred Tax Provision

Deferred tax asset or liability is recognized for timing differences between the profit as per financial statements and the profit offered for income tax, based on tax rates that have been enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognized only if there is virtual certainty that sufficient future taxable income will be available, against which they can be realized.

11) Foreign Currency Translation:

All the foreign subsidiary have been identified as non-integral operations. Accordingly, the summarized revenue and expense transactions of the Subsidiary Company at the year-end reflected in the Profit and Loss Account have been translated into Indian Rupees at average exchange rate.

The assets and liabilities in the Balance Sheet have been translated into Indian Rupees at the closing exchange rate at the year end.

The resultant translation exchange gain/loss has been disclosed as Translation Reserve under the Reserve and Surplus.

12) Expenditure during Construction and Expenditure on New Projects:

In case of new Projects and in case of substantial modernization / Expansion at existing units of the Company, all pre-operating expenditure specifically for the project, incurred up to the date of installation, is capitalized and added pro-rata to the cost of fixed assets.

13) Foreign Currency Transactions:

The reporting currency of the Company is Indian Rupee.

Foreign currency transactions are recorded at the exchange rates prevailing on the date of the transaction. The net gain or loss on account of exchange differences arising on settlement of foreign currency transactions are recognised as income or expenses of the period in which they arise. Monetary assets and liabilities denominated in foreign currencies at the balance sheet date are reported using the rate prevailing as on that date. The resultant exchange differences are recognised in the profit and loss account. In cases where forward contracts are entered, the relevant foreign currency assets / liabilities are translated at the forward rate. The resulting exchange difference, if any, is charged to the revenue.

14) Employee Benefits:

Short Term Employee Benefits

Short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised undiscounted during the period employee renders services.

Post Employment / Retirement Benefits:

Contribution to Defined Contribution Plans such as Provident Fund etc. are charged to the Profit and Loss Account as incurred.

Defined Benefit Plan:**Gratuity:**

Gratuity liability is covered under the Gratuity-cum-Insurance Policy of Life Insurance Corporation of India (LIC). The present

value of the obligation is determined based on an actuarial valuation. Actuarial gains and losses arising on such valuation are recognized immediately in the Profit and Loss Account. The amount funded by the Trust administered by the Company under the aforesaid Policy, is reduced from the gross obligation under the defined benefit plan, to recognize the obligation on a net basis.

15) Provisions, Contingent Liabilities and Contingent Assets:

Provisions are recognised only when there is present obligation as a result of past events and when a reliable estimate of the amount of obligation can be made. Contingent liability is disclosed for (i) Possible obligations which will be confirmed only by future events not wholly within the control of the Company or (ii) Present obligations arising from past events where it is not probable that an outflow of resources will be required to settle the obligation or a reliable estimate of amount of the obligation cannot be made. Contingent assets are not recognised in the financial statements since this may result in the recognition of income that may never be realised.

16) Government Grants:

Grants received from Government agencies / departments which are in the nature of contribution towards the Company's total capital outlay are credited to Capital Reserve. Revenue grants are recognized in the Profit and Loss Account in accordance with the related scheme and in the period in which these are accrued.

SCHEDULE "23"

Notes on Accounts.

1. Contingent Liabilities not provided for:

Rs.

		31.3.2011	31.3.2010
a)	Guarantees given by the Company's Bankers	2,996,305	4,705,070
b)	Letter of Credit opened by Bankers and outstanding at the year end.	8,428,177	14,280,617

2. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance payment) Rs.5,512,084/- (previous year of Rs.8,618,140/-)

3. Auditors remuneration (excluding service tax) and expenses charged to the accounts:

Rs.

S. No.	Particulars	31.3.2011	31.3.2010
	Statutory Auditors:		
1)	Audit Fees	177,548	141,793
2)	Tax Audit fees	45,000	35,000
3)	Fees for other services	27,500	20,000

4. Remuneration to the Directors of the Company (including the Managing Director) paid or provided in accordance with section 198 of the Companies Act, 1956.

Since the Company does not pay any commission on its net profits, the computation of net profits under section 349 of the Companies Act, 1956 is not required to be appended.

Rs.

	31.3.2011	31.3.2010
Salary & Allowances	3,255,000	3,185,000
Provident Funds	112,800	108,000
Bonus	280,000	245,000

5. In absence of any intimation received from vendors the status of their registration under "The Micro, Small and Medium Enterprises Development Act, 2006", the Company is unable to comply with the disclosures required to be made under said Act. There are no amount is payable to any Small Scale Industrial undertaking.

6. In the opinion of the management, the Current Assets, Loans and Advances are expected to realize at least amount at which they are stated, if realized in the ordinary course of business and provision of all known liabilities have been adequately made in accounts.

7. Previous year's figures are regrouped, reclassified and recast wherever necessary to conform to this year's classification. Figures in brackets pertain to previous year.
8. Segment have been identified in line with the Accounting Standard on segment reporting (AS-17) taken into account of Company Organisation structure as well as differential risks and returns of these segment.

Segment Information for the year ended March 31, 2011

(Rs. In Lacs)

	Particulars	Year Ended Audited 31-03-2011	Year Ended Audited 31-03-2010
A	Segment revenue		
	Plastic Moulded Furniture	6,056.79	5,374.26
	Aluminium Composite Panel	646.48	342.51
	Others	NIL	NIL
	Revenue from operations	6,703.27	5,716.77
B	Segment results		
	Profit (+) / Loss (-) before interest and tax		
	Plastic Moulded Furniture	442.60	698.22
	Aluminium Composite Panel	14.66	(117.26)
	Total	457.26	580.96
	Less : Financial Expenses	71.17	57.77
	Add : Un-allocable Income	45.34	(4.37)
	Profit before tax	431.43	518.82
C	Other Information		
	Segment Assets		
	Plastic Moulded Furniture	3,860.02	3,668.76
	Aluminium Composite Panel	1,286.96	1,250.85
	Unallocated Corporate Assets	198.04	234.88
	Total Assets	5,345.02	5,154.49
	Segment Liabilities		
	Plastic Moulded Furniture	493.29	722.35
	Aluminium Composite Panel	182.22	96.15
	Unallocated Corporate Liabilities	655.01	465.92
	Total Liabilities	1,330.52	1,284.42
	Capital Expenditure		
	Plastic Moulded Furniture	222.50	205.32
	Aluminium Composite Panel	0.29	NIL
	Unallocated Capital Expenditure	4.76	51.12
	Total	227.55	256.44
	Depreciation		
	Plastic Moulded Furniture	168.87	175.20
	Aluminium Composite Panel	20.66	20.65
	Unallocated Depreciation	13.86	13.31
	Total	203.39	209.16

9 Related party disclosure.

Related party disclosures as required under Accounting Standard on 'Related Party Disclosure' issued by the Institute of Chartered Accountants of India are given below:

(A) Name of the related parties and descriptions of relatives.

Joint Venture Company

Prima Dee-Lite Plastics Pvt. Ltd.

Subsidiary Company

Prima Global FZE, UAE

Key Management personnel (Whole time Directors).

Mr. Bhaskar M. Parekh

Mr. Dilip M. Parekh

Mr. Pratik B. Parekh

Mr. Paras B. Parekh

Entities over which the key management personnel and or their relatives are able to exercise significant influence.

Firms (Where the Director has substantial interest).

M/s. Classic Plastics

M/s. Sanya Plastics

M/s. National Plastics Ailled Industries

(B) The following transactions were carried out with the related parties in the ordinary course of business.

(Rs.)

	2010-2011	2009-2010
Key Management Personnel		
Remuneration to Directors	3,647,800	3,538,000
Remuneration to Relatives	1,400,000	1,120,000
Other Entities.		
Purchase of Services	4,722,100	4,970,175
Purchase of Raw Materials	7,542,240	7,500,492
Payment of rent	2,484,000	2,160,000
Reimbursement of expenses	49,649	37,572
Sale of Raw Material	2,813,544	92,150

Balances receivable / payable at the end of the year.

(Rs.)

	2010-2011	2009-2010
Other Entities.		
Rent Deposit (Dr.)	3,000,000	3,000,000

10. Disclosures under Accounting Standard 15 on Employee benefits:

Defined benefit plan disclosures:

	As at March 31, 2011	As at March 31, 2010
1 Change in benefit obligations:		
Present value of obligation, beginning of the year	2,986,924	2,480,680
Interest Cost	238,954	198,454
Service Cost	420,472	343,609
Benefit Paid	(126,606)	(151,950)
Actuarial (gain) / Loss	285,837	116,131
Present Value of obligation, as at end of the year	3,805,581	2,986,924
2 Change in Plan Assets.		
Fair value of plan assets at beginning of the year	1,902,071	999,205
Expected return on plan assets	189,898	106,295
Employer's Contribution	441,931	948,521
Benefit Paid	(126,606)	(151,950)
Fair Value of plan assets at the end of the year	2,407,294	1,902,071
Excess of (obligation over plan assets/plan assets over obligation)		
(Accrued liability) / Prepaid benefit	(1,398,287)	(1,084,853)
3 Expenses Recognized in statement of Profit & Loss		
Interest Cost	238,954	198,454
Current Service Cost	420,472	343,609
Expected return on plan assets	(189,898)	(106,295)
Net Actuarial (gain) / Loss recognized in the year	285,837	116,131
Expenses recognized in statement of Profit & Loss	755,365	551,899
4 Category of Assets as at March 31, 2011		
Insurer managed funds	2,407,294	1,902,071
Total	2,407,294	1,902,071
5 Assumptions used in accounting for the gratuity plan	%	%
Discount Rate	8	8
Salary escalation rate	5	5
Expected rate of return on plan assets	8	8

11. Earning per Share (EPS).

	2010-2011	2009-2010
Numerator-Net Profit as disclosed in Profit & Loss A/c	28,560,268	4,2584,735
Denominator-Weighted avg. number of Equity Shares outstanding - Basic/Diluted	11,000,470	11,000,470
EPS- Basic/Diluted (in Rs.)	2.60	3.87
Nominal Value of Shares (in Rs.)	10	10

1. Additional information required under Part II of Schedule VI to the Companies Act, 1956 (as certified by the Executives of the respective Divisions) is as per Schedule 22.

a. Licensed Capacity and Installed Capacity in TPA (as per the certificate from the Management).

Particulars	2010-2011	2009-2010
Plastic Injection Moulded Items (in TPA)		
Installed Capacity	11,540	10,675
Aluminium Composite Panel (Sq. mtr. In thousand)		
Installed Capacity	900	900

The Ministry of Corporate Affairs, Government of India vide its General Notification No.S.O.301(E) dated 8th February 2011 issued under Section 211(3) of the Companies Act, 1956 has exempted certain classes of companies from disclosing certain information in their profit and loss account. The Company being an 'export oriented Company' is entitled to the exemption. Accordingly, disclosures mandated by paragraphs 3(i)(a), 3(ii)(a), 3(ii)b and 3(ii)d of Part II, Schedule VI to the Companies Act, 1956 have not been provided.

The Ministry of Corporate Affairs, Government of India, vide General Circular No.2 and 3 dated 8th February 2011 and 21st February 2011 respectively has granted a general exemption from compliance with section 212 of the Companies Act, 1956, subject to fulfillment of conditions stipulated in the circular. The Company has satisfied the conditions stipulated in the circular and hence is entitled to the exemption. Necessary information relating to the subsidiaries has been included in the Consolidated Financial Statements.

b. Value of Import on CIF basis. (Rs.)

	2010-2011	2009-2010
Raw material	92,664,283	134,756,979
Capital goods	3,193,111	12,081,216

c. Expenditure in Foreign Currency. (Rs.)

	2010-2011	2009-2010
Traveling Expenses	574,941	52,430
Others	5,03,745	1,005,050

e. Earnings in Foreign Exchange.

	2010-2011	2009-2010
Export of Finished Goods on FOB basis	77,849,953	72,746,223
Export of Capital Goods	NIL	5,17,000

For Prima Plastics Limited

Bhaskar M. Parekh
 Chaiman
 Mumbai,
 May 30, 2011

Krishnakant V. Chitalia
 Director

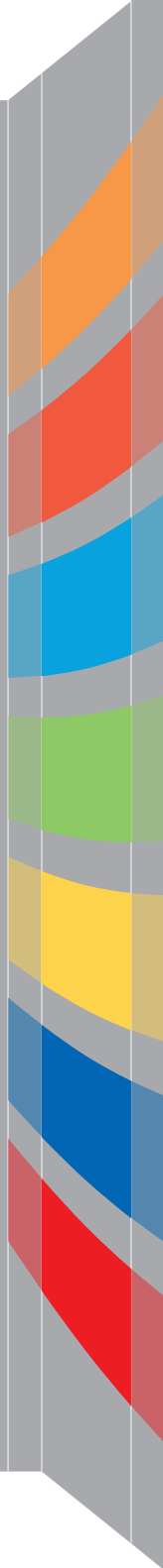


New Arrivals





ISO 9001




ALUMINATM
ALUMINIUM COMPOSITE PANEL
YOUR IMAGINATION... OUR CREATION


PRIMA
MOULDED FURNITURE

Corporate office

PRIMA PLASTICS LTD.

41. National House, Saki Vihar Road, Andheri (East), Mumbai - 400 072. INDIA

Tel.: 91-22-28574765 / 8 / 9 Fax : 91-22-28572859

E-mail : investor@primoplastics.com

Website : www.primoplastics.com | www.aluma.co.in