

MOULDING  
SUCCESS INTO  
LEADERSHIP



ANNUAL REPORT  
2020 – 2021



**PRIMA PLASTICS LTD setting up a new PLANT at Indore (MP), This STATE-OF-ART Plant is ideally located to cater the needs of various Industrial Products on a PAN-India platform.**

## **CSR CONTRIBUTION**

In 2021, the COVID- 19 pandemic changed the face of world economies. With this change came grave consequences to the underprivileged in our communities. At Prima we believe in the power of helping others and the commitments to our missions. We partnered with Nana Palkar Smruti Samiti, PNR Society, Connect to AP, The Indian Planetary Society and Shiksha Seva Foundation to provide them with immediate relief of funds to help our communities with health, education and other welfare activities. We are forever committed to our communities and societies and Prima will continue to give back.

Detailed report on Corporate Social Responsibility forms part of this Annual Report.



CIN:L25206DD1993PLC001470

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Shri Bhaskar M. Parekh	- Executive Chairman, Whole-time Director
Shri Dilip M. Parekh	- Managing Director
Shri Krishnakant V. Chitalia	- Independent Director
Shri Rasiklal M. Doshi	- Independent Director
Shri Snehal N. Muzoomdar	- Independent Director
Shri Shailesh S. Shah	- Independent Director
Smt. Hina V. Mehta	- Non-Executive Director

### CHIEF FINANCIAL OFFICER

Shri Dharmesh R. Sachade

### MANAGEMENT TEAM

Shri Manoj O. Toshniwal - VP - Accounts & Finance  
Shri Pratik B. Parekh - VP - Sales & Marketing  
Shri Paras B. Parekh - Chief Marketing Officer  
Ms. Shriya D. Parekh - Business Development Manager

### COMPANY SECRETARY & COMPLIANCE OFFICER

Ms. Ankita A. Agarwal (upto November 30, 2020)  
Ms. Vandana S. Ahuja (w.e.f. February 11, 2021)

### REGISTERED OFFICE

98/4 Prima House, Daman Industrial Estate,  
Kadaiya, Nani Daman, Daman (U.T.) - 396210

### REGISTRAR & SHARE TRANSFER AGENT

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

### STATUTORY AUDITOR

M/s. Khimji Kunverji &amp; Co. LLP

### INTERNAL AUDITOR

M/s. Shailesh Kamdar &amp; Associates LLP

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### CORPORATE OFFICE

41, National House, Opp Ansa "A" Bldg.  
Saki Vihar Road, Powai, Mumbai - 400072

### BANKERS

Kotak Mahindra Bank  
Citi Bank N.A.



Scan this QR Code to  
view Annual Report online



## NOTICE OF ANNUAL GENERAL MEETING

NOTICE is hereby given that the Twenty Seventh Annual General Meeting of Prima Plastics Limited ("The Company") will be held on Tuesday, September 7, 2021 at 4:00 p.m. (IST) through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM") to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt:
  - the Audited Standalone Financial Statements of the Company for the financial year ended March 31, 2021, together with the Reports of the Board of Directors and the Auditors thereon; and
  - the Audited Consolidated Financial Statements of the Company for the financial year ended March 31, 2021, together with the Report of the Auditors thereon.
2. To declare a final dividend on equity shares for the year ended March 31, 2021.
3. To appoint a Director in place of Smt. Hina V. Mehta (DIN : 07201194) who retires by rotation and being eligible, offers herself for re-appointment.

By Order of the Board of Directors  
For Prima Plastics Limited

**Vandana S. Ahuja**  
Company Secretary and Compliance Officer  
M. No. ACS : 57118

Mumbai  
August 6, 2021

### Registered Office:

98/4 Prima House, Daman Industrial Estate,  
Kadaiya, Nani Daman, Daman (U.T.), Pin - 396210  
Tel no.: +91 0260-2220445  
Email id: investor@primaplastics.com  
Website: www.primaplastics.com

### Notes:

1. Pursuant to the General Circular Nos. 20/2020, 14/2020, 17/2020, 02/2021 issued by the Ministry of Corporate Affairs ("MCA") and Circular Nos. SEBI/HO/CFD/CMD1/CIR/P/2020/79 and SEBI/HO/CFD/CMD2/CIR/P/2021/11 issued by the Securities and Exchange Board of India ("SEBI") (hereinafter collectively referred to as "the Circulars"), Companies are allowed to hold Annual General Meeting ("AGM") through VC, without the physical presence of members at a common venue. Hence, in compliance with the Circulars, the AGM of the Company is being held through VC / OAVM . The deemed venue of the AGM shall be registered office of the Company at 98/4 Prima House, Daman Industrial Estate, Kadaiya, Nani Daman, Daman (U.T.), Pin - 396210.
2. The Register of Members and the Share Transfer Books of the Company will remain closed from Wednesday, September 1, 2021 to Tuesday, September 7, 2021 (both days inclusive) for the purpose of AGM and Dividend.
3. A Member entitled to attend and vote at the AGM is entitled to appoint a proxy to attend and vote on his / her behalf and the proxy need not be a Member of the Company. Since this AGM is being held in accordance with Circulars through VC / OAVM, the facility for appointment of proxies by the members will not be available for this AGM.
4. Institutional / Corporate Shareholders (i.e. other than Individuals, HUF, NRI, etc.) are required to send a scanned copy (PDF / JPG Format) of their respective Board or governing body's Resolution / Authorization letter etc., authorizing their representative to attend the AGM through VC / OAVM on their behalf and to vote through remote e-voting / e-voting at the AGM. The said Resolution / Authorization letter should be sent to Company at investor@primaplastics.com on or before Monday, September 6, 2021.
5. The Register of Directors and Key Managerial Personnel ("KMP") and their shareholding, maintained under Section 170 of the Companies Act, 2013 ("Act") and the Register of Contracts or Arrangements in which the Directors are interested, maintained under Section 189 of the Act, will be available electronically for inspection by the Members during the AGM on portal of Central Depository Services (India) Limited ("CDSL"). All documents referred to in the Notice will also be available for electronic inspection without any fee by the members from the date of circulation of this Notice up to the date of AGM, i.e. Tuesday, September 7, 2021. Members seeking to inspect such documents can send an email to Company at investor@primaplastics.com.

6. Additional information required as per Regulations 36(3) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") and Secretarial Standard on General Meetings (SS-2) issued by the Institute of Company Secretaries of India ("ICSI"), in respect of Director seeking re-appointment at the AGM, forms an integral part of the Notice. The Director have furnished the requisite declaration and consent for re-appointment.
7. Members may note that the Board of Directors ("Board"), at its meeting held on Thursday, May 27, 2021, has recommended a final dividend of ₹ 1.50 (Rupee One and Fifty Paise Only) per share. The record date for the purpose of final dividend for the financial year March 31, 2021 is Tuesday, August 31, 2021. The final dividend, if approved by the members in the ensuing AGM, will be paid within 30 days from date of approval electronically through various permissible online transfer modes to those members who have updated their bank account details.

For members who have not updated their bank account details, dividend warrants / demand drafts / cheques will be sent to their registered addresses.

To avoid delay in receiving dividend, members are requested to update their KYC with their Depository Participant ("DP") (where shares are held in dematerialized mode) and with the Company's Registrar and Transfer Agent ("RTA") (where shares are held in physical mode) to receive dividend directly into their bank account on the pay-out date.

Pursuant to the Finance Act, 2020, dividend income is taxable in the hands of the Shareholders with effect from April 1, 2020 and the Company is required to deduct TDS from dividend paid to the Members at prescribed rates in the Income Tax Act, 1961 ('IT Act'). With regards to this a communication was sent to the individual shareholders through email on July 1, 2021, whose email addresses were registered with the Company. The same is available on the website of the Company at :

[https://www.primaplastics.com/pdf/stock\\_exchange/ppl-intimation-to-se-communication-of-deduction-of-tax-at-sourcesd.pdf](https://www.primaplastics.com/pdf/stock_exchange/ppl-intimation-to-se-communication-of-deduction-of-tax-at-sourcesd.pdf)

8. Members are requested to note that, dividends if not encashed for a period of 7 years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the Investor Education and Protection Fund ("IEPF"). Further, all the shares in respect of which dividend has remained unclaimed for 7 consecutive years or more from the date of transfer to unpaid dividend account shall also transferred to IEPF demat account. In view of this, Members are requested to claim their dividends from the Company, within the stipulated timeline. The Members, whose unclaimed dividends / shares have been transferred to IEPF, may claim the same by making an online application to the IEPF Authority in web based Form No. IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in) For details, please refer to corporate governance report which forms part of this Annual Report.
9. In terms of Regulation 40 of the Listing Regulations, securities of listed companies can only be transferred in dematerialized form with effect from April 1, 2019. Accordingly, Members holding shares in physical form are advised to dematerialize their shares. More details and process of same is available on the website of the Company at <https://www.primaplastics.com/pdf/investor/transfer-of-shares-in-demat-form.pdf>
10. Members are requested to intimate changes, if any, pertaining to their name, address, e-mail address, telephone / mobile numbers, Permanent Account Number (PAN), mandates, nominations, power of attorney, etc., to their DP if the shares are held by them in dematerialized form and to RTA if the shares are held by them in physical form.
11. As per the provisions of Section 72 of the Act, the facility for making nomination is available for the members in respect of the shares held by them. Members who have not yet registered their nomination are requested to register the same by submitting Form No. SH-13. The said form can be downloaded from the <https://www.primaplastics.com/pdf/investor/sh-13-nomination-form.pdf> Members are requested to submit the said details to their DP in case the shares are held by them in demat form and to RTA in case the shares are held in physical form.
12. Since the AGM will be held through VC / OAVM in accordance with the Circulars, the route map, proxy form and attendance slip are not annexed to this Notice.

#### **Process for dispatch of Annual Report and registration of email id for obtaining copy of Annual Report of the Company**

13. The aforesaid Circulars have granted exemption to the companies from printing and dispatching physical copies of Annual Reports for events to be held in this calendar year 2021, thereby allowing companies to send Annual Reports by email. Accordingly, the Annual Report 2020-21 is being sent only through electronic mode to those Members whose email addresses are registered with the Company / DPs. Members may note that the Notice and Annual Report 2020-21 is available on the Company's website <https://www.primaplastics.com/annual-report.php> website of the Stock Exchange, i.e. BSE Limited, and on the website of CDSL at [www.evotingindia.com](http://www.evotingindia.com)
14. Members who have not yet registered their e-mail address are requested to register the same with their DP in case the shares are held by them in demat form and with RTA in case the shares are held by them in physical form.
15. Members seeking any information with regard to the financial statements or any matter to be placed at the 27<sup>th</sup> AGM, are requested to write to the Company through e-mail on [investor@primaplastics.com](mailto:investor@primaplastics.com) on or before Tuesday, August 31, 2021 . Such questions by the Members shall be taken up during the AGM and replied by the Company suitability.

#### **Procedure to raise questions / seek clarifications at the ensuing 27<sup>th</sup> AGM**

16. Shareholders who would like to express their views / ask questions during the meeting may register themselves as a speaker by sending their request from their registered email address mentioning their name, DP ID Client ID / folio number email address, mobile number at investor@primaplastics.com from Wednesday, September 1, 2021 (9:00 a.m. IST) to Saturday, September 4, 2021 (5:00 p.m. IST). The shareholders who do not wish to speak during the AGM but have queries may send their queries in advance 7 days prior to meeting mentioning their name, DP ID Client ID / folio number, mobile number at investor@primaplastics.com. These queries will be replied by the company suitably through email.
17. Those shareholders who have registered themselves as a speaker will only be allowed to express their views / ask questions during the meeting.
18. The Company reserves the right to restrict the number of questions and number of speakers, as appropriate to ensure smooth conduct of the AGM.

#### **Procedure for joining the 27<sup>th</sup> AGM through VC / OAVM**

19. The Members can join the AGM through the VC / OAVM mode 15 minutes before and after the scheduled time of the commencement of the Meeting by following the procedure mentioned in the Notice.
20. The facility of participation at the AGM through VC / OAVM will be made available to atleast 1000 members on first-come-first-served basis. This will not include large Shareholders (Shareholders holding 2% or more shareholding), promoters, institutional investors, Directors, KMP, the Chairpersons of the Audit Committee, Nomination and Remuneration Committee and Stakeholders Relationship Committee, auditors etc. who are allowed to attend the AGM without restriction on account of first-come-first-served basis.
21. Members attending the meeting through VC / OAVM shall be counted for the purpose of reckoning the quorum under Section 103 of the Act.
22. Shareholders are encouraged to join the Meeting through Laptops / IPads for better experience.
23. Further shareholders will be required to allow Camera and use Internet with a good speed to avoid any disturbance during the meeting.
24. Please note that Participants Connecting from Mobile Devices or Tablets or through Laptop connecting via Mobile Hotspot may experience Audio / Video loss due to Fluctuation in their respective network. It is therefore recommended to use Stable Wi-Fi or LAN Connection to mitigate any kind of aforesaid glitches.
25. If you have any queries or issues regarding attending AGM & e-voting from the CDSL e-voting System, you can write an email to helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 022-23058542/43.

#### **Procedure for e-voting are as under**

26. Pursuant to the provisions of Section 108 of the Act read with Rule 20 of the Companies (Management and Administration) Rules, 2014 and Regulation 44 of Listing Regulations and SS-2 issued by ICSI (each as amended or modified from time to time), the Company is providing facility of remote e-voting to its members in respect of the business to be transacted at the AGM. For this purpose, the Company has entered into an agreement with CDSL for facilitating voting through electronic means, as the authorized e-voting's agency. The facility of casting votes by a member using remote e-voting as well as the e-voting system on the date of the AGM will be provided by CDSL.
27. The remote e-voting period begins on Saturday, September 4, 2021 (9:00 a.m. IST) and ends on Monday, September 6, 2021 (5:00 p.m. IST). During this period, Members of the Company, holding shares either in physical form or in dematerialized form as on the close of business hours of Tuesday, August 31, 2021 being the cut-off date fixed for determining voting rights of Members entitled to participate in the remote e-voting process. The e-voting module shall be disabled by CDSL for voting thereafter.
28. Members have the option to cast their vote on any of the resolutions using the remote e-voting facility either during the period Saturday, September 4, 2021 to Monday, September 6, 2021 or e-voting during the AGM.
29. Only those shareholders, who are present in the AGM through VC / OAVM facility and have not casted their vote on the Resolutions through remote e-voting and are otherwise not barred from doing so, shall be eligible to vote through e-voting system available during the AGM.
30. The voting rights of Members shall be in proportion to their shares in the paid-up equity share capital of the Company as on the cut-off date.
31. In case of joint holders, the Member whose name appears as the first holder in the order of names as per the Register of Members of the Company will be entitled to vote during the AGM.
32. Shareholders who have already voted prior to the meeting date would not be entitled to vote during the meeting.

33. Pursuant to SEBI Circular No. SEBI/HO/CFD/CMD/CIR/P/2020/242 dated 9th December, 2020 on “e-voting facility provided by Listed Companies”, e-voting process has been enabled to all the individual demat account holders, by way of single login credential, through their demat accounts / websites of Depositories / DPs in order to increase the efficiency of the voting process. Individual demat account holders would be able to cast their vote without having to register again with the e-voting service provider (ESP) thereby not only facilitating seamless authentication but also ease and convenience of participating in e-voting process. Shareholders are advised to update their mobile number and email address in their demat accounts in order to access e-voting facility.

Pursuant to the above said SEBI Circular, Login method for e-voting and joining virtual meetings **for Individual shareholders holding securities in Demat mode** is given below :

Type of shareholders	Login Method
Individual Shareholders holding securities in Demat mode with CDSL	<ol style="list-style-type: none"> <li>1) Users who have opted for CDSL Easi / Easiest facility, can login through their existing user id and password. Option will be made available to reach e-voting page without any further authentication. The URL for users to login to Easi / Easiest are <a href="https://web.cdslindia.com/myeasi/home/login">https://web.cdslindia.com/myeasi/home/login</a> or visit <a href="http://www.cdslindia.com">www.cdslindia.com</a> and click on Login icon and select New System Myeasi.</li> <li>2) After successful login the Easi / Easiest user will be able to see the e-voting option for eligible companies where the e-voting is in progress as per the information provided by company. On clicking the e-voting option, the user will be able to see e-voting page of the e-voting service provider for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting. Additionally, there are also links provided to access the system of all e-voting Service Providers i.e. CDSL/NSDL/KARVY/LINKINTIME, so that the user can visit the e-voting service providers' website directly.</li> <li>3) If the user is not registered for Easi / Easiest, option to register is available at : <a href="https://web.cdslindia.com/myeasi/Registration/EasiRegistration">https://web.cdslindia.com/myeasi/Registration/EasiRegistration</a></li> <li>4) Alternatively, the user can directly access e-voting page by providing Demat Account Number and PAN No. from a e-voting link available on <a href="http://www.cdslindia.com">www.cdslindia.com</a> home page. The system will authenticate the user by sending OTP on registered Mobile &amp; Email as recorded in the Demat Account. After successful authentication, user will be provided links for the respective ESP where the e-voting is in progress during or before the AGM.</li> </ol>
	<ol style="list-style-type: none"> <li>1) If you are already registered for NSDL IDeAS facility, please visit the e-Services website of NSDL. Open web browser by typing the following URL: <a href="https://eservices.nsd.com">https://eservices.nsd.com</a> either on a Personal Computer or on a mobile. Once the home page of e-Services is launched, click on the “Beneficial Owner” icon under “Login” which is available under ‘IDeAS’ section. A new screen will open. You will have to enter your User ID and Password. After successful authentication, you will be able to see e-voting services. Click on “Access to e-voting” under e-voting services and you will be able to see e-voting page. Click on company name or e-voting service provider name and you will be re-directed to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting.</li> <li>2) If the user is not registered for IDeAS e-Services, option to register is available at : <a href="https://eservices.nsd.com">https://eservices.nsd.com</a>. Select “Register Online for IDeAS “Portal or click at : <a href="https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp">https://eservices.nsd.com/SecureWeb/IdeasDirectReg.jsp</a></li> <li>3) Visit the e-voting website of NSDL. Open web browser by typing the following URL: <a href="https://www.evoting.nsd.com/">https://www.evoting.nsd.com/</a> either on a Personal Computer or on a mobile. Once the home page of e-voting system is launched, click on the icon “Login” which is available under ‘Shareholder/Member’ section. A new screen will open. You will have to enter your User ID (i.e. your sixteen digit demat account number hold with NSDL), Password/OTP and a Verification Code as shown on the screen. After successful authentication, you will be redirected to NSDL Depository site wherein you can see e-voting page. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting &amp; voting during the meeting</li> </ol>

Individual Shareholders (holding securities in demat mode) login through their <b>Depository Participants</b>	You can also login using the login credentials of your demat account through your Depository Participant registered with NSDL/CDSL for e-voting facility. After Successful login, you will be able to see e-voting option. Once you click on e-voting option, you will be redirected to NSDL/CDSL Depository site after successful authentication, wherein you can see e-voting feature. Click on company name or e-voting service provider name and you will be redirected to e-voting service provider website for casting your vote during the remote e-voting period or joining virtual meeting & voting during the meeting.
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**Important note:** Members who are unable to retrieve User ID/ Password are advised to use Forget User ID and Forget Password option available at abovementioned website.

34. Helpdesk for Individual Shareholders holding securities in demat mode for any technical issues related to login through Depository i.e. CDSL and NSDL.

LOGIN TYPE	HELPDESK DETAILS
Individual Shareholders holding securities in Demat mode with <b>CDSL</b>	Members facing any technical issue in login can contact CDSL helpdesk by sending a request at helpdesk.evoting@cdslindia.com or contact at 022- 23058738 and 22-23058542-43
Individual Shareholders holding securities in Demat mode with <b>NSDL</b>	Members facing any technical issue in login can contact NSDL helpdesk by sending a request at evoting@nsdl.co.in or call at toll free no.: 1800 1020 990 and 1800 22 44 30

35. **Login method for e-voting and joining virtual meeting for shareholders other than individual shareholders & physical shareholders**

- The shareholders should log on to the e-voting website www.evotingindia.com
- Click on “Shareholders” module.
- Now enter your User ID
  - a. For CDSL: 16 digits beneficiary ID,
  - b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - c. Shareholders holding shares in Physical Form should enter Folio Number registered with the Company.
- Next enter the Image Verification as displayed and Click on Login.
- If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier e-voting of any company, then your existing password is to be used.
- If you are a first-time user follow the steps given below:

For Shareholders holding shares in Demat Form other than individual and Physical Form	
PAN	Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) <ul style="list-style-type: none"> <li>• Shareholders who have not updated their PAN with the Company / Depository Participant are requested to use the sequence number sent by Company / RTA or contact Company / RTA.</li> </ul>
Dividend Bank Details OR Date of Birth (DOB)	Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company, please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction 35.</li> </ul>





- After entering these details appropriately, click on “SUBMIT” tab.
- Shareholders holding shares in physical form will then directly reach the Company selection screen. However, shareholders holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- For shareholders holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- Click on the EVSN for the relevant <Prima Plastics Limited> on which you choose to vote.
- On the voting page, you will see “RESOLUTION DESCRIPTION” and against the same the option “YES/NO” for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.
- After selecting the resolution, you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

### 36. Facility for Non – Individual Shareholders and Custodians –Remote Voting

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodians are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves in the “Corporates” module.
- A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
- A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- Alternatively, Non-Individual shareholders are required to send the relevant Board Resolution/ Authority letter etc. together with attested specimen signature of the duly authorized signatory who are authorized to vote, to the Scrutinizer and to the Company at the email address viz; [investor@primaplastics.com](mailto:investor@primaplastics.com) if they have voted from individual tab & not uploaded same in the CDSL e-voting system for the scrutinizer to verify the same.

37. All grievances connected with the facility for voting by electronic means may be addressed to Mr. Rakesh Dalvi, Sr. Manager, (CDSL,) Central Depository Services (India) Limited, A Wing, 25th Floor, Marathon Futurex, Mafatlal Mill Compounds, N M Joshi Marg, Lower Parel (East), Mumbai - 400013 or send an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or call on 022-23058542/43.

38. The procedure for e-voting during the AGM is same as the instructions mentioned above for remote e-voting.

39. The link for VC / OAVM to attend meeting will be available where the EVSN of Company will be displayed after successful login as per the instructions mentioned above for Remote e-voting.

40. The Board of Directors have appointed Shri Sadashiv V. Shet (COP. No. 2540) failing him Mrs. Rakhee R. Malkarnekar (COP No. 24139) Practicing Company Secretaries as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

41. The Scrutinizer shall after the conclusion of voting at AGM will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting, in the presence of at least two witnesses not in the employment of the Company and shall submit, not later than 48 hours from the conclusion of the AGM, a consolidated scrutinizer's report of total votes cast in favour or against if any, to the Executive Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.



42. The result declared along with the report of the scrutinizer shall be placed on the website of the Company [www.primaplastics.com](http://www.primaplastics.com) as well as on the website of CDSL immediately after the declaration of result by the Executive Chairman or a person authorized by him in writing. The result shall also be immediately forwarded to the Stock Exchange.

**General Guidelines for shareholders**

43. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the "Forgot User Details/ Password?" or "Physical User Reset Password?" option available on [www.evotingindia.com](http://www.evotingindia.com) to reset the password.

44. If you have any queries or issues regarding attending AGM & e-voting from the CDSL e-voting System, you can write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact at 022- 23058738 and 022-23058542/43.

By Order of the Board of Directors  
For Prima Plastics Limited

**Vandana S. Ahuja**  
Company Secretary and Compliance Officer  
M. No. ACS : 57118

Mumbai  
August 6, 2021

Registered Office:  
98/4 Prima House, Daman Industrial Estate,  
Kadaiya, Nani Daman, Daman (U.T.), Pin - 396 210  
Tel no.: 0260-2220445  
Email id: [investor@primaplastics.com](mailto:investor@primaplastics.com)  
Website: [www.primaplastics.com](http://www.primaplastics.com)

Additional Information of the Director seeking re-appointment at the Twenty Seventh Annual General Meeting pursuant to Regulation 36 of the Listing Regulations and SS-2

PARTICULARS	SMT. HINA V. MEHTA
Brief Profile	Smt. Hina V. Mehta was appointed as Non Executive Director on the Board in 2015. She holds a Graduate Degree in Commerce from Mumbai University, India. She is running her own business dealing and manufacture of Modular Kitchen and accessories since 2003. She has experience in sales, marketing and finance. She is widely recognized for her role in shaping the retail outlet of Modular Kitchen.
Age	62 years
Date of Appointment	May 29, 2015
Qualification	Graduate Degree in Commerce from Mumbai University
Expertise in specific services, functional areas	Sales, Marketing and Finance
Directorship held in other Companies	NA
No. of shares held in the Company as on date	101 shares

For other details, such as the number of meetings of the Board attended during the year, remuneration drawn and relationship with other Directors and KMP, in respect of the above Director, please refer to the Corporate Governance Report which is part of this Annual Report.

## DIRECTORS' REPORT

### Financial Year 2020-21

Dear Members,

The Directors take pleasure in presenting the 27<sup>th</sup> Annual Report and the audited financial statements of Prima Plastics Limited ("the Company or Prima") for the financial year ended March 31, 2021.

### FINANCIAL HIGHLIGHTS

(Amounts in ₹ Lakhs)

Particulars	Standalone		Consolidated	
	Year ended March 31, 2021	Year ended March 31, 2020	Year ended March 31, 2021	Year ended March 31, 2020
Revenue from Operation	9,152.22	9,872.61	11,904.72	12,705.90
Other Income	380.56	103.13	14.47	21.71
Total Income	9,532.78	9,975.74	11,919.19	12,727.61
Total Expenditure	8,546.39	9,242.47	10,443.68	11,431.27
Profit before Depreciation, Finance Cost and Tax	986.39	733.27	1,475.51	1,296.34
Less : Depreciation, Amortisation & Impairment	333.14	318.58	489.73	478.89
Less : Interest & Finance Cost	104.93	182.77	112.87	197.09
Profit before Taxation	548.32	231.92	872.91	620.36
Share of Profit of Joint Venture	-	-	961.88	566.89
Profit Before Tax	548.32	231.92	1,834.79	1,187.25
Less : Current Tax	126.69	67.03	301.67	182.76
Deferred Tax	(11.99)	(33.60)	(11.99)	(33.60)
Profit after Tax	433.62	198.49	1,545.11	1,038.09
Other Comprehensive Income (net of tax)	(9.69)	12.92	(10.36)	48.55
Total Comprehensive Income	423.92	211.41	1,534.75	1,086.64
Add : Balance b/f from previous year	4,112.02	4,225.11	7,182.81	6,483.57
Balance available for appropriation	4,535.96	4,427.70	8,671.93	7,498.48
<b>Appropriation:</b>				
Balance c/f	4,535.96	4,427.70	8,671.93	7,498.48
Less : Proposed Dividend / Interim Dividend	-	220.01	-	220.01
Less: Dividend Tax	-	45.66	-	45.66
Less : General Reserve	50.00	50.00	50.00	50.00
Balance c/f to Balance Sheet	4,485.96	4,112.03	8,621.93	7,182.81

### STATE OF COMPANY'S AFFAIRS

On a consolidated basis, the revenue from operations for FY 2020-21, decreased to ₹11,904.72 Lakhs which was 6.30 % lower than that of the previous year (₹ 12,705.90 Lakhs in FY 2019-20). However, The consolidated EBITDA increased to ₹ 1,475.51 Lakhs for FY 2020-21 which was 13.82% higher than that of the previous year (₹ 1,296.34 Lakhs in FY 2019-20). On a standalone basis, revenue from operations for FY 2020-21, decreased to ₹ 9,152.22 Lakhs which was 7.30% Lower than that of the previous year (₹ 9,872.61 Lakhs in FY 2019-20). The standalone EBITDA increased to ₹ 986.39 Lakhs for FY 2020-21 which was 34.52% higher than that of the previous year (₹ 733.27 Lakhs in FY 2019-20).

The Management discussion and analysis report, focuses on your Company's strategies for growth and the performance review of the businesses / operations in depth and forms part of this Annual Report.

## DIVIDEND

Your Board is pleased to recommend a final dividend of ₹ 1.50 (i.e. 15%) per equity share of face value of ₹ 10 each for the financial year ended March 31, 2021. The payment is subject to the approval of the shareholders at the ensuing Annual General Meeting ("AGM") of the Company to be held on Tuesday, September 7, 2021. The record date for the purpose of the final dividend is Tuesday, August 31, 2021. and shall be paid within 30 days from the date of approval.

## TRANSFER TO RESERVES

The Company transferred an amount of ₹ 5,000,000/- to the General Reserve and an amount of ₹ 448,595,578/- is proposed to be retained in the Profit and Loss Account.

## FIXED DEPOSITS

During the financial year 2020-21, the Company has not accepted any fixed deposits within the meaning of Section 73 and 76 of the Companies Act, 2013 ("the Act") and Rule 2(c) of the Companies (Acceptance of Deposits) Rules, 2014, and as such, no amount of principal or interest was outstanding as of the date of Balance Sheet.

## SUBSIDIARY & JOINT VENTURE COMPANIES

As on March 31, 2021, your Company has one (1) direct Subsidiary in Guatemala, and one (1) Joint Venture Company in Cameroon.

A statement containing salient features of the financial statement of Subsidiary / Joint Venture Company as required under Section 129 (3) of the Act, is attached as **Annexure A** to this report.

Further, pursuant to the provisions of Section 136 of the Act, the financial statements of the Company, consolidated financial statements along with relevant documents and separate audited financial statements in respect of its subsidiary, are available on the Company's website on <http://www.primaplastics.com/index.php>

The Board of Directors of the Company has adopted a policy for determining Material Subsidiary Company in line with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") The Policy is uploaded on the website of the Company at [http://www.primaplastics.com/uploads/codes\\_policies/policy-on-determining-material-subsidiaries-1612610569.pdf](http://www.primaplastics.com/uploads/codes_policies/policy-on-determining-material-subsidiaries-1612610569.pdf)

## SHARE CAPITAL

The Company's paid-up equity share capital as on March 31, 2021 continues to stand at ₹ 110,004,700 divided into 11,000,470 equity shares of face value of ₹ 10 each. During the year, the Company has not issued any shares or convertible securities.

## DIRECTORS

Smt. Hina V. Mehta, retires by rotation at the ensuing AGM and being eligible, offers herself for re-appointment. Brief resume of the Director proposed to be re-appointed, nature of her expertise and the names of companies in which she hold directorships and Chairpersonships / Memberships of Board Committees etc. are provided in Notice to Members forming part of this Annual Report. A resolution seeking shareholders' approval for her re-appointment along with other required details forms part of the Notice. The Director seeking re-appointment is not debarred from holding the office of Director pursuant to any order. The Board recommends to the members the resolution for re-appointment of Smt. Hina V. Mehta liable to retire by rotation.

The Members of the Company at the 26<sup>th</sup> AGM held on September 28, 2020 have appointed Shri Shailesh S. Shah (DIN: 01172073) as an Independent, Non-Executive Director of the Company for a term of five consecutive years from November 13, 2019 till November 12, 2024.

Pursuant to the provisions of Section 149 of the Act, all the Independent Directors of the Company have submitted declarations that they meet the criteria of independence as provided in Section 149(6) of the Act along with Rules framed thereunder and Regulation 16(1)(b) of the Listing Regulations. The Independent Directors have also confirmed that they have complied with Schedule IV of the Act and the Company's code of conduct. Company's code of conduct is available on the website of the Company at [http://www.primaplastics.com/uploads/codes\\_policies/code-of-conduct-for-directors-and-senior-officers-1555063358.pdf](http://www.primaplastics.com/uploads/codes_policies/code-of-conduct-for-directors-and-senior-officers-1555063358.pdf)

## BOARD DIVERSITY

Your Company recognizes and embraces the importance of a diverse Board in its success. We believe that a truly diverse Board will leverage differences in thought, perspective, knowledge, skill, regional and industry experience, cultural and geographical backgrounds, age, ethnicity, race and gender that will help us retain our competitive advantage.

The Board Diversity Policy adopted by the Board sets out its approach to diversity. The policy is available on our website, at [http://www.primaplastics.com/uploads/codes\\_policies/policy-on-board-diversity.pdf](http://www.primaplastics.com/uploads/codes_policies/policy-on-board-diversity.pdf)

## KEY MANAGERIAL PERSONNEL

Pursuant to the provisions of Section 203 of the Act, the Key Managerial Personnel ("KMP") of the Company as on March 31, 2021 are Shri Bhaskar M. Parekh, Whole-time Director, Shri Dilip M. Parekh, Managing Director, Shri Dharmesh R. Sachade, Chief Financial Officer and Ms. Vandana S. Ahuja, Company Secretary & Compliance Officer.

During the year, Ms. Ankita Agarwal resigned from the post of Company Secretary w.e.f close of business hours of November 30, 2020 and Ms. Vandana Ahuja was appointed as Company Secretary w.e.f February 11, 2021.

## BOARD MEETINGS

Four meetings of the Board were held during the financial year 2020-21. For details of meetings of the Board, please refer to the Corporate Governance Report which forms part of this Annual Report.

## BOARD EVALUATION

The Board carried out an annual performance evaluation of its own performance and that of its Committees and Independent Directors as per the formal mechanism for such evaluation adopted by the Board. The performance evaluation of the Chairperson, the Non-Independent Directors and the Board as a whole was carried out by the Independent Directors. The exercise of performance evaluation was carried out through a structured evaluation process covering various criteria as recommended by the Nomination and Remuneration Committee.

The Board Evaluation report for the financial year 2020-21 was adopted at the Board Meeting held on May 27, 2021.

## DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, the Board of Directors to the best of its knowledge and ability, confirms that:

- a) in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- b) the directors had 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 the end of the financial year and the profit of the Company for that period;
- c) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- d) the directors had prepared the annual accounts on a going concern basis;
- e) the directors had laid down internal financial controls followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

## COMMITTEES

The details pertaining to Committees of the Board are included in the Corporate Governance Report which is part of this Annual Report.

## INTERNAL FINANCIAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Board has laid down adequate internal financial control procedures which commensurate with its size and nature of business, including adherence to the Company's policies, safeguarding of its assets, prevention and detection of frauds and errors, the accuracy and completeness of the accounting records and timely preparation of reliable financial disclosures.

The details of adequacy of Internal Financial Controls are given in Management discussion and analysis report, which forms integral part of this Annual Report.

## CORPORATE GOVERNANCE

The Company is committed to maintain the highest standards of Corporate Governance and believes in adopting best practices of Corporate Governance. The report on Corporate Governance as stipulated under the Listing Regulations together with a certificate from Shri Sadashiv V. Shet, Practicing Company Secretary confirming compliance with the conditions of Corporate Governance forms part of this Annual Report.

## **PARTICULARS OF LOANS, GUARANTEES AND INVESTMENTS**

Particulars of loans, guarantees and investments as per Section 186 of the Act, have been disclosed in the notes to the standalone financial statements.

## **CONTRACTS OR ARRANGEMENTS WITH RELATED PARTIES**

All contracts or transactions entered by the Company during the financial year under review with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company has not entered into any contract / arrangement / transactions which is required to be reported in Form No. AOC-2 in terms of Section 134(3)(h) read with Section 188 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014.

The policy on materiality of related party transactions as approved by the Board may be accessed on Company's website at [http://www.primaplastics.com/uploads/codes\\_policies/rpt-policy.pdf](http://www.primaplastics.com/uploads/codes_policies/rpt-policy.pdf)

In accordance with Ind AS 24, the related party transactions are also disclosed in the notes to the standalone financial statements.

## **STATUTORY AUDITORS**

The Members of the Company have appointed M/s. Khimji Kunverji & Co. LLP, Chartered Accountants (Firm Registration No. 105146W/W- 100621), as the Statutory Auditors of the Company till the conclusion of the twenty eighth (28<sup>th</sup>) AGM to be held in year 2022. The Statutory Auditors have confirmed they are not disqualified from continuing as Auditors of the Company. The Auditor's Report does not contain any qualification, reservation, adverse remark or disclaimer.

## **SECRETARIAL AUDITOR**

The Board of Directors has appointed Shri Sadashiv V. Shet, Practicing Company Secretary as Secretarial Auditor of the Company to undertake the Secretarial Audit of the Company for the financial year 2020-21. The Secretarial Audit Report for the financial year ended March 31, 2021 pursuant to the provisions of Section 204 of the Act is annexed herewith this report as **Annexure B**. The Secretarial Audit Report is self-explanatory and does not call for any further comments.

The Secretarial Audit Report does not contain any qualification, reservation or adverse remarks.

## **REPORTING OF FRAUDS BY AUDITORS**

During the year under review, neither the Statutory Auditor nor the Secretarial Auditor has reported to the Audit Committee under Section 143(12) of the Act any instances of fraud committed against the Company by its officers or employees.

## **MATERIAL CHANGES AND COMMITMENTS**

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

There has been no change in the nature of business of the Company.

## **SIGNIFICANT AND MATERIAL ORDERS**

There were no significant and material orders passed by the regulators, courts or tribunals impacting the going concern status and the Company's operations in future.

## **COST RECORDS AND COST AUDIT**

Maintenance of cost records and requirement of cost audit as prescribed under the provisions of Section 148(1) of the Act are not applicable for the business activities carried out by the Company.

## **EXTRACT OF ANNUAL RETURN**

Pursuant to Section 92(3) read with 134(3) of the Act, Annual Return (in e-form MGT-7) for the financial year ended March 31, 2021 is available on the Company's website on [https://www.primaplastics.com/pdf/board\\_meeting/Prima-Plastics-Limited---Extract-of-Annual-Return.pdf](https://www.primaplastics.com/pdf/board_meeting/Prima-Plastics-Limited---Extract-of-Annual-Return.pdf)



## RISK MANAGEMENT

The Board of Directors have framed a Risk Management Policy for identification of elements of risk if any, which in the opinion of the Board may threaten the existence of the Company and is designed to identify, assess and frame a response to threats that affect the achievement of its objectives.

## CORPORATE SOCIAL RESPONSIBILITY

In accordance with the provisions of Section 135 of the Act and the rules made thereunder, your Company has constituted Corporate Social Responsibility ("CSR") Committee of Directors. The role of the Committee is to review and monitor CSR activities of the Company and recommend to the Board the amount to be spent on CSR annually. The Committee presently consists of four Directors and the Chairperson of the Committee is a Non-Executive, Independent Director.

The Company continued its philosophy of improving the society by keeping its focus on health, child education, environment and communities. The CSR policy, formulated by CSR Committee and approved by the Board can be accessed at [http://www.primaplastics.com/uploads/codes\\_policies/csr-policy-1608719753.pdf](http://www.primaplastics.com/uploads/codes_policies/csr-policy-1608719753.pdf)

Pursuant to Rule 8 of Companies (Corporate Social Responsibility) Rules, 2014, Annual Report on the CSR activities for the financial year ended March 31, 2021 is annexed as **Annexure C** to this report.

## PARTICULARS OF EMPLOYEES

The particulars of employees as required under Section 197 of the Act read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is attached as **Annexure D** to this Report.

## HUMAN RESOURCES

Employees being the key assets to any organization, your Company considers and ensures to provide a safe and healthy environment for all its employees.

Your Company's total employees as at March 31, 2021 were 415 (March 31, 2020 - 375).

The Company has in place a policy on prevention against sexual harassment, which is frequently communicated among the employees of the Company through various programs at regular intervals. The Company has set up Internal Complaints Committee ("ICC") both at the registered office and at every location where it operates in India, which have men and women committee members as per the regulations.

The details of complaints pertaining to sexual harassment that were filed, disposed and pending during the financial year are provided in the Corporate Governance report which is part of this Annual Report.

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

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed under the Act, is annexed herewith as **Annexure E** to this report.

## VIGIL MECHANISM

The Company has a Whistle Blower Policy and has established the necessary vigil mechanism for Directors and Employees in accordance with the provisions of the Act and Listing Regulations, to report concerns about unethical behavior. The Whistle Blower Policy is available on the Company's website and can be accessed at [http://www.primaplastics.com/uploads/codes\\_policies/whistle-blower-policy.pdf](http://www.primaplastics.com/uploads/codes_policies/whistle-blower-policy.pdf)

## STATEMENT ON COMPLIANCE WITH SECRETARIAL STANDARDS

The Company has devised proper systems to ensure compliance with the provisions of all applicable Secretarial Standards issued by the Institute of Company Secretaries of India ("ICSI") and that such systems are adequate and operating effectively.



## RESPONSE TO COVID- 19

The COVID- 19 pandemic emerged as a global challenge for everyone and every country leading to disruption across the world.

Considering the health and safety of the employees, the company tried to adopt work from home model as much as possible. We tried to conduct the business with some modification to employee travel and employee work location but not limited to work from home.

In factories where complete halt down was not possible due to manufacturing business, safety measures / initiatives were taken to ensure the well-being of the employees.

## ACKNOWLEDGEMENT

The Directors wish to convey their gratitude and appreciation to all of the employees of the Company for the commitment and effort put in by them. The Directors would also like to thank the shareholders, customers, dealers, suppliers, bankers, government and all other business associates for their continued support given by them to the Company and the Management.

For and on behalf of the Board

**Bhaskar Parekh**  
Executive Chairman  
DIN: 00166520

Mumbai  
August 6, 2021



## ANNEXURE A

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to subsidiary company

Sr. No.	Name of Subsidiary	Prima Union Plasticos S.A.	
1.	Reporting period for the subsidiary concerned	March 31, 2021	
2.	Reporting currency and Exchange rates for the financial year	Guatemala Quetzal	
		Closing Rate	Average rate
		1 Qtz = ₹ 9.53	1 Qtz = ₹ 9.64
3.	Share Capital	₹ 355.70 Lakhs	
4.	Reserves and Surplus	₹ 591.88 Lakhs	
5.	Total Assets	₹ 2,392.70 Lakhs	
6.	Total Liabilities	₹ 1,445.12 Lakhs	
7.	Investments	NIL	
8.	Turnover	₹ 2,752.51 Lakhs	
9.	Profit before taxation	₹ 638.08 Lakhs	
10.	Provision for taxation	₹ (174.98) Lakhs	
11.	Profit after taxation	₹ 463.10 Lakhs	
12.	Proposed Dividend	NIL	
13.	Extent of shareholding (In percentage)	90%	

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

Statement pursuant to first proviso to sub-section (3) of section 129 of the Companies Act 2013, read with rule 5 of Companies (Accounts) Rules, 2014 in the prescribed Form AOC-1 relating to Joint Venture Company

Sr. No.	Name of Joint Venture	Prima Dee-Lite Plastics S.A.R.L.
1.	Last audited Balance Sheet Date	December 31, 2020
2.	Share of Joint Venture held by the Company on the year end	16,100 Shares
3.	Amount of Investment in Joint Venture	₹ 102.07 Lakhs
4.	Extent of holding (In percentage)	50%
5.	Description of how there is significant influence	Due to equity holding in Joint Venture
6.	Reason why the joint venture is not consolidated	N.A.
7.	Net worth attributable to shareholding as per latest Audited Balance Sheet	₹ 4,698.17 Lakhs
8.	Profit/Loss for the year	
i	Considered in Consolidation	₹ 961.88 Lakhs
ii	Not Considered in Consolidation	NIL

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

**Dharmesh R. Sachade**  
Chief Financial Officer  
M.No.139349

**Vandana S. Ahuja**  
Company Secretary  
M.No. ACS: 57118

**Bhaskar M. Parekh**  
Executive Chairman  
DIN : 00166520

**Dilip M. Parekh**  
Managing Director  
DIN : 00166385

**ANNEXURE B****FORM NO. MR- 3****SECRETARIAL AUDIT REPORT****FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2021**

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

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

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

Based on my verification of the **PRIMA PLASTICS LIMITED'S** books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the company has, during the audit period covering the financial year ended on 31st March, 2021, complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have \*examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2021 and according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; .....**Not applicable to the Company during the Audit Period.**
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities), 2008; .....**Not applicable to the Company during the Audit Period.**
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; .....**Not applicable to the Company during the Audit Period.**
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 ; .....**Not applicable to the Company during the Audit Period.**
- (vi) Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016

The following other Laws applicable specifically to the Company are:

1. The Water (Prevention and Control of Pollution) Act, 1974 & The Water (Prevention and Control of Pollution) Cess Rules, 1975
2. The Air (Prevention and Control of Pollution) Act, 1981
3. The Environment (Protection) Act, 1986 & the Environment (Protection) Rules 1986
4. The Noise Pollution (Regulation and Control) Rules 2000;
5. Legal Metrology Act, 2009.
6. Provisions related to unfair or restrictive trade practices of the Monopolies and Restrictive Trade Practices Act, 1969.
7. Standard Weights and Measure Act, 1976;
8. Trademarks Act, 1999.

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

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

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

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

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

**I further report that** the Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act. Ms. Ankita Agarwal, Company Secretary resigned on 30.11.2020 and Ms. Vandana Ahuja was appointed as Company Secretary on 11.02.2021.

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

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

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

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

Date : 27.05.2021  
Place : Panaji - Goa

**Sadashiv V Shet**  
Practicing Company Secretary  
FCS No. 2477  
C P No.: 2540  
UDIN: F002477C000445469

\*On account of the COVID- 19 pandemic the documents verified by me are the scanned copies of the documents as provided to me.

## ANNEXURE C

### ANNUAL REPORT ON CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES

#### 1. A brief outline on CSR Policy of the Company:

Corporate Social Responsibility ("CSR") policy of the Company is based on the Company's philosophy for fulfilling its responsibility and undertaking programmes like providing education, healthcare facilities and to contribute towards economy and development of the community at large. The Company's CSR Policy is disclosed on the website of the Company at [http://www.primaplastics.com/uploads/codes\\_policies/csr-policy-1608719753.pdf](http://www.primaplastics.com/uploads/codes_policies/csr-policy-1608719753.pdf)

The projects undertaken are within the broad framework of Schedule VII of the Companies Act, 2013 read with Rule 8 of the Companies (Corporate Social Responsibility) Rules, 2014 ("the Act").

#### 2. Composition of CSR Committee:

The CSR Committee of the Board is responsible for overseeing the execution of the Company's CSR Policy. The CSR committee comprises two Independent Directors, Managing Director and Whole-time Director as at the end of financial year 2021.

Sr. No.	Name of the Director	Designation / Nature of Directorship	Number of meetings of CSR Committee held during the year	Number of meetings of CSR Committee attended during the year
1	Shri Krishnakant V. Chitalia	Chairperson, Independent, Non-Executive Director	2	2
2	Shri Rasiklal M. Doshi	Member, Independent, Non-Executive Director	2	1
3	Shri Bhaskar M. Parekh	Member, Non-Independent, Executive Director	2	2
4	Shri Dilip M. Parekh	Member, Non-Independent, Executive Director	2	2

#### 3. Provide the web-link where Composition of CSR Committee, CSR Policy and CSR projects approved by the board are disclosed on the website of the Company:

The composition of the CSR Committee is available on our website at: <http://www.primaplastics.com/composition-board.php>

The CSR Policy of the Company is available on our website at: [http://www.primaplastics.com/uploads/codes\\_policies/csr-policy-1608719753.pdf](http://www.primaplastics.com/uploads/codes_policies/csr-policy-1608719753.pdf)

CSR projects: <http://www.primaplastics.com/csr.php>

#### 4. Provide the details of Impact assessment of CSR projects carried out in pursuance of sub-rule (3) of rule 8 of the Companies (Corporate Social Responsibility Policy) Rules, 2014, if applicable (attach the report):

There were no projects undertaken or completed after January 22, 2021, for which the impact assessment report was applicable during the financial year ended March 31, 2021.

#### 5. Details of the amount available for set off in pursuance of sub-rule (3) of rule 7 of the Companies (Corporate Social Responsibility Policy) Rules, 2014 and amount required for set off for the financial year, if any:

Sr. No.	Financial Year	Amount available for set-off from preceding financial years (in ₹)	Amount required to be set off for the financial year, if any (in ₹)
		NIL	

6. Average net profit of the company as per section 135(5): ₹ 45,681,052.67
7. (a) Two percent of average net profit of the Company as per Section 135(5): ₹ 913,621
- (b) Surplus arising out of the CSR projects or programmes or activities of the previous financial years: NIL
- (c) Amount required to be set off for the financial year, if any: NIL
- (d) Total CSR obligation for the financial year (7a+7b-7c): ₹ 913,621
8. (a) CSR amount spent or unspent for the financial year:

Total Amount Spent for the Financial Year (in ₹)	Amount Unspent (in ₹)				
	Total amount transferred to unspent CSR account as per Section 135(6)		Amount transferred to any fund specified under Schedule VII as per second proviso to Section 135(5)		
	Amount	Date of transfer	Name of the Fund	Amount	Date of transfer
927,500	NA		NA		

The Company takes cognizance of Companies CSR Policy Rules, 2014 and shall initiate steps to transfer unspent amount if any from financial year 2021-22 onwards.

- b) Details of CSR amount spent against ongoing projects for the financial year: NIL
- c) Details of CSR amount spent against other than ongoing projects for the financial year:

Sr. No.	Name of the Project	Item from the list of activities in schedule VII to the Act	Local area (Yes/No)	Location of the project		Amount spent for the project (in ₹)	Mode of implementation - Direct (Yes/No)	Mode of implementation Through implementing agency	
				State	District			Name	CSR registration number
1	Kanya Shiksha Yojna	(ii)	Yes	Maharashtra	Mumbai	37,500	No	Shiksha Seva Foundation	CSR00002256
2	Dialysis Treatment	(i)	Yes	Maharashtra	Mumbai	2,00,000	No	Nana Palkar Smruti Samiti	CSR00001230
3	Sihor Resource Centre	(i)	Yes	Gujarat	Bhavnagar	40,000	No	PNR Society	CSR00001320
4	Congenital Deformity Project	(i)	Yes	Gujarat	Bhavnagar	5,00,000	No	PNR Society	CSR00001320
5	Education Welfare Purpose	(ii)	Yes	Andhra Pradesh	Guntur	50,000	No	Connect to Andhra	CSR00008366
6	Scientific Purpose	(ii)	Yes	Maharashtra	Mumbai	1,00,000	No	The Indian Planetary Society	Registration in progress

- (d) Amount spent in Administrative Overheads: NIL
- (e) Amount spent on Impact Assessment, if applicable NIL
- (f) Total amount spent for the Financial Year (8b+8c+8d+8e) ₹ 927,500
- (g) Excess amount for set off, if any :

Sr. No.	Particulars	Amount (in ₹)
(i)	Two percent of average net profit of the company as per Section 135(5)	913,621.00
(ii)	Total amount spent for the financial year	927,500.00
(iii)	Excess amount spent for the financial year [(ii)-(i)]	13,879.00
(iv)	Surplus arising out of the CSR projects or programmes or activities of the previous financial years, if any	NIL
(v)	Amount available for set off in succeeding financial years [(iii)-(iv)]	13,879.00

9. (a) Details of Unspent CSR amount for the preceding three financial years: NIL

(b) Details of CSR amount spent in the financial year for ongoing projects of the preceding financial year(s): NIL

10. In case of creation or acquisition of capital asset, furnish the details relating to the asset so created or acquired through CSR spent in the financial year (asset-wise details):

No capital asset was created / acquired for fiscal 2021 through CSR spend.

11. Specify the reason(s), if the company has failed to spend two per cent of the average net profit as per Section 135(5):

Not Applicable

**Krishnakant V. Chitalia**  
Chairperson, CSR Committee  
DIN: 00355215

**Dilip M. Parekh**  
Managing Director  
DIN: 00166385

Place: Mumbai  
Date: August 6, 2021

## ANNEXURE D

The information required under Section 197 of the Companies Act, 2013 (“the Act”) read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended is given below:

**1. Ratio of the remuneration of each director to the median remuneration of the employees of the Company for the financial year:**

Name and Title	Ratio of remuneration to Median Remuneration of the Employees
Shri Bhaskar M. Parekh, Executive Chairman	30.00
Shri Dilip M. Parekh, Managing Director	30.00

**2. Ratio of the remuneration of each Chief Executive Officer, Chief Financial Officer and Company Secretary to the median remuneration of the employees and percentage increase in remuneration if any during financial year:**

Name and Title	% of increase in FY 2020-21	Ratio of remuneration to Median Remuneration of the Employees
Shri Dharmesh R. Sachade, Chief Financial Officer	Nil	11.43
Ms. Ankita A. Agarwal, Company Secretary and Compliance Officer*	Nil	2.57
Ms. Vandana S. Ahuja, Company Secretary and Compliance Officer#	Not Applicable	NA

\*Resigned on November 30, 2020

#Appointed w.e.f February 11, 2021

**3. The percentage increase in the median remuneration of employees in the financial year: Nil**

**4. The number of permanent employees on the rolls of company:**

415 as on March 31, 2021. The Company is having 140 Staff and 275 Workers on its permanent roll.

**5. Average percentile increase already made in the salaries of employees other than the managerial personnel in the last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration: Not Applicable**

**6. Affirmation that the remuneration is as per the remuneration policy of the Company:**

The Company affirms that remuneration is as per the remuneration policy of the Company.

The statement containing names of top ten employees in terms of remuneration drawn and the particulars of employees as required Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, is provided in a separate annexure forming part of this report. Further, the report and the accounts are being sent to the Members excluding the aforesaid annexure. In terms of Section 136 of the Act, the said annexure is open for inspection at the Registered Office of the Company. Any Member interested in obtaining a copy of the same may write to the Company Secretary of the Company.

For and on behalf of the Board of Directors

**Bhaskar M. Parekh**

Executive Chairman

DIN : 00166520

Place: Mumbai

Date: August 6, 2021



## ANNEXURE E

### 1. CONSERVATION OF ENERGY

During the year under review, your company has successfully being certified for **ISO 14001:2015** (Environment Management Systems).

The steps taken or impact on conservation of energy:

- Continuous replacement of inefficient equipment's with latest energy efficient technology & upgradation of equipment's on a continuous basis.
- Awareness creation on energy saving within the organization to avoid the wastage of energy.
- Putting of best efforts / initiatives to reduce energy consumption in all its operations and activities.

The steps taken by the company for utilising alternate source of energy: Solar power roof top panel has been installed at Daman Plant of the Company.

### 2. TECHNOLOGY ABSORPTION

The Company regularly strives to utilize newer technologies with a view to conserve the energy and create an environmentally friendly work environment. The initiatives made towards technology absorption are summarized below:

- The Company is continuously involved in Research & Development for new designs of its product
- Monitoring productions pattern and
- Replacing of old machines with energy efficient and technologically advanced machines.

The benefits derived as a result of the above efforts are as follows :

- Product improvement;
- Cost reduction;
- Improved performance of machines and its utilisation;
- Deliver a broad spectrum of new & customized solution that has created strong demand of its products in export market and
- Opportunities to expand business in new areas.

The Company has not imported any technology during the year under review.

### 3. FOREIGN EXCHANGE EARNING AND OUTGO

Particulars	2020-2021	2019-2020
Foreign Exchange earned (FOB)	91,135,788	83,825,460
Foreign Exchange used	7,452,979	12,139,624

## MANAGEMENT DISCUSSION & ANALYSIS

### INDUSTRY STRUCTURE AND DEVELOPMENTS

The Indian plastics industry has made significant progress since beginning of 1957 with the production of polystyrene. Thereafter the industry has grown and diversified rapidly. The industry spans the country and hosts more than 2,000 exporters. It employs about 4 million people and comprises more than 30,000 processing units, 85-90 percent of which are small and medium sized enterprises.

Among the industry's major strengths is the availability of raw materials in the country. Thus, plastic processors do not have to depend on imports. These raw materials, including polypropylene, high-density polyethylene, low-density polyethylene and PVC are manufactured domestically.

Looking to the current scenario, we expect that the demand will increase as import of goods is reduced due to negative sentiments. Being a leading reputed manufacturer of quality products, we are optimistic for the future. The Company maintains its view that there is ample growth opportunity for plastic business in the near future with the new "Atmanirbhar Bharat" campaign of the government.

COVID- 19 pandemic has led to affect consumer behaviour which has forced business to change its way of doing business. The Company is well positioned to handle and face the challenges by supplying its products in the required sectors.

### OPPORTUNITIES

With the aim to reach every corner and every house, office and organization of the world, the Company decided to expand its products online along with offline business to reach people nationwide. During the year under review, the Company grew from 1 online marketplace to 4 to expand through e-commerce. Through these platforms, the company is introducing all product lines to expose customers to the wide range of products offered by Prima. By this, we hope to set a strong brand tone and increase recognition in the online marketplace ecosystem. The Company has already started to see growth trend and expects the same in future.

Your Company is continuously in process to explore the market by developing of new products and improvement in designs of the existing products to capture a higher market share.

### THREAT

One of the major factor which can be considered as threat in current time is the outbreak of global pandemic COVID- 19 which has created a disruption over the world and so with our Company which resulted in lower demand as compared to previous years. The other factor which is well connected with the COVID- 19 pandemic is the increase in raw material prices which further leads to increase in production cost for the Company.

### SEGMENT WISE OR PRODUCT WISE PERFORMANCE

Your Company is operating in single segment i.e. Designing, Producing, Marketing and Supply of Plastic articles in domestic market and export of same.

Your Company has manufacturing units in Daman, Cochin, Ongole, Central America & two units in West Africa.

Various products in which your company is dealing and their performance summary is as below:

**Furniture:** Considering the modern requirements for plastic furniture for home / office / schools etc., the Company is continuously engaged in developing the plastic furniture products. The various furniture produced and catered by the Company are Chairs, Storage Solutions, Stools, Dining Table etc.

The Company's furniture business declined in both in value and volume terms due to lockdown which had a severe impact.

**Road Safety Products:** Constantly increasing intensity of road traffic and the allowed speed limits seem to impose stronger requirements on road infrastructure and use of road safety systems. One of the ways to improve road safety is the use of road restraint systems. Road safety barriers allow not only reducing the number of road traffic accidents, but also lowering the severity of accidents. Considering the need, your Company is continuously engaged in developing road safety related products and is seeing considerable growth in market.

The Company has started the construction of its new unit in Indore for the ROTO Business with all the latest technology and machines.

**Crates / Pallets:** We have a huge range of products for these sectors. Our range of crates, pallets and equipment of different sizes are there to help with transportation, storage in cold stores, warehouse and exports of perishables.

**Waste Management:** The Company has a wide range of waste collection and disposal bins to maintain the sanitation and hygiene of the Country. The performance of the Company in the waste management products has seen a good trend over the past few years.

## OUTLOOK

COVID- 19 pandemic has impacted the business operations across various sectors of the global economy, making it very challenging environment for all the businesses. This may change the way of doing business and working in the future.

Government is taking all necessary precautions and steps to boost the economy of the country by announcing relief packages in comparison to its annual GDP and by reducing repo rates continuously, and is expected that the economy may revive in the upcoming days.

Though the forthcoming year is going to be very uncertain with this COVID- 19 pandemic across the globe, the priority of people have changed, which will take longer time for normalcy in the market. Income of the people have affected largely and reduced demand to a great extent. However, the Company is able to manage immediate challenges of re-establishing normalcy in business operations and is in the process of assessing long term implications and opportunities that may emerge from this situation.

The Company is taking required measures by innovating new products and by expanding to deliver its products throughout the Country. In this current scenario, the Company is continuously working to strengthen its brand with the Digital India initiative of the government by expanding its business online on e-commerce platforms. The Company is focusing to make product development in line with changing consumer preferences. The Company is expected to bring back the growth by harnessing the intrinsic strength of its brand, innovation capabilities, strong distribution network and cost efficiency programs.

## RISKS AND CONCERNS

The major risks that poses concern to your Company are summarized below:

### Foreign Exchange Risk:

The volatile movement in exchange rates caused by major global developments undoubtedly have an impact on the Company, since the Company is exposed to foreign currency loans and makes payment in foreign currency with overseas Joint Venture at Cameroon and Subsidiary at Guatemala.

### Operating Business Risk:

Apart from the risks on account of foreign exchange and commodity price, the business of the Company is exposed to certain operating business risk which may be internal or external risk, requiring quick identification, analyse and mitigation of risk by appropriate control measures and collective actions.

### Risks related to legislation and regulatory:

- Changes in the policies of the Government of India or political instability may adversely affect economic conditions in India generally, which could impact our business and prospects.
- Our international expansion plans subject us to risks inherent to doing business internationally compliance.

The Company has an effective risk management framework in place to primarily control business and operational risks. The major risk areas are periodically and systematically reviewed by the Senior Management of the Company. Comprehensive policies and procedures helps to identify, mitigate and monitor risks at various levels. By taking such proactive measures, the Company ensures that strategic business objectives are achieved seamlessly. The Company has a well-documented risk management policy, which is reviewed by the management periodically.

## INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has adequate internal financial control procedures commensurate with its size and nature of business. These control provide reasonable assurance regarding effectiveness and efficiency of operations, safeguarding of assets, prevention and detection of frauds and error, accuracy and timely preparation of reliable financial information. The Company has appointed Internal Auditors comprising professional Chartered Accountants who periodically audit at all units / locations and report to the management. Based on the audit observation and recommendations, follow ups and remedial measures are being taken including review and increase in scope, on time to time.

The Audit Committee reviews reports submitted by the internal auditors and statutory auditors. The Audit Committee also ascertain the views of the statutory auditors on the adequacy of internal control systems and takes appropriate action. Based on its evaluation, our internal financial controls are adequate and operating effectively.



## DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

### Revenue from Operation:

On a consolidated basis, the turnover of the Company is ₹ 11,904.72 Lakhs as compared to previous year of ₹ 12,705.90 Lakhs.

### Operating Profit:

The Company registered operating profit of ₹ 1,820.33 Lakhs in comparison to ₹ 1,165.54 Lakhs in previous year. This is mainly due to better gross margin due to reduction of raw material prices in beginning of the year.

### Interest:

The interest cost has substantially reduced during the current year to ₹ 112.87 Lakhs as compared to previous year of ₹ 197.09 Lakhs due to lower working capital utilization during the year.

### Profit:

Your Company has registered a higher Profit before Tax of ₹ 1,834.79 Lakhs as compared to previous year ₹ 1,187.25 Lakhs and net profit after tax of ₹ 1,545.11 Lakhs as compared to ₹ 1,038.09 Lakhs in previous year.

## HUMAN RESOURCE

Prima's empowering culture, philosophy of investing in people, career growth opportunities and progressive HR policies have resulted in consistently high retention levels and developed a strong employer brand. The Company recognizes the importance and contribution of its human resources for the overall growth and development. The Company is keen to retain its key employees and encourage employees to provide new and innovating ideas for betterment and development of the Company. During the global pandemic COVID - 19 the Company is taking utmost care for the health and safety of the employees by providing the option of work from home, necessary infrastructure to avoid any disruption in work at home.

As on March 31, 2021 the Company had 415 employees.

## CHANGE IN DETAILS OF SIGNIFICANT CHANGES

Pursuant to provisions of Regulation 34(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with Schedule V Part B(i) details of the change in key financial ratios is given hereunder:

Particulars	Category	Year Ended		Deviation
		31/03/21	31/03/20	
Debtors Turnover	in Days	70	68	3.42
Inventory Turnover	in Days	95.59	79	21.50
Interest Coverage Ratio	Times	17.26	7.02	145.68
Current Ratio	Times	2.54	2.48	2.25
Debt Equity Ratio	Times	0.21	0.22	(4.55)
Operating Profit Margin	%	18.17	16.83	7.95
Net Profit Margin	%	12.98	8.17	58.86

### Note:

Improvement in Ratios of Interest Coverage and Net Profit Margin is due to increase in profit of the Company.

## CHANGE IN RETURN ON NET WORTH

Due to higher profit in current financial year the return in net worth has increased from 3.02% to 6.17%

## **DISCLOSURE OF ACCOUNTING TREATMENT**

In the preparation of financial statements there is no difference in treatment from that prescribed in an Accounting Standards.

## **CAUTIONARY STATEMENT**

Some of the Statements in this Management's Discussions and Analysis describing the company's objectives, projections, estimates and expectations may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results might differ substantially from those expressed or implied. Important developments that could affect the company's operations include changes in economic conditions particularly in view of the ongoing pandemic COVID- 19 affecting demand, supply and price movements in the domestic and overseas markets in which your company operates, changes in the Government regulations, Tax Laws and other Statutes or other incidental factors. The Company assumes no responsibility in respect of forward-looking statements, which may be amended or modified in future.



## CORPORATE GOVERNANCE REPORT

The detailed report on Corporate Governance of Prima Plastics Limited ("the Company") for the financial year ended March 31, 2021 as per Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ("Listing Regulations") is set out below:

### 1. Company's philosophy on code of governance

Your Company's philosophy envisages reaching people, touching lives globally by following the core values of the Company viz. Quality, Reliability, Consistency, Trust, Passion and Innovation which also form a base of the Corporate Governance practices of the Company. The Company ensures to work by these principles in all its interactions with stakeholders comprising regulators, employees, customers, vendors, investors and the society at large.

The Company believes that the same could be achieved by maintaining transparency in its dealings, adopting good policies and governance practices and systems with clear accountability, integrity and highest standards of regulatory compliances. The Company is committed to learn and adopt the best practices of Corporate Governance.

### 2. Board of Directors

#### 2.1 Composition of the Board

The Board of Directors of the Company ("the Board") has an optimum combination of Executive and Non-Executive Directors with majority of the Board Members comprising of Independent Directors in line with the provisions of Companies Act, 2013 ("the Act") and the Listing Regulations. As on March 31, 2021, the Company has Seven Directors. Of the Seven Directors, five (i.e. 71.43 percent) are Non-Executive Directors out of which four (i.e. 57.14 percent) are Independent Directors. The profiles of Directors are available at <http://www.primaplastics.com/leadership-team.php>. All Independent Directors are eminent person with wide range of expertise and experience on the Board, thereby ensuring the best interest of stakeholders and the Company.

Pursuant to Listing Regulations, the Company has formalised a policy on Board Diversity to ensure diversity of the Board in terms of experience, knowledge, perspective, background, gender, age and culture. The policy on diversity is available on the Company's website and can be accessed on web link at [http://www.primaplastics.com/uploads/codes\\_policies/policy-on-board-diversity.pdf](http://www.primaplastics.com/uploads/codes_policies/policy-on-board-diversity.pdf)

The name and category of the Directors on the Board, their attendance at Board Meetings held during the year under review and at the last Annual General Meeting ("AGM") held on September 28, 2020, name of the other entities in which the Director is a Director and the number of the Directorship and Committee Chairpersonships / Memberships held by them in other companies as on March 31, 2021 are given below:

Name of the Director	Board Meetings attended during the year	Attendance at the last AGM held	Number of Directorships in other Companies	Number of Committee Positions held in other Companies	
				As Chairperson	As Member
<b>Executive Directors:</b>					
Shri Bhaskar M. Parekh Chairperson & Whole-time Director (DIN: 00166520)	4/4	Present	-	-	-
Shri Dilip M. Parekh Managing Director (DIN: 00166385)	4/4	Present	1	-	-
<b>Non-Executive, Independent Directors:</b>					
Shri Krishnakant V. Chitalia (DIN: 00355215)	4/4	Present	4	-	-
Shri Rasiklal M. Doshi (DIN: 00239580)	4/4	Present	2	-	-
Shri Snehal N. Muzoomdar (DIN: 00729992)	4/4	Present	4	-	2
Shri Shailesh S. Shah (DIN: 01172073)	4/4	Present	-	-	-
<b>Non-Executive, Non-Independent Director:</b>					
Smt. Hina V. Mehta (DIN: 07201194)	4/4	Present	-	-	-

**Notes:**

- For the purpose of determining the number of directorships in other companies, all the companies around the world (listed, unlisted, private limited companies and foreign companies), including subsidiaries of the Company are considered.
- For the purpose of determining the number of Chairpersonships / Memberships of the Committees of the Board of other Companies, only the Audit Committee and Stakeholders' Relationship Committee are considered.
- None of the Directors of the Company held directorships in other listed companies except Shri Snehal N. Muzoomdar who serves as a Non-Executive, Independent Director in Perfect-Octave Media Projects Ltd.
- All the Independent Directors of the Company have confirmed that they meet the criteria of Independence as stipulated in the Act and Listing Regulations. Based on the confirmations / disclosures received from the Independent Directors, the Board is of the opinion that the Independent Directors meet the criteria of independence and they are independent of the Management. Further, the Independent Directors have included their names in the data bank of Independent Directors maintained with the Indian Institute of Corporate Affairs in terms of Section 150 of the Act read with Rule 6 of the Companies (Appointment & Qualification of Directors) Rules, 2014.
- Details of equity shares of the Company held by the Directors of the Company as on March 31, 2021 are given below:

Name	Category	No. of Equity Shares
Shri Krishnakant V. Chitalia	Non-Executive, Independent Director	5,500
Shri Rasiklal M. Doshi	Non-Executive, Independent Director	3,367
Shri Dilip M. Parekh	Executive, Managing Director	2,615,420
Shri Bhaskar M. Parekh	Executive, Whole-time Director	2,551,610
Smt. Hina V. Mehta	Non-Executive, Non-Independent Director	101

- Shri Sadashiv V. Shet, Practicing Company Secretary, has issued a certificate as required under Listing Regulations, confirming that none of the Directors on the Board has been debarred or disqualified from being appointed or continuing as a Director of the Company by Securities and Exchange Board of India ("SEBI") / Ministry of Corporate Affairs ("MCA") or any such Statutory Authority. The certificate is enclosed with this report as **Section 1**.
- Shri Bhaskar M. Parekh, Shri Dilip M. Parekh and Smt. Hina V. Mehta, Directors of the Company are related to each other as brothers and sisters.  
Except, the above there are no inter-se relationships among the other Directors.
- Following core skills / expertise / competencies have been identified by the Board for efficient functioning and available with the Directors of the Company are given below:

<b>Finance</b>	In depth understanding of financial statements, financial controls, proficiency in financial management and reporting process and expertise in dealing with complex financial transactions.
<b>Directors with skills / expertise / competencies</b>	Shri Shailesh S. Shah, Shri Snehal N. Muzoomdar & Shri Dilip M. Parekh
<b>Strategy and Planning</b>	Good business instincts, ability to get to the crux of the issue, ability to provide guidance and active participation in complex decision making, set priorities and focus energy and resources towards achieving goals.
<b>Directors with skills / expertise / competencies</b>	Shri Bhaskar M. Parekh & Shri Dilip M. Parekh

<b>Governance</b>  <b>Directors with skills/expertise/ competencies</b>	<p>Experience in developing governance practices, serving the best interests of all stakeholders, maintaining board and management accountability, building long-term effective stakeholder engagements and driving corporate ethics and values, ability to benchmark with the best governance practices globally, protecting and enhancing stakeholders value.</p> <p>Shri Krishnakant V. Chitalia &amp; Smt. Hina V. Mehta</p>
<b>Sales &amp; Marketing</b>  <b>Directors with skills / expertise / competencies</b>	<p>Experience in sales and marketing, understanding of brand equity, provide guidance in developing strategies for increasing sales, enhancing brand value customer satisfaction etc.</p> <p>Shri Bhaskar M. Parekh &amp; Shri Dilip M. Parekh</p>
<b>Leadership</b>  <b>Directors with skills / expertise / competencies</b>	<p>Effective management of business operations, ability to guide on complex business decisions, anticipate changes, setting priorities, aligning resources towards achieving goals and protecting and enhancing stakeholders value</p> <p>Shri Bhaskar M. Parekh, Shri Dilip M. Parekh &amp; Shri Krishnakant V. Chitalia</p>

## 2.2 Meetings of the Board

The Company held Board Meetings at regular intervals during the financial year ("FY") 2020-21 and the gap between any two (2) Board Meetings during the period April 1, 2020 to March 31, 2021 did not exceed one hundred and twenty (120) days as required under the law.

All material information was circulated to all the Directors before the meeting or placed at the meeting, including minimum information required to be made available to the Board as prescribed under Part A of Schedule II of the Listing Regulations. The necessary quorum was present for all the Board Meetings. The Directors are also given the option of attending the Board Meetings through Video Conferencing ("VC").

The gap between Board Meeting held on February 7, 2020 and June 29, 2020 was 143 days due to sudden outbreak of global pandemic COVID- 19 and the relaxations provided by MCA.

During the year under review, four Board Meetings were held on the following dates:

June 29, 2020, August 20, 2020, November 11, 2020 and February 11, 2021.

Due to the exceptional circumstances caused by the global pandemic COVID- 19 and consequent relaxations granted by MCA and SEBI, all Board Meetings in FY 2020-21 were held through VC.

In case of urgent business needs, the Board's approval is obtained by way of circular resolutions in accordance with the Act which are noted and confirmed in the subsequent Board Meeting.

## 2.3 Board Support

The Company Secretary of our Company is responsible for collation, review and distribution of all papers submitted to the Board and Committees thereof for consideration. The Company Secretary is also responsible for preparation of the Agenda and convening of the Board and Committee Meetings. The Company Secretary advises / assures the Board and its Committees on Compliance and Governance principles and ensures appropriate recording of minutes of the Meetings, thereby ensuring the best corporate governance practices in the Company.

## 2.4 Independent Directors' Meeting

During the year under review, a separate meeting of the Independent Directors was held on Tuesday, March 30, 2021 and all the Independent Directors of the Company participated in the said meeting without the presence of the Non-Independent Directors and members of the Management of the Company. The Independent Directors met to discuss inter-alia the following matters:

- evaluation of the performance of Non-Independent Directors and the Board as a whole;
- evaluation of the performance of the Chairperson of the Company;
- evaluation of the quality, content and timeliness of flow of information between the Management and the Board that is necessary for the Board to effectively and reasonable perform its duties and
- Other related matters.



## 2.5 Familiarisation Programme for Independent Directors

Formal Induction and training of newly appointed Directors and ongoing familiarization of all the Board Members are the responsibility of the Managing Director / Executive Chairman / Key Managerial Personnel ("KMP").

When a new Independent Director comes on the Board of the Company, a meeting is arranged with the Executive Chairman, Managing Director, Company Secretary & Compliance Officer, Chief Financial Officer to discuss the functioning of the Board and the nature of the operation of the Company's business activities.

New Independent Directors are provided with copy of latest Annual Report, the Code of Conduct for Directors & Senior Management, the Code of Conduct for Prevention of Insider Trading.

The details of the familiarization program can be accessed on the website of the Company at [http://www.primaplastics.com/uploads/codes\\_policies/familiarization-program-for-independent-directors.pdf](http://www.primaplastics.com/uploads/codes_policies/familiarization-program-for-independent-directors.pdf)

## 3. Committees of the Board

The Board has formed various mandatory and non-mandatory committees and the composition and terms of reference of all the committees is in accordance with the provisions of the Act and the Listing Regulations. Each committee demonstrates the highest level of governance standards and has the requisite expertise to handle the issues relevant to their fields. These committees spend considerable time and provide focused attention to various issues placed before them and guidance provided by these committees lend immense value and support. During the year, all recommendations of the committees of the Board which were mandatorily required have been accepted by the Board. The Board reviews the functioning of these committees from time to time.

The details of the committees are as follows:

### 3.1 Audit Committee

The Board has constituted a well-qualified Audit Committee in line with the Listing Regulations and the Act. All the members of the committee are Non-Executive, Independent Directors except Shri Dilip M. Parekh, Managing Director of the Company. The Company Secretary acts as the Secretary to the Audit Committee.

The Audit Committee is governed by the terms of reference adopted by the Board which are in line with the regulatory requirements mandated by the Act and the Listing Regulations.

#### An extract of the terms of reference of the Audit Committee is given below:

- reviewing quarterly and annual financial statements along with Limited Review Report and auditors' report thereon before submission to the Board;
- appointment and reviewing of performance of internal and statutory auditors;
- evaluation of internal financial controls and risk management systems and vigil mechanism;
- oversight of the Company's financial reporting process and the disclosure of its financial information to ensure that the financial statement is correct, sufficient and credible;
- reviewing the utilization of loans and / or advances from investment by the holding company in the subsidiary;
- scrutiny of intercorporate loans and investments;
- matters required to be included in the Directors' Report in terms of sub-section (3) of Section 134 of the Act to be included in the Directors Responsibility Statement;
- changes if any, in accounting policies and practices and reasons for the same;
- disclosure of related party transactions;
- major accounting entries involving estimates based on the exercise of judgment by management;
- significant adjustments made in the financial statements arising out of audit findings;
- compliance with listing and other legal requirements relating to financial statements;
- modified opinion(s) in the draft audit report if any.

### Composition and Meetings

During the year under review, four meetings of the Audit Committee were held on June 29, 2020, August 20, 2020, November 11, 2020 and February 11, 2021.

The details of the composition of the Audit Committee as on March 31, 2021 and the members' attendance at the Committee Meetings during the year were as under:

Name of the Member	Category	Number of Meetings attended
Shri Krishnakant V. Chitalia	Chairperson*, Non-Executive, Independent Director	4/4
Shri Snehal N. Muzoomdar	Member, Non-Executive, Independent Director	4/4
Shri Shailesh S. Shah	Member, Non-Executive, Independent Director	4/4
Shri Dilip M. Parekh	Member, Executive, Managing Director	4/4

\*Shri Shailesh S. Shah has been appointed as the new Chairperson of the Committee with effect from May 28, 2021.

The previous AGM of the Company was held on September 28, 2020 and was attended by Shri Krishnakant V. Chitalia, Chairperson of the Audit Committee. The Whole-time Director / Executive Chairman of the Company, Chief Financial Officer, Statutory Auditors, Internal Auditors are permanent invitees to the meetings of the Audit Committee.

### 3.2 Nomination and Remuneration Committee

The Nomination and Remuneration Committee ("N&RC") of the Company is governed by the terms of reference adopted by the Board which are in line with the regulatory requirements mandated by the Act and the Listing Regulations.

#### An extract of the terms of reference of the N&RC is given below:

- To review, assess and recommend to the Board the appointment and removal of Directors and Senior Management;
- To recommend remuneration payable to them;
- To approve the annual remuneration plan of the Company;
- Formulation of criteria for evaluation of directors' performance and
- Formulate the criteria for determining qualifications, positive attributes, and Independence of a Director, and recommend to the Board of Directors a policy relating to the remuneration of the Directors, Key Managerial Personnel and other employees.

### Composition and Meetings

During the financial year 2020-21, two meetings of the N&RC were held on June 29, 2020 and February 11, 2021 respectively.

The details of the composition of the N&RC as on March 31, 2021 and the members' attendance at the Committee Meetings during the year were as under:

Name of the Member	Category	Number of Meetings attended
Shri Krishnakant V. Chitalia	Chairperson, Non-Executive, Independent Director	2/2
Shri Rasiklal M. Doshi	Member, Non-Executive, Independent Director	1/2
Shri Snehal N. Muzoomdar	Member, Non-Executive, Independent Director	2/2

Shri Krishnakant V. Chitalia, Chairperson of the Committee was present at the last AGM held on September 28, 2020 to answer shareholders' queries.

### Performance evaluation of the Board, its Committees and Directors

Pursuant to the provisions of the Act read with rules made thereunder and Listing Regulations, an annual performance evaluation of the Board as a whole, Individual Directors and Committees was undertaken as per the evaluation criteria adopted by the N&RC at its meeting held on February 11, 2021.

The performance of the Directors was evaluated by the Independent Directors at their meeting held on March 30, 2021 with the help of views and comments received from all the Directors of the Company.

### Remuneration

The Company has a well-defined policy for the remuneration of the Directors, KMP and other employees. The said policy is available on the website of the Company which can be accessed at [http://www.primaplastics.com/uploads/codes\\_policies/policy-on-remuneration-of-directors-and-key-managerial-personnel.pdf](http://www.primaplastics.com/uploads/codes_policies/policy-on-remuneration-of-directors-and-key-managerial-personnel.pdf)

The Board of Directors / N&RC is authorized to decide the remuneration of the Executive Directors, subject to the approval of the Members. The remuneration structure comprises of salary, perquisites, retirement benefits as per law / rules and commission which is linked to the performance of the Company.

Annual increments are decided by the Board of Directors within the salary scale approved by the members. The agreement with the Executive Directors is for a specified period. Either party to the agreement is entitled to terminate the agreement by giving not less than 180 days notice in writing to the other party. The Company does not have a scheme for grant of stock options.

The details of remuneration paid to the Directors for the financial year 2020-21 are given below:

(Amounts in ₹)

Name of the Director	Salary & Allowances	Bonus	Sitting Fees	Total
<b>Executive Directors</b>				
Shri Bhaskar M. Parekh	5,387,337	425,342	-	5,812,679
Shri Dilip M. Parekh	5,387,337	425,342	-	5,812,679
<b>Non-Executive, Independent Directors</b>				
Shri Krishnakant V. Chitalia	-	-	110,000	110,000
Shri Shailesh S. Shah	-	-	110,000	110,000
Shri Rasiklal M. Doshi	-	-	80,000	80,000
Shri Snehal N. Muzoomdar	-	-	110,000	110,000
<b>Non-Executive, Non-Independent Director</b>				
Smt. Hina V. Mehta	-	-	80,000	80,000

### 3.3 Stakeholders' Relationship Committee

The Stakeholders' Relationship Committee of the Company is governed by the terms of reference adopted by the Board which are in line with the regulatory requirements mandated by the Act and the Listing Regulations.

The role of the committee shall inter-alia include the following:

- Resolving issues relating to shareholders, including redressal of complaints relating to transfer of shares, dividend etc;
- Review of corporate actions, if any and documents submitted to Stock Exchange;
- Review of measures and steps taken for unclaimed dividend and timely receipt of dividend, annual report, notices by the shareholders of the Company and
- Any allied matter(s) out of and incidental to these functions and not herein above specifically provided for.

### Composition and Meetings

During the year under review, four meetings of the Committee were held on June 29, 2020, August 20, 2020, November 11, 2020 and February 11, 2021.

The details of the composition of the Committee as on March 31, 2021 and the members' attendance at the Committee Meetings during the year were as under:

Name of the Member	Category	Number of Meetings attended
Shri Krishnakant V. Chitalia	Chairperson, Non-Executive, Independent Director	4/4
Shri Bhaskar M. Parekh	Member, Executive, Whole-time Director	4/4
Shri Dilip M. Parekh	Member, Executive, Managing Director	4/4

Shri Krishnakant V. Chitalia, Chairperson of the Committee was present at the last AGM held on September 28, 2020 for answering the Shareholders' queries.

Ms. Vandana S. Ahuja, Company Secretary of the Company has been designated as the "Compliance Officer" who oversees the redressal of the investor grievances. Ms. Ahuja is also designated as the Nodal Officer pursuant to Investor Education and Protection Fund ("IEPF") Rules.

Details of shareholders' complaints received, resolved and outstanding during the financial year 2020-21 are given below

Particulars	No. of Complaints
Complaint outstanding on April 1, 2020	0
Complaints received during the financial year ended March 31, 2021	0
Complaints resolved during the financial year ended March 31, 2021	0
Complaints outstanding on March 31, 2021	0

To serve the investors better and as required under Listing Regulations, the designated email address for investor complaints is investor@primaplastics.com. The email address is continuously monitored by the Company Secretary and Compliance Officer of the Company.

### 3.4 Corporate Social Responsibility Committee

The scope of the Corporate Social responsibility ("CSR") Committee is to prepare and recommend to the Board the Corporate Social Responsibility Policy ("CSR Policy"), recommend CSR activities and the amount the Company should spend on CSR activities, monitor the implementation of CSR policy and activities from time to time, ensure compliance with all the matters relating to CSR and to provide updates to the Board.

During the year under review, the Committee met twice on June 29, 2020 and February 11, 2021 respectively.

The composition of the CSR Committee as on March 31, 2021 and the details of the members' participation at the meetings of the Committee are as under:

Name of the Member	Category	Number of Meetings attended
Shri Krishnakant V. Chitalia	Chairperson, Non-Executive, Independent Director	2/2
Shri Rasiklal M. Doshi	Member, Non-Executive, Independent Director	1/2
Shri Bhaskar M. Parekh	Member, Executive, Whole-time Director	2/2
Shri Dilip M. Parekh	Member, Executive, Managing Director	2/2

### 3.5 Management Committee

In addition to the above Statutory Committees, the Board has also constituted a Management Committee to approve opening / modification of bank accounts, 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, authorise employees for availing of various facility from Banks / Financial Institution, carrying out any other duties that may be delegated to the Committee by the Board of Directors from time to time.

One Committee meeting was held during the year ended March 31, 2021; additional business was dealt by passing of circular resolution.

The Committee comprises of Shri Bhaskar M. Parekh as Chairperson, Shri Dilip M. Parekh and Shri Krishnakant V. Chitalia as the Members of the Committee

### 3.6 Share Transfer Committee

The Board has pursuant to Regulation 40(2) of Listing Regulations delegated the power of transfer of securities to the Share Transfer Committee. The Committee is a sub set of the Board and reports to the Stakeholders Relationship Committee and the Board of Directors.

## 4. General Body Meetings

The details of the last three AGM and summary of the special resolution(s) passed therein are as under:

Financial Year	Day, Date & Time	Venue of AGM	Details of Special Resolution Passed
2019-20	Monday, September 28, 2020 at 4:00 p.m.	Through Video Conferencing ("VC") / Other Audio-Visual Means ("OAVM")	No Special Resolutions were passed
2018-19	Saturday, August 3, 2019 at 12:30 p.m.	Hotel Princess Park, Devka Beach, Nani Daman, Daman (U.T.), Pin - 396210	<ul style="list-style-type: none"> <li>• Re-appointment of Shri Mulchand S. Chheda as an Independent Director</li> <li>• Re-appointment of Shri Krishnakant V. Chitalia as an Independent Director</li> <li>• Re-appointment of Shri Rasiklal M. Doshi as an Independent Director</li> <li>• Re-appointment of Shri Bhaskar M. Parekh as Executive Chairman of the Company</li> <li>• Re-appointment of Shri Dilip M. Parekh as Managing Director of the Company</li> <li>• Increase in Borrowings Powers of the Company.</li> </ul>
2017-18	Saturday, August 25, 2018 at 11:30 a.m.		<ul style="list-style-type: none"> <li>• To approve the grant of Loans/ Guarantees or providing securities to entities in which Directors are interested.</li> </ul>

## 5. Means of Communication

The Company's quarterly, half yearly and annual financial results are submitted to the Stock Exchange and are published in leading national and regional newspapers i.e. "Financial Express" and "Vartman Pravah". Simultaneously, they are uploaded on the Company's website <https://www.primaplastics.com/index.php>

All the disclosures made to the Stock Exchange are also available on the Company website at: <http://www.primaplastics.com/stock-exchange-announcements.php>

No presentations were made to institutional investors or to the analysts during the year under review.

## 6. General Shareholders' Information

### 6.1 Annual General Meeting

Day, Date and Time: Tuesday, September 7, 2021 at 4:00 p.m. (IST)  
 Venue / Mode: Through Video Conferencing ("VC") / Other Audio Visual Means ("OAVM")  
 Date of Book Closure: Wednesday, September 1, 2021 to Tuesday, September 7, 2021 (Both days inclusive)  
 Financial Year: April 1, 2020 to March 31, 2021  
 Dividend Payment Date: on or before October 6, 2021

### 6.2 Listing Details

The equity shares of the Company are presently listed on the Bombay Stock Exchange and the Listing fees have been duly paid to the Exchange.

Name: Bombay Stock Exchange (BSE)

Address: Phiroze Jeejeebhoy Towers, Dalal Street  
 Mumbai- 400001

Scrip Code: 530589

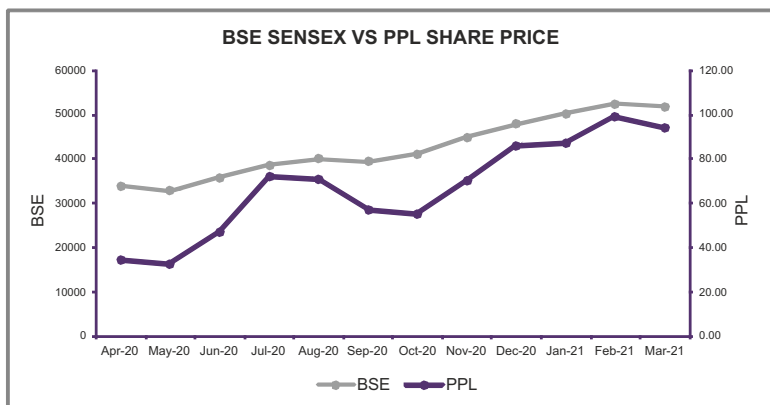
### 6.3 Market Price Data

Monthly high, low and volume of the shares of the Company traded on the Stock Exchange from April 1, 2020 to March 31, 2021 are given below:

Month and Year	BSE		
	High (₹)	Low (₹)	No. of Shares
April 2020	34.00	24.50	289,366
May 2020	32.40	27.25	171,883
June 2020	46.90	28.50	507,132
July 2020	71.80	41.10	1,506,820
August 2020	71.00	52.20	696,784
September 2020	57.00	40.15	197,120
October 2020	55.00	45.00	189,299
November 2020	70.00	45.35	333,918
December 2020	85.75	68.00	388,953
January 2021	87.00	73.10	197,440
February 2021	99.00	74.00	290,525
March 2021	94.00	75.10	212,360

#### 6.4 Performance of the share price

	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20	Jan-21	Feb-21	Mar-21
<b>PPL</b>	34.00	32.40	46.90	71.80	71.00	57.00	55.00	70.00	85.75	87.00	99.00	94.00
<b>BSE</b>	33887.25	32845.48	35706.55	38617.03	40010.17	39359.51	41048.05	44825.37	47896.97	50184.01	52516.76	51821.84



#### 6.5 Registrar and Transfer Agent

Bigshare Services Private Limited is the Registrar and Transfer Agent of the Company ("the RTA") and their contact details are as under:

Name:	Bigshare Services Private Limited
Address:	1 <sup>st</sup> Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai - 400059
Tel No.:	+91 22 62638200/43
Fax No.:	+91 22 62638299
Email id:	investor@bigshareonline.com

#### 6.6 Share Transfer System

The Company has outsourced its share transfer function to its RTA which is registered with SEBI as Category 1 Registrar for all work related to share registry.

Pursuant to amendments in the Act and the Listing Regulations with effect from April 1, 2019 securities of listed companies can be transferred only in dematerialized form. Accordingly, to avail benefits of dematerialization, members are advised to dematerialize their shares which are held with them in physical form. The process for dematerialisation the shares is available on the website of the company at <https://www.primaplastics.com/pdf/investor/transfer-of-shares-in-demat-form.pdf>.

#### 6.7 Distribution of shareholding

The shareholding distribution of the equity shares as on March 31, 2021 is given below:

Number of Shares		Number of Shareholders	Shareholders %	Number of Shares held	Shareholding %
1	500	5922	84.14	810,900	7.37
501	1000	524	7.44	426,568	3.88
1001	2000	286	4.06	419,116	3.81
2001	3000	114	1.62	286,500	2.60
3001	4000	36	0.51	125,097	1.14
4001	5000	37	0.53	174,929	1.59
5001	10000	56	0.80	416,581	3.79
10001 and above		63	0.90	8,340,779	75.82
<b>TOTAL</b>		<b>7038</b>		<b>11,000,470</b>	<b>100.00</b>

### 6.8 Dematerialization of shares and liquidity

The equity shares of the Company are tradeable under compulsory demat mode. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company's shares is INE573B01016.

As on March 31, 2021, 97.83% of equity shares of the Company were held in electronic form.

### 6.9 Outstanding ADRS, GDRS, Warrants or any convertible instruments, conversion date and impact on Equity

Not Applicable – The Company has not issued any ADRs, GDRs, Warrants or any convertible instruments as on March 31, 2021.

### 6.10 Commodity

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not applicable. For details on foreign exchange risk and hedging activities, please refer to Management's discussion and analysis report that forms part of these Annual Report.

### 6.11 Plant locations

Sr. No.	Plant Location	Address
1	Daman Unit I	98/4 Prima House, Daman Industrial Estate, Kadaiya, Nani Daman, Daman (U.T.), Pin – 396210.
2	Daman Unit II	85/1, Prima House, Daman Industrial Estate, Kadaiya, Nani Daman, Daman (U.T.), Pin – 396210.
3	Kerala	Door No.X/588-Q/A, KINFRA-SIP, Survey No.508 (Part), Block No.32, Nellad P.O., Mazhuvannur, Village, Ernakulam District, Kerala – 686669.
4	Andhra Pradesh	Plot No.543, APIIC Growth Centre, Gundlapalli, Ongole, Andhra Pradesh.

### 6.12 Address for correspondence

#### Investors can communicate at the following address:

Ms. Vandana S. Ahuja

Company Secretary and Compliance Officer

41, National House, Opp. Ansa "A" Building,

Saki Vihar Road, Powai, Mumbai - 400072

Tel. No.: + 91 22 - 2857 4768 / 2857 4769

Fax No.: + 91 22 - 2857 2859

E-mail Id: investor@primoplastics.com

Website: www.primoplastics.com



### 6.13 Credit Rating

CRISIL Ratings Limited (“CRISIL”) vide letter dated May 20, 2021 has revised (upgraded) its ratings on the bank facilities of the Company as follows :

Total Bank Loan Facilities Rated	₹ 40 Crore
Long Term Rating	CRISIL BBB/Stable (Upgraded from 'CRISIL BBB-/Stable')
Short Term Rating	CRISIL A3+ (Upgraded from 'CRISIL A3')

The details of Credit Rating is available on the website at <http://www.primaplastics.com/financial-highlights.php>

## 7. Other Disclosures

### 7.1 Related party Transactions

During the FY 2020-21, all related party transactions were in the ordinary course of business and on arm's length basis. Prior approval of the Audit Committee was taken for entering into related party transactions and the Register of Contracts / statement of related party transactions, were also placed before the Board / Audit Committee regularly. The Company's policy on Materiality of Related party transactions and on dealing with related party transactions is available on the website of the Company at : [http://www.primaplastics.com/uploads/codes\\_policies/rpt-policy.pdf](http://www.primaplastics.com/uploads/codes_policies/rpt-policy.pdf)

During the year 2021, there were no materially significant related party transactions that may have potential conflict with the interests of Company at large

### 7.2 Details of non-compliance by the Company, penalties and strictures imposed on the Company by Stock Exchange or SEBI or any statutory authority, or any matter related to capital markets, during the last three years

There was no non-compliance by the Company and no penalties or strictures were imposed on the Company by the Stock Exchange or SEBI or any statutory authority on any matter related to the capital market during the last three years.

### 7.3 Vigil Mechanism / Whistle Blower Policy

The Company has a Whistleblower Policy to provide vigil mechanism for Directors / Employees to raise their concerns against unethical behavior, fraud or violation of the Company's code of conduct. No person has been denied access to the Audit Committee during the year under review. The policy is available on the website of the Company at :

[http://www.primaplastics.com/uploads/codes\\_policies/whistle-blower-policy.pdf](http://www.primaplastics.com/uploads/codes_policies/whistle-blower-policy.pdf)

### 7.4 Policy on “Material” Subsidiary

The Company has approved policy on determining Material Subsidiary which can be accessed at Company's website at [http://www.primaplastics.com/uploads/codes\\_policies/policy-on-determining-material-subsidiaries-1612610569.pdf](http://www.primaplastics.com/uploads/codes_policies/policy-on-determining-material-subsidiaries-1612610569.pdf)

### 7.5 Prevention of insider trading

As per SEBI (Prohibition of Insider Trading) Regulations, 2015, the Company has adopted a Code of Conduct for Prevention of Insider Trading. All the Directors, employees and third parties such as auditors, consultants etc. who could have access to the unpublished price sensitive information (“UPSI”) of the Company are governed by this code.

The Company has appointed Ms. Vandana S. Ahuja, Company Secretary as Compliance Officer, who is responsible for setting forth procedures and implementation of the code for trading in Company's securities. PAN Number based online tracking mechanism for monitoring of the trade in the Company's securities by the “Designated Employees” and their immediate relatives has also been put in place to ensure real time detection and taking appropriate action, in case of any violation noncompliance of the Company's Insider Trading Code.

## 7.6 Transfer of unpaid / unclaimed amount & shares to Investor Education and Protection Fund

Pursuant to Sections 124 and 125 of the Act read with the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 ("Rules"), dividend, if not claimed for a period of seven years from the date of transfer to Unpaid Dividend Account of the Company, are liable to be transferred to the IEPF.

Further, all the shares in respect of which dividend have not been encashed for seven consecutive years or more from the date of transfer to unpaid dividend account shall also be transferred to IEPF Authority. The said requirement does not apply to shares in respect of which there is a specific order of Court, Tribunal or Statutory Authority, restraining any transfer of the shares.

In light of the aforesaid provisions, the Company has during the year under review, transferred to IEPF the unclaimed dividends, outstanding for seven years of the Company. Further, shares of the Company, in respect of which dividend has not been claimed for seven consecutive years or more from the date of transfer to unpaid dividend account, have also been transferred to the demat account of IEPF Authority.

The details of unclaimed dividends and shares transferred to IEPF during FY 2021 are as follows:

Financial Year	Amount of unclaimed dividend transferred (In ₹)	Number of shares transferred
2012-13	349,755.00	23,800

The members may claim the shares from IEPF Authority by submitting an online application in web based Form No. IEPF-5 available on the website [www.iepf.gov.in](http://www.iepf.gov.in) with a copy to the Company.

The following tables give information relating to various outstanding dividends and the dates by which they can be claimed by the shareholders from the Company's Registrar and Transfer Agent:

Dividend Year	Date of Declaration	Proposed date to transfer the amount to IEPF
2013-2014	20-09-2014	24-10-2021
2014-2015	24-09-2015	28-10-2022
2015-2016 Interim 1	05-02-2016	12-03-2023
2015-2016 Interim 2	16-03-2016	22-04-2023
2016-2017	12-08-2017	18-09-2024
2017-2018	25-08-2018	27-09-2025
2018-2019	03-08-2019	05-09-2026
2019-2020 Interim	20-03-2020	19-04-2027

## 7.7 Auditor fees

M/s. Khimji Kunverji & Co LLP, Chartered Accountants (Firm Registration no. 105146W/W100621) are the Statutory Auditors of the Company. The details of the Statutory Auditors' fees for the financial year 2020-21, on a consolidated basis are given below:

Particulars	Amounts in ₹
Statutory Audit Fees*	1,525,000
Fees for Other Services	50,000
Reimbursement of Expenses	17,690
<b>Total</b>	<b>1,592,690</b>

\*includes audit and audit related services

**7.8 Disclosure in relation to The Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013**

Particulars	No. of Cases 2020 - 2021
Number of cases filed	Nil
Disposal through conciliation	Nil
Pending cases	Nil

Awareness programme was conducted for the calendar year 2020 in all the units of the Company.

**7.9 SEBI Complaints Redress System (SCORES)**

The capital market regulator has a centralised web-based system to redress complaints named, SEBI Complaints Redress System (SCORES). It enables investors to lodge and follow up complaints and track the status of redressal online on the website <https://www.scores.gov.in/scores/Welcome.html>.

The Company has registered itself on SCORES and endeavors to resolve all investor complaints received through SCORES or otherwise within 15 days of their receipt. During the year, the Company did not receive any investor complaint through SCORES.

**8. Code of Conduct**

Pursuant to Listing Regulations all the Directors and Senior Management Personnel of the Company have affirmed the compliance with the code of conduct of the Company. A declaration signed by the Managing Director to this effect forms part of this report as **Section 2**

**9. Corporate Governance Certificate**

Compliance certificate from the Practicing Company Secretary, Shri Sadashiv V. Shet regarding compliance of conditions of corporate governance forms part of this report as **Section 3**

**10. Discretionary requirements as specified in Part E of Schedule II of the listing regulations**

The Company is in compliance of all the mandatory requirements of Corporate Governance of the Listing Regulations. Further under the discretionary requirements as specified in Part E of Schedule II your company have complied following requirements:

- Separate posts of Chairperson and Managing Director: the Chairperson of the Board is an Executive Director and his position is separate from that of the Managing Director of the Company
- The Internal Auditor of the Company reports to the Audit Committee.

**11. CEO/CFO Certification**

The Managing Director ("MD") and the Chief Financial Officer ("CFO") of the Company have given Compliance Certificate to the Board in terms of regulation 17(8) read with Part B of Schedule II of the Listing Regulations for the financial year ended March 31, 2021, copy of which is attached to this report as **Section 4**. The MD and CFO also give quarterly certification on financial results in terms of Regulation 33(2) of the Listing Regulations.

For and on behalf of the Board of Directors

**Bhaskar M. Parekh**  
Executive Chairman  
DIN: 00166520

Place: Mumbai  
Date: August 6, 2021

## SECTION - 1

**CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS**  
**(Pursuant to Regulation 34(3) and Schedule V Para C clause 10(i) of the SEBI**  
**(Listing Obligations and Disclosure Requirements) Regulations, 2015)**

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

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of Prima Plastics Limited having CIN: L25206DD1993PLC001470 and having registered office at 98/4 Prima House Daman, Industrial Estate, Kadaiya Nani Daman, 396210 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (as amended from time to time)

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its Officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial Year ending on March 31, 2021 have been debarred or disqualified from being appointed or continuing as Directors of Companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of Appointment in the Company
1.	Shri Bhaskar M. Parekh	00166520	17/11/1993
2.	Shri Krishnakant V. Chitalia	00355215	18/06/1996
3.	Shri Rasiklal M. Doshi	00239580	18/06/1996
4.	Smt. Hina V. Mehta	07201194	29/05/2015
5.	Shri Dilip M. Parekh	00166385	17/11/1993
6.	Shri Snehal N. Muzoomdar	00729992	29/01/2019
7.	Shri Shailesh S. Shah	01172073	13/11/2019

Ensuring the eligibility for the appointment/continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company

**Sadashiv V. Shet**  
Practicing Company Secretary  
CP No.: 2540; Membership No.: FCS 2477  
UDIN: F002477C000284825

Date: May 12, 2021  
Place: Panaji, Goa

## SECTION – 2

**DECLARATION REGARDING COMPLIANCE BY BOARD MEMBERS AND SENIOR MANAGEMENT PERSONNEL WITH THE COMPANY'S CODE OF CONDUCT**

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Board Members and Senior Management Personnel have confirmed compliance with the Code of Ethics and Business Conduct for the financial year ended March 31, 2021.

For and on behalf of the Board of Directors

**Dilip M. Parekh**  
Managing Director  
DIN: 00166385

Date: May 27, 2021  
Place: Mumbai

## SECTION - 3

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

To,  
The Members  
Prima Plastics Limited

I have examined the compliance of conditions of Corporate Governance by PRIMA PLASTICS LIMITED (the Company), for the financial year ended on 31st March, 2021, as stipulated under the relevant clauses of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

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

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

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

#### Sadashiv V. Shet

Practicing Company Secretary  
CP No.: 2540; Membership No.: FCS 2477  
UDIN: F002477C000748750

Date: August 6, 2021

Place: Panaji, Goa

## SECTION - 4

May 27, 2021

To:  
The Chairman  
Board of Directors  
Prima Plastics Limited

### COMPLIANCE CERTIFICATE

Pursuant to the requirement under Regulation 17(8) and Part B of Schedule II of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, We, the Managing Director and Chief Financial Officer of the Company, to the best of our knowledge, certify to the Board that:

- A. We have reviewed audited financial statements and cash flow statement for the quarter and year ended March 31, 2021 and that to the best of our knowledge and belief:
  - (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing Indian accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the Company during the quarter and year ended March 31, 2021, which are fraudulent, illegal or violative of the Company's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the Auditors and the Audit Committee:
  - (1) There were no significant changes in internal control over financial reporting during the quarter and year ended March 31, 2021;
  - (2) There were no significant changes in accounting policies during the quarter and year ended March 31, 2021 and the Company has complied with Ind AS guidelines as applicable to the Company;
  - (3) There are no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

This certificate is given by the undersigned with full knowledge that, on its faith and strength, reliance is placed by the Board of Directors of the Company.

For Prima Plastics Limited

**Dilip M. Parekh**  
Managing Director  
DIN: 00166385

**Dharmesh R. Sachade**  
Chief Financial Officer  
M. No.139349

# INDEPENDENT AUDITORS' REPORT

**To the Members of  
Prima Plastics Limited**

**Report on the Audit of the Standalone Financial Statements**

**Opinion**

We have audited the standalone financial statements of Prima Plastics Limited (“the Company”), which comprise the standalone balance sheet as at March 31, 2021, and the standalone statement of profit and loss (including other comprehensive income), standalone statement of changes in equity and standalone statement of cash flows for the year then ended, and notes to the standalone financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2021, and profit and other comprehensive income, changes in equity and its cash flows for the year ended on that date.

**Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor’s Responsibilities for the Audit of the Standalone Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the standalone financial statements.

**Emphasis of Matter**

We draw attention to Note 49 of the standalone financial statements, as regards to the management evaluation of COVID - 19 impact on the future performance of the Company. Our opinion is not modified in respect of this matter.

**Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current year. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

**Description of Key Audit Matter**

Key Audit Matters	How the matter was addressed in our audit
<p><b>Revenue Recognition - Discounts, incentives, rebates etc</b></p> <ul style="list-style-type: none"> <li>• Revenue is measured net of discounts, incentives, rebates etc. given to the customers on the Company’s sales.</li> <li>• Due to the Company’s presence across different marketing regions within the country and the competitive business environment, the estimation of the various types of discounts, incentives and rebate schemes to be recognised based on sales made during the year is considered to be complex and judgmental.</li> <li>• Therefore, there is a risk of revenue being misstated as a result of variations in the assessment of discounts, incentives and rebates.</li> <li>• Given the complexity and judgement required to assess the provision for discounts, incentives and rebates, this is a key audit matter.</li> </ul>	<p><b>Our procedures included:</b></p> <ul style="list-style-type: none"> <li>• We have assessed the Company’s accounting policies relating to revenue, discounts, incentives and rebates by comparing with applicable accounting standards.</li> <li>• We have assessed the design and implementation and tested the operating effectiveness of Company’s internal controls over the provisions, approvals and disbursements of discounts, incentives and rebates.</li> <li>• We have assessed the Company’s computations for accrual of discounts, incentives and rebates, on a sample basis, and compared the accruals made with the approved schemes and underlying documents.</li> <li>• We have verified, on a sample basis, the underlying documentation for discounts, incentives and rebates recorded and disbursed during the year</li> <li>• We have compared the historical trend of payments and reversal of discounts, incentives and rebates to provisions made to assess the current year accruals.</li> <li>• We have examined the manual journals posted to discounts, rebates and incentives to identify unusual or irregular items.</li> </ul>



## Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report but does not include the standalone financial statements and our auditors' report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information; we are required to report that fact. We have nothing to report in this regard.

## Management's and Board of Directors' Responsibility for the Standalone Financial Statements

The Company's Management and Board of Directors are responsible for the matters stated in Section 134(5) of the Act with respect to the preparation of these standalone financial statements that give a true and fair view of the state of affairs, profit and other comprehensive income, changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the standalone financial statements, the Management and Board of Directors are responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The Company's Management and Board of Directors are also responsible for overseeing the Company's financial reporting process.

## Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these standalone financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls with reference to standalone financial statements in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures in the standalone financial statements made by the Management and Board of Directors.
- Conclude on the appropriateness of the Management and Board of Directors use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the standalone financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

### **Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditors' Report) Order, 2016 ("the Order") issued by the Central Government in terms of Section 143 (11) of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
  - a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
  - c) The standalone balance sheet, the standalone statement of profit and loss (including other comprehensive income), the standalone statement of changes in equity and the standalone statement of cash flows dealt with by this Report are in agreement with the books of account;
  - d) In our opinion, the aforesaid standalone financial statements comply with the Ind AS specified under Section 133 of the Act;
  - e) On the basis of the written representations received from the directors as on March 31, 2021 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act;
  - f) With respect to the adequacy of the internal financial controls with reference to standalone financial statements of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B".
3. With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a) The Company has disclosed the impact of pending litigations as at March 31, 2021 on its financial position in its standalone financial statements - Refer note 30 to the standalone financial statements;
  - b) The Company has made provision, as required under the applicable law or accounting standards, for material foreseeable losses, if any, on long-term contracts including derivative contracts - Refer note 48 to the standalone financial statements. The Company did not have any other long-term contracts for which there were any material foreseeable losses.
  - c) There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.
  - d) The disclosures in the standalone financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made in these standalone financial statements since they do not pertain to the financial year ended March 31, 2021.



4. With respect to the matter to be included in the Auditors' Report under Section 197(16) of the Act:

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under Section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under Section 197(16) of the Act which are required to be commented upon by us.

**For Khimji Kunverji & Co LLP**

Chartered Accountants

Firm Registration No: 105146W/W-100621

**Vinit K Jain**

Partner

Membership No: 145911

ICAI UDIN: 21145911AAAABO1236

Mumbai

May 27, 2021



## Annexure A to the Independent Auditors' Report on standalone financial statements

(Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

- i. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, certain fixed assets were physically verified by the Management during the year. In our opinion, and according to the information and explanations given to us, no material discrepancies were noticed on such verification.
- (c) In our opinion and according to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
- ii. The inventory, except for goods-in-transit and stocks lying with third parties, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. For stocks lying with third parties at the year-end, written confirmations have been obtained and in respect of goods-in-transit, subsequent goods receipts have been verified or confirmations have been obtained from the parties. The discrepancies noticed on verification between the physical stocks and the book records have been properly dealt with in the books of account.
- iii. In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under Section 189 of the Act. Accordingly, paragraph 3(iii) of the Order is not applicable to the Company.
- iv. In our opinion and according to the information and explanations given to us, the Company has complied with the provisions of Sections 185 and 186 of the Act, with respect to the loans given, investments made, guarantees given and security provided.
- v. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public during the year in terms of the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company as specified under Section 148(1) of the Act, for maintenance of cost records in respect of products manufactured by the Company, and are of the opinion that prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate or complete.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Duty of Customs, Cess and other material statutory dues have been regularly deposited during the year by the Company with the appropriate authorities.  
  
According to the information and explanations given to us, no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income-tax, Goods and Service Tax, Duty of Customs, Cess and other material statutory dues were in arrears as at March 31, 2021 for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us and on the basis of our examination of the records of the Company, there are no dues of Income Tax, Sales Tax, Service Tax, Goods and Service Tax, Duty of Customs, Duty of Excise and Value added Tax, which have not been deposited as on March 31, 2021 on account of disputes.
- viii. According to the information and explanations given to us, and based on the records of the Company, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, banks, government and dues to debenture holders.
- ix. According to the information and explanations given to us, the term loans have been applied by the Company during the year for the purposes for which they were obtained. The Company did not raise money by way of initial public offer or further public offer (including debt instruments) during the year.
- x. According to the information and explanations given to us, no material fraud by the Company or on the Company by its officers or employees has been noticed or reported during the course of our audit.

- xi. According to the information and explanations give to us and based on our examination of the records of the Company, the Company has paid/provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with Sections 177 and 188 of the Act where applicable and details of such transactions have been disclosed in the standalone financial statements as required by the applicable accounting standards.
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- xv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with them. Accordingly, paragraph 3(xv) of the Order is not applicable to the Company.
- xvi. According to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

**For Khimji Kunverji & Co LLP**

Chartered Accountants

Firm Registration No: 105146W/W-100621

**Vinit K Jain**

Partner

Membership No: 145911

ICAI UDIN: 21145911AAAABO1236

Mumbai

May 27, 2021



## **Annexure B to the Independent Auditors' Report on the standalone financial statements for the year ended March 31, 2021**

(Referred to in paragraph 2(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### **Report on the internal financial controls with reference to the aforesaid standalone financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013**

#### **Opinion**

We have audited the internal financial controls with reference to standalone financial statements of Prima Plastics Limited ("the Company") as of March 31, 2021 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

In our opinion, the Company has, in all material respects, adequate internal financial controls with reference to standalone financial statements and such internal financial controls were operating effectively as at March 31, 2021, based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India ("the Guidance Note").

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

The Company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls based on the internal financial controls with reference to standalone financial statements criteria established by the Company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 ("the Act").

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls with reference to standalone financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under Section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to standalone financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to standalone financial statements were established and maintained and whether such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls with reference to standalone financial statements.

#### **Meaning of Internal Financial controls with Reference to Standalone Financial Statements**

A company's internal financial controls with reference to standalone financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial controls with reference to standalone financial statements include those policies and procedures that:

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone financial statements.

**Inherent Limitations of Internal Financial controls with Reference to Standalone Financial Statements**

Because of the inherent limitations of internal financial controls with reference to standalone financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to standalone financial statements to future periods are subject to the risk that the internal financial controls with reference to standalone financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**For Khimji Kunverji & Co LLP**

Chartered Accountants

Firm Registration No: 105146W/W-100621

**Vinit K Jain**

Partner

Membership No: 145911

ICAI UDIN: 21145911AAAABO1236

Mumbai

May 27, 2021



## STANDALONE BALANCE SHEET AS AT MARCH 31, 2021

Particulars	Note	As at March 31, 2021 ₹	As at March 31, 2020 ₹
<b>ASSETS</b>			
<b>I. Non Current Assets</b>			
Property, Plant and Equipment	2	223,903,211	241,510,960
Capital Work in Progress		33,457,223	1,050,000
Intangible Assets	2	1,579,448	1,475,798
Right of Use Assets	42	22,207,521	11,184,639
Financial Assets			
(i) Investments	3	42,205,470	42,205,470
(ii) Loans	4	91,793,767	88,757,908
(iii) Other Non Current Financial Assets	5	1,592,118	1,112,365
Income Tax Assets (Net)		1,167,366	3,072,290
Other Non-Current Assets	6	1,705,225	5,177,790
<b>Total Non - Current Assets</b>		<b>419,611,349</b>	<b>395,547,220</b>
<b>II. Current Assets</b>			
Inventories	7	277,227,941	232,893,535
Financial Assets			
(i) Trade Receivables	8	192,646,710	203,583,858
(ii) Cash and Cash Equivalents	9	2,446,804	29,387,173
(iii) Bank Balances other than Cash and Cash Equivalents	10	13,335,588	11,841,894
(iv) Loans	11	4,116,624	7,269,835
(v) Other Current Financial Assets	12	50,221,571	32,063,379
Other Current Assets	13	40,153,914	33,207,330
<b>Total Current Assets</b>		<b>580,149,152</b>	<b>550,247,004</b>
<b>TOTAL ASSETS</b>		<b>999,760,501</b>	<b>945,794,224</b>
<b>EQUITY AND LIABILITIES</b>			
<b>I. Equity</b>			
Equity Share Capital	14	110,004,700	110,004,700
Other Equity	15	592,331,864	549,939,499
<b>Total Equity</b>		<b>702,336,564</b>	<b>659,944,199</b>
<b>II. Non-Current Liabilities</b>			
Financial Liabilities			
(i) Borrowings	16	5,479,767	23,459,525
(ii) Other Non Current Financial Liabilities	42	12,555,254	4,895,514
Deferred Tax Liabilities (Net)	17	19,866,914	21,440,096
<b>Total Non-Current Liabilities</b>		<b>37,901,935</b>	<b>49,795,135</b>
<b>III. Current Liabilities</b>			
Financial Liabilities			
(i) Borrowings	18	181,624,806	163,392,367
(ii) Trade Payables	19		
(a) Total Outstanding Dues of Micro Enterprises and Small Enterprises		4,897,249	12,801,575
(b) Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		19,747,176	6,316,390
(iii) Other Current Financial Liabilities	20	41,997,626	42,121,931
Other Current Liabilities	21	5,681,602	6,427,695
Provisions	22	5,573,543	4,994,932
<b>Total Current Liabilities</b>		<b>259,522,002</b>	<b>236,054,890</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>999,760,501</b>	<b>945,794,224</b>
<b>Significant Accounting Policies</b>	1		
<b>The accompanying Notes are an integral part of the Standalone Financial Statements</b>			

As per our Report of even date attached

**For Khimji Kunverji & Co LLP**

Chartered Accountants  
Firm Registration No : 105146W/W-100621

**Vinit K Jain**  
Partner  
M. No.145911

**Dharmesh R. Sachade**  
Chief Financial Officer  
M. No.139349

**Vandana S. Ahuja**  
Company Secretary  
M. No. ACS: 57118

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

**Bhaskar M. Parekh**  
Executive Chairman  
DIN : 00166520

**Dilip M. Parekh**  
Managing Director  
DIN : 00166385

Mumbai  
May 27, 2021

**STANDALONE STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED ON MARCH 31, 2021**

Particulars	Note	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
<b>I. Revenue From Operations</b>	23	<b>915,221,633</b>	987,261,400
<b>II. Other Income</b>	24	<b>38,056,010</b>	10,313,337
<b>III. Total Revenue (I+II)</b>		<b>953,277,643</b>	997,574,737
<b>IV. Expenses</b>			
Cost of Materials Consumed	25	<b>519,840,313</b>	598,225,210
Purchase of Stock-in-Trade		<b>11,685,693</b>	7,523,700
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	26	<b>20,906,891</b>	(9,608,854)
Employee Benefits Expense	27	<b>118,644,704</b>	129,633,032
Finance Costs	28	<b>10,493,311</b>	18,276,588
Depreciation and Amortisation Expense	2 & 42	<b>33,314,551</b>	31,858,312
Other Expenses	29	<b>183,560,850</b>	198,474,249
<b>Total Expenses</b>		<b>898,446,313</b>	974,382,237
<b>V. Profit Before Tax (III-IV)</b>		<b>54,831,330</b>	23,192,500
<b>VI. Tax Expense</b>			
Current Tax		<b>12,669,358</b>	6,703,181
Deferred Tax	17	<b>(1,199,618)</b>	(3,360,094)
<b>Total Tax Expense</b>		<b>11,469,740</b>	3,343,087
<b>VII. Profit after Tax (V-VI)</b>		<b>43,361,590</b>	19,849,413
<b>VIII. Other comprehensive Income / (Loss)</b>			
- Items that will not be reclassified to profit or (loss)		<b>(1,342,789)</b>	1,790,380
- Income Tax relating to the Items that will not be reclassified to profit or (loss)		<b>373,564</b>	(498,084)
<b>Other comprehensive Income / (Loss) for the year</b>		<b>(969,225)</b>	1,292,296
<b>IX. Total Comprehensive Income for the year (VII+VIII)</b>		<b>42,392,365</b>	21,141,709
<b>X. Earnings per equity share (Face Value ₹10/- each)</b>	36		
- Basic		<b>3.94</b>	1.80
- Diluted		<b>3.94</b>	1.80
<b>Significant Accounting Policies</b>	1		
<b>The accompanying Notes are an integral part of the Standalone Financial Statements</b>			

As per our Report of even date attached

**For Khimji Kunverji & Co LLP**

Chartered Accountants

Firm Registration No : 105146W/W-100621

For and on behalf of the Board of  
Directors of Prima Plastics Limited  
CIN : L25206DD1993PLC001470Vinit K Jain  
Partner  
M. No.145911Dharmesh R. Sachade  
Chief Financial Officer  
M. No.139349Vandana S. Ahuja  
Company Secretary  
M. No. ACS: 57118Bhaskar M. Parekh  
Executive Chairman  
DIN : 00166520Dilip M. Parekh  
Managing Director  
DIN : 00166385Mumbai  
May 27, 2021

## Standalone Statement of Changes in Equity (SOCIE) for the year ended March 31, 2021

### A. Equity Share Capital

For the year ended March 31, 2021

₹

Balance as at April 01, 2020	Changes in Equity Share Capital during the year	Balance as at March 31, 2021
110,004,700	-	110,004,700

For the year ended March 31, 2020

₹

Balance as at April 01, 2019	Changes in Equity Share Capital during the year	Balance as at March 31, 2020
110,004,700	-	110,004,700

### B. Other Equity

For the year ended March 31, 2021

₹

Particulars	Securities Premium	General Reserve	Retained Earnings	Total Other Equity
Balance at the beginning of the reporting period	13,080,000	125,656,286	411,203,213	549,939,499
Profit for the year	-	-	43,361,590	43,361,590
Remeasurement Loss on Defined Benefit Plan @	-	-	(969,225)	(969,225)
<b>Total Comprehensive income for the year</b>	-	-	<b>42,392,365</b>	<b>42,392,365</b>
Transfer from Retained Earnings	-	5,000,000	(5,000,000)	-
<b>Balance at the end of the reporting period</b>	<b>13,080,000</b>	<b>130,656,286</b>	<b>448,595,578</b>	<b>592,331,864</b>

For the year ended March 31, 2020

₹

Particulars	Securities Premium	General Reserve	Retained Earnings	Total Other Equity
Balance at the beginning of the reporting period	13,080,000	120,656,286	422,511,151	556,247,437
Profit for the year	-	-	19,849,413	19,849,413
Remeasurement Gain on Defined Benefit Plan#	-	-	1,292,296	1,292,296
Transition Impact of Ind AS 116 Leases (Refer note No. 42)##	-	-	(882,507)	(882,507)
<b>Total Comprehensive income for the year</b>	-	-	<b>20,259,202</b>	<b>20,259,202</b>
Dividend (Including Tax on Dividend)	-	-	(26,567,140)	(26,567,140)
Transfer from Retained Earnings	-	5,000,000	(5,000,000)	-
<b>Balance at the end of the reporting period</b>	<b>13,080,000</b>	<b>125,656,286</b>	<b>411,203,213</b>	<b>549,939,499</b>

@ Net of Tax amounting to ₹ 373,564/-

# Net of Tax amounting to ₹ 498,084/-

## Net of Tax amounting to ₹ 340,141/-

**The accompanying Notes are an integral part of the Standalone Financial Statements**

As per our Report of even date attached

**For Khimji Kunverji & Co LLP**

Chartered Accountants

Firm Registration No : 105146W/W-100621

For and on behalf of the Board of

Directors of Prima Plastics Limited

CIN : L25206DD1993PLC001470

**Vinit K Jain**  
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M. No.145911

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Executive Chairman  
DIN : 00166520

**Dilip M. Parekh**  
Managing Director  
DIN : 00166385

Mumbai  
May 27, 2021



**STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021**

	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
<b>A. Cash Flow from Operating Activities</b>		
<u>Profit Before Tax</u>	54,831,330	23,192,500
<u>Adjustments :</u>		
Depreciation and Amortisation Expense	33,314,551	31,858,312
Finance Costs	9,504,779	17,523,871
Provision for doubtful debts and Bad Debts written off	5,865,775	13,939,869
(Profit) / Loss on Sale of Property, Plant and Equipments	318,745	(884,450)
Dividend Income	(31,347,681)	-
Interest Income	(6,708,329)	(9,394,887)
<b>Operating Profit before Working Capital Changes</b>	65,779,170	76,235,215
Changes in Working Capital		
<u>Adjustments for (Increase)/Decrease in Operating Assets:</u>		
Trade Receivables	5,071,373	47,740,333
Inventories	(44,334,406)	342,234
Other Assets	10,312,662	62,939,869
<u>Adjustments for Increase/(Decrease) in Operating Liabilities:</u>		
Trade Payables	5,526,460	11,822,565
Short Term Provisions	(764,178)	675,601
Other Liabilities	(4,875,769)	(1,902,660)
<b>Cash Generated From Operations</b>	36,715,312	197,853,157
Taxes Paid	(10,764,433)	(6,665,997)
<b>Net Cash Inflow / (Outflow) from Operating Activities (A)</b>	25,950,879	191,187,160
<b>B. Cash Flow from Investment Activities</b>		
Purchase of Property, Plant and Equipments	(8,845,346)	(16,999,905)
Sale of Property, Plant and Equipments	3,972,712	1,500,000
Capital Work-in-Progress	(32,407,223)	184,100
Interest received	6,708,329	9,394,887
Redemption/(Investment) in other bank deposits	(2,453,282)	648,324
<b>Net Cash Inflow / (Outflow) from Investing Activities (B)</b>	(33,024,810)	(5,272,594)
<b>C. Cash Flow from Financing Activities</b>		
(Repayments)/Proceeds of Long term borrowings	(17,979,758)	(12,117,689)
(Repayments)/Proceeds of Short term borrowings	18,232,439	(94,007,717)
Interest Paid	(7,546,246)	(16,174,962)
Dividend Paid (including Tax on Dividend)	-	(26,567,140)
Repayment of Principal towards Lease Liability	(12,572,873)	(11,695,445)
<b>Net Cash Inflow / (Outflow) from Financing Activities(C)</b>	(19,866,438)	(160,562,953)
<b>Net Increase/(Decrease) In Cash and Cash Equivalents (A+B+C)</b>	(26,940,369)	25,351,613
<b>Cash &amp; Cash Equivalents as at March 31, 2021</b>	2,446,804	29,387,173
Cash & Cash Equivalents as at March 31, 2020	29,387,173	4,035,560

Notes:

- a) The Cash Flow statement has been prepared under the "Indirect Method" as set out Indian Accounting Standard (Ind AS-7) Statement of cash flows.

## STANDALONE CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021(Continued)

b) Changes in liabilities arising from financing activities:

Particulars	Non Cash Changes			
	March 31, 2020	Cash Flows	Non Cash Changes	March 31, 2021
	₹	₹	₹	₹
Non Current Borrowings (Including Current Maturity)	41,557,689	(18,318,795)	-	23,238,894
Current Borrowings	163,392,367	18,232,439	-	181,624,806
<b>Total</b>	<b>204,950,056</b>	<b>(86,356)</b>	-	<b>204,863,700</b>

As per our Report of even date attached

**For Khimji Kunverji & Co LLP**

Chartered Accountants  
Firm Registration No : 105146W/W-100621

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

**Vinit K Jain**  
Partner  
M. No.145911

**Dharmesh R. Sachade**  
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**Bhaskar M. Parekh**  
Executive Chairman  
DIN : 00166520

**Dilip M. Parekh**  
Managing Director  
DIN : 00166385

Mumbai  
May 27, 2021

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS****Note 1 (A) : Company Overview and Significant Accounting Policies****Company Overview:**

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

**Significant Accounting Policies:****a) Statement of Compliance:**

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

The financial statements are authorised for issue by the Board of Directors of the Company at their meeting held on May 27, 2021.

**b) Basis of Preparation of Accounts:****Basis of Preparation:**

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

- i. Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments); and
- ii. Employee's Defined Benefit Plan as per Actuarial Valuation.

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

**Functional and Presentation Currency:**

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

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

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

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

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

All other assets are classified as non-current

Similarly, a liability is classified as current if:

- i. It is expected to be settled in the normal operating cycle; or
- ii. It is held primarily for the purpose of trading; or
- iii. It is due to be settled within twelve months after the reporting period; or
- iv. The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current only.



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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

PPE are stated at their cost of acquisition/installation or construction net of accumulated depreciation, and impairment losses, if any. The initial cost of PPE comprises of its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning.

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

If significant parts of an item of PPE have different useful lives, then they are accounted for as separate items (major components) of PPE. Any gain or loss on disposal of an item of PPE is recognised in the Statement of Profit and Loss.

### d) Capital Work in Progress:

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

### e) Depreciation:

Depreciation on PPE is the systematic allocation of the depreciable amount over its useful life and is provided on a straight-line basis over such useful lives as prescribed in Schedule II to the Act or as per technical assessment conducted by the management. Freehold Land with indefinite life is not depreciated.

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

In case of certain classes of PPE, the Company uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets. The estimated useful life is reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

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

No	Nature	Useful Life
1	Plant and Machinery	15 - 20 Years
2	Moulds	8 - 15 Years
3	Leasehold Land	Over the period of lease agreement

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

### f) Intangible Assets and Amortization:

Intangible assets with finite useful life that are acquired separately are stated at acquisition cost less accumulated amortization and impairment losses, if any. Cost comprises the purchase price (net of tax / duty credits availed wherever applicable) and any directly attributable cost of bringing the assets to its working condition for its intended use. The Company determines the useful life as the period over which the future economic benefits will flow to the Company after taking into account all relevant facts and circumstances. The estimated useful life and amortization method is reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

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

No	Nature	Useful Life
1	Software	5 years

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS****g) Impairment of Non-Financial Assets:**

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in the Statement of Profit and Loss for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

**h) Inventories:**

Inventories are valued as follows:

**Raw Materials, Stores and Packing Materials:**

Valued at lower of cost and net realisable value(NRV). However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on Weighted Average basis which includes expenditure incurred for acquiring inventories like purchase price, import duties, taxes (net of tax credit) and other costs incurred in bringing the inventories to their present location and condition.

**Work-in-progress (WIP), finished goods, stock in trade:**

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

**Waste / Scrap:**

Waste/Scrap inventory is valued at NRV.

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

**i) Borrowing Costs:**

General and specific borrowing cost that are attributable to the acquisition or construction of qualifying asset, are capitalised as a part of the cost of such asset up to the date when such assets is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing cost are recognised as an expense in the period in which they are incurred.

Borrowing cost includes interest expense and other ancillary costs incurred in connection with borrowing of funds.

**j) Government Grants:**

Government grants related to income under State Investment Promotion Scheme linked with VAT / GST payment and reimbursement of certain costs incurred, are recognised in the Statement of Profit and Loss in the period in which they become receivable.

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

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

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

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



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

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

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

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

### l) Revenue Recognition:

#### (i) Revenue from Contracts with Customers

- Revenue is recognised on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.
- Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts, incentives, volume rebates, outgoing taxes on sales. Any amounts receivable from the customer are recognised as revenue after the control over the goods sold are transferred to the customer which is generally on dispatch of goods.
- Variable consideration - This includes incentives, volume rebates, discounts etc. It is estimated at contract inception considering the terms of various schemes with customers and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period
- Significant financing component - Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

(ii) Dividend income is accounted for when the right to receive the income is established

(iii) Interest income is recognised using the Effective Interest Rate Method

### m) Lease:

The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether

- (i) the contract involves the use of identified asset;
- (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and;
- (iii) the Company has the right to direct the use of the asset

#### As a lessee

The Company recognises a right-of-use asset ("ROU") and a lease liability at the lease commencement date. The ROU is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised

The ROU is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate

Lease payments included in the measurement of the lease liability comprises fixed payments, including in-substance fixed payments.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

The lease liability is subsequently measured at amortised cost using the effective interest method. It is remeasured when there is a change in future lease payments arising from a change in an index or rate.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the ROU, or is recorded in Statement of Profit or Loss if the carrying amount of the ROU has been reduced to zero.

Lease Liabilities have been presented in 'Financial Liabilities' and the 'ROU' have been presented separately in the Balance Sheet. Lease payments have been classified as financing activities in the Statement of Cash Flows

### Short-term leases:

The Company has elected not to recognise ROU and lease liabilities for short term leases that have a lease term of 12 months or lower. The Company recognises the lease payments associated with these leases as an expense over the lease term. The related cash flows are classified as Operating activities in the Statement of Cash Flows.

## n) Employee Benefit Expense:

### Defined benefit plan:

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

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

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income (OCI) in the period in which they occur. Remeasurement recognised in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset and is recognised in the Statement of Profit and Loss.

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

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

- **Defined contribution plan:**

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

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

- **Short-term employee benefits:**

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

## o) Income Taxes:

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

- **Current Tax:**

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

### • **Deferred Tax:**

Deferred tax is recognised, on all temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purpose.

Deferred tax liabilities and assets are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting date. Minimum Alternate Tax (MAT) Credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset. MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

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

### p) **Foreign Currency Transactions:**

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

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

### q) **Earnings Per Share:**

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

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

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

The Company's investment in its Subsidiary and Joint Venture are carried at cost net of accumulated impairment loss, if any. On disposal of the Investment, the difference between the net disposal proceeds and the carrying amount is charged or credited to the Statement of Profit and Loss.

### s) **Financial Instruments:**

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets & financial liabilities are recognised when the Company becomes party to contractual provisions of the relevant instruments.

#### **Initial Recognition and Measurement:**

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



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

### Classification and Subsequent Measurement: Financial Assets

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

A financial asset shall be classified and measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. In case of financial assets classified and measured at amortised cost, any interest income, foreign exchange gains or losses and impairment are recognised in the Statement of Profit and Loss.

- **Financial assets at Fair Value through Other Comprehensive Income (FVTOCI):**

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

- **Financial assets at Fair Value through profit or loss (FVTPL):**

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

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets.

For financial assets at FVTPL, net gains or losses, including any interest or dividend income, are recognised in the Statement of Profit and Loss.

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

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

- **Financial Liabilities at FVTPL:**

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

- **Other Financial Liabilities:**

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

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

- **Impairment of financial assets:**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

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

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

- **Derecognition of Financial Instruments:**

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

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in OCI and accumulated in equity is recognised in the Statement of Profit and Loss.

A financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires. The difference between the carrying amount of the financial liability derecognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

### t) Cash and Cash Equivalents:

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

### u) Financial Liabilities & Equity Instruments:

#### • Classification as Debt or Equity

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

#### • Equity Instrument

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

#### Derivative financial instruments:

The Company enters into derivative financial instruments viz. foreign exchange forward contracts to manage its exposure to foreign exchange rate risks. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss.

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

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

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

### w) Cash Flow Statement

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.

### Note 1 (B): Critical accounting judgements and key sources of estimation uncertainty:

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

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

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

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

#### b) Defined Benefit Plans:

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

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

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS****c) Fair Value Measurement of Financial Instruments:**

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

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

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

**e) Classification of Lease IndAS 116:**

Ind AS 116 Leases requires a lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying lease to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics.

**f) Recognition and measurement of deferred tax assets and liabilities:**

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax liability / asset that can be recognised, based upon the likely timing and the level of future taxable profits and business developments.

**g) Income Taxes:**

The Company calculates income tax expense based on reported income and estimated exemptions / deduction likely available to the Company. The Company is continuing with higher income tax rate option, based on the available outstanding MAT credit entitlement to the Company. However, the Company has applied the lower income tax rates on the deferred tax assets / liabilities to the extent these are expected to realised or settled in the future when the Company may be subject to lower tax rate based on the future financials projections.

**Note 2: Property, Plant and Equipment and Intangible Assets  
For the year ended March 31, 2021**

Particulars	Gross Block				Depreciation & Amortisation			Net Block	
	As at April 01, 2020 (Opening)	Additions	Deletions/ Adjustments	As at March 31, 2021 (Closing)	As at April 01, 2020 (Opening)	For the Year	Deletions/ Adjustments	As at March 31, 2021 (Closing)	As at March 31, 2021 (Closing)
<b>A] Tangible Asset</b>									
Freehold Land	13,708,918	-	-	13,708,918	-	-	-	-	13,708,918
Buildings	68,051,595	224,100	-	68,275,695	11,057,796	3,063,804	-	14,121,600	54,154,095
Plant & Machinery	187,147,648	7,374,658	(6,775,120)	187,747,186	37,719,247	13,897,996	(2,546,353)	49,070,890	138,676,296
Furniture & Fixtures	1,912,619	-	-	1,912,619	487,478	175,876	-	663,354	1,249,265
Office Equipments	5,263,885	671,588	(206,541)	5,728,932	3,234,814	924,532	(160,407)	3,998,939	1,729,993
Vehicles	30,396,662	-	(183,501)	30,213,161	12,471,032	3,524,428	(166,943)	15,828,517	14,384,644
<b>Total Tangible Assets</b>	<b>306,481,327</b>	<b>8,270,346</b>	<b>(7,165,162)</b>	<b>307,586,511</b>	<b>64,970,367</b>	<b>21,586,636</b>	<b>(2,873,703)</b>	<b>83,683,300</b>	<b>223,903,211</b>
<b>B] Intangible Assets</b>	<b>2,500,615</b>	<b>575,000</b>	<b>-</b>	<b>3,075,615</b>	<b>1,024,817</b>	<b>471,350</b>	<b>-</b>	<b>1,496,167</b>	<b>1,579,448</b>
<b>Total Assets (A + B)</b>	<b>308,981,942</b>	<b>8,845,346</b>	<b>(7,165,162)</b>	<b>310,662,126</b>	<b>65,995,184</b>	<b>22,057,986</b>	<b>(2,873,703)</b>	<b>85,179,467</b>	<b>225,482,659</b>

For the Year ended March 31, 2020

Particulars	Gross Block				Depreciation & Amortisation			Net Block	
	As at April 01, 2019 (Opening)	Additions	Deletions/ Adjustments	As at March 31, 2020 (Closing)	As at April 01, 2019 (Opening)	For the Year	Deletions/ Adjustments	As at March 31, 2020 (Closing)	As at March 31, 2020 (Closing)
<b>A] Tangible Assets</b>									
Freehold Land	13,708,918	-	-	13,708,918	-	-	-	-	13,708,918
Leasehold Land*	934,331	-	(934,331)	-	32,175	10,725	(42,900)	-	-
Buildings	67,102,808	948,787	-	68,051,595	8,003,657	3,054,139	-	11,057,796	56,993,799
Plant & Machinery	174,979,098	13,206,792	(1,038,242)	187,147,648	24,942,640	13,199,299	(422,692)	37,719,247	149,428,401
Furniture & Fixtures	1,858,869	53,750	-	1,912,619	311,715	175,763	-	487,478	1,425,141
Office Equipments	4,552,785	711,100	-	5,263,885	2,203,768	1,031,046	-	3,234,814	2,029,071
Vehicles	29,527,186	869,476	-	30,396,662	8,525,223	3,945,809	-	12,471,032	17,925,630
<b>Total Tangible Assets</b>	<b>292,663,995</b>	<b>15,789,905</b>	<b>(1,972,573)</b>	<b>306,481,327</b>	<b>44,019,178</b>	<b>21,416,781</b>	<b>(465,592)</b>	<b>64,970,367</b>	<b>241,510,960</b>
<b>B] Intangible Assets</b>	<b>1,290,615</b>	<b>1,210,000</b>	<b>-</b>	<b>2,500,615</b>	<b>627,277</b>	<b>397,540</b>	<b>-</b>	<b>1,024,817</b>	<b>1,475,798</b>
<b>Total Assets (A + B)</b>	<b>293,954,610</b>	<b>16,999,905</b>	<b>(1,972,573)</b>	<b>308,981,942</b>	<b>44,646,455</b>	<b>21,814,321</b>	<b>(465,592)</b>	<b>65,995,184</b>	<b>242,986,758</b>

Tangible assets are pledged as security against the secured borrowings.

\*Leasehold Land reclassified in Right of Use Assets ( Refer Note No. 42)

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

	As at March 31, 2021 ₹	As at March 31, 2020 ₹
<b>Note 3</b>		
<b>Investments</b>		
<b>Unquoted</b>		
<b>Investments Measured at cost :</b>		
<b>Equity Shares of Subsidiary Company fully paid up Prima Union Plasticos S.A.</b>		
3593 Equity shares of Quetzals ₹ 1,000/- each (March 31, 2020 - 3593 shares) amounting to Guatemala Quetzals 3,593,000/- (March 31, 2020 Guatemala Quetzals 3,593,000/-)	31,997,900	31,997,900
<b>Equity Shares of Joint Venture Company fully paid up Prima Dee-Lite Plasticos S.A.R.L.</b>		
16,100 Equity shares of Cameroon FCFA 10,000/- each (March 31, 2020 - 16,100 shares) amounting to Cameroon FCFA 115,000,000/- (March 31, 2020 - Cameroon FCFA 115,000,000/-)	10,207,570	10,207,570
<b>Total</b>	<b>42,205,470</b>	42,205,470
<b>Note 4</b>		
<b>Loans</b>		
<b>Considered Good, Unsecured</b>		
Loans to Subsidiary	77,095,003	79,068,090
Security Deposit #	11,835,462	8,988,118
Loans to Employees	2,863,302	701,700
<b>Total</b>	<b>91,793,767</b>	88,757,908
Disclosure of Loans and Advances given to Subsidiaries as per regulation 34 (3) and 53 (f) of the SEBI ( Listing Obligation and Disclosure Requirements) Regulations , 2015 and Section 186 of the Companies Act, 2013 :		
<b>Prima Union Plasticos S.A. (Subsidiary)</b>		
Amount Outstanding at the year end (Refer Note No.45)	77,095,003	79,068,090
Maximum Balance Outstanding During the Year Ended	98,097,832	143,104,668
The Loan has been utilised for meeting their business requirements.		
# Security Deposits with Related party Amounting of ₹ 2,651,000/- (March 31, 2020 ₹ 2,651,000/-) (Refer Note No.34)		
<b>Note 5</b>		
<b>Other Non-Current Financial Assets</b>		
Bank Deposit with Maturity greater than 12 Months *	1,592,118	1,112,365
<b>Total</b>	<b>1,592,118</b>	1,112,365
*Lodged as Security with Government Department ₹ 1,592,118/- (March 31,2020 ₹ 1,112,365/-)		

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

	As at March 31, 2021 ₹	As at March 31, 2020 ₹
<b>Note 6</b>		
<b>Other Non-Current Assets</b>		
<b>Considered good, Unsecured</b>		
Capital Advances	1,705,225	5,177,790
<b>Total</b>		5,177,790
<b>Note 7</b>		
<b>Inventories</b>		
<b>(Valued at lower of cost and net realisable value, unless otherwise stated)</b>		
Raw Materials (Includes Goods in Transit ₹ Nil(March 31, 2020 ₹ 3,515,563/-))	125,532,090	59,750,906
Finished Goods	132,172,267	150,828,107
Work in Progress	13,837,817	15,410,504
Stores and Packing Materials	4,260,456	4,800,343
Scrap (Valued at Net realisable value)		2,103,675
<b>Total</b>	277,227,941	232,893,535
(i) The Company follows suitable provisioning norms for writing down the value of Inventories towards slow moving, non-moving and surplus inventory.		
(ii) Working Capital Borrowings are secured by hypothecation of inventory of the Company.		
<b>Note 8</b>		
<b>Trade Receivables</b>		
<b>Considered Good - Unsecured</b>	192,646,710	203,583,858
Significant increase in credit risk	19,274,590	13,408,815
	211,921,300	216,992,673
Less : Allowances for Credit Losses	(19,274,590)	(13,408,815)
<b>Total</b>	192,646,710	203,583,858
<b>Note 9</b>		
<b>Cash and Cash Equivalents</b>		
Cash on Hand	239,354	607,711
<b>Balance with Banks</b>		
In Current Account	2,207,450	28,779,462
<b>Total</b>	2,446,804	29,387,173
<b>Note 10</b>		
<b>Bank Balance other than Cash and Cash Equivalents</b>		
Earmarked Balances with Bank for Unpaid Dividend	3,391,555	3,871,390
Bank Deposits*	9,944,033	7,970,504
<b>Total</b>	13,335,588	11,841,894
*Lodged as Security with Government Department ₹ 8,741,853/- (March 31,2020 ₹ 6,202,317/-) and Earmarked for Specific purpose ₹ 1,202,180/- (March 31, 2020 ₹ 1,768,187/-)		

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

	As at March 31, 2021 ₹	As at March 31, 2020 ₹
<b>Note 11</b>		
<b>Loans</b>		
<b>Considered Good, Unsecured</b>		
Inter Corporate Deposits	2,500,000	2,500,000
Loans to Employees	1,616,624	4,769,835
<b>Total</b>	<b>4,116,624</b>	<b>7,269,835</b>
<b>Note 12</b>		
<b>Other Current Financial Assets</b>		
Advances to Employees	366,720	354,931
Earnest Money Deposits	15,929,597	24,412,320
Interest Receivable	1,191,767	2,208,252
Government Grants Receivable	3,874,200	4,244,762
Other Receivables	600,000	-
Dividend Receivable	26,251,417	-
License Benefit Receivable	2,007,870	843,114
<b>Total</b>	<b>50,221,571</b>	<b>32,063,379</b>
<b>Note 13</b>		
<b>Other Current Assets</b>		
Pre-paid Expenses	4,854,931	1,840,078
Advance to Creditors	10,308,116	11,619,637
Gratuity - Receivable	-	703,907
Balance with Government Authorities	24,990,867	19,043,708
<b>Total</b>	<b>40,153,914</b>	<b>33,207,330</b>
<b>Note 14</b>		
<b>Equity Share Capital</b>		
<b>Authorised</b>		
1,20,00,000 (March 31, 2020 - 12,000,000) Equity Shares of ₹ 10/- each	120,000,000	120,000,000
<b>Issued, Subscribed and Fully Paid up</b>		
1,10,00,470 (March 31, 2020- 11,000,470) Equity Shares of ₹ 10/- each	110,004,700	110,004,700
<b>A) Reconciliation of the Shares Outstanding at the beginning and at the end of the year</b>		
Outstanding at the beginning of the year	110,004,700	110,004,700
Add: Issued During the year	-	-
Less: Cancelled During the year	-	-
Outstanding at the end of the year		110,004,700

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

B) List of Shareholders holding more than 5% of Paid up Equity Share Capital	March 31, 2021		March 31, 2020	
	No of Shares	% of holding	No of Shares	% of holding
Bhaskar M. Parekh	25,51,610	23.20%	25,51,610	23.20%
Dilip M. Parekh	26,15,420	23.78%	26,15,420	23.78%

**Terms and Rights Attached to Equity Shares**

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

	As at March 31, 2021 ₹	As at March 31, 2020 ₹
<b>Note 15</b>		
<b>Other Equity</b>		
a) Securities Premium Account	13,080,000	13,080,000
b) General Reserve	130,656,286	125,656,286
c) Retained Earnings	448,595,578	411,203,213
<b>Total (a+b+c)</b>	<b>592,331,864</b>	<b>549,939,499</b>
<b>Nature and purpose of reserves</b>		

**1) Securities Premium:** Securities Premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc.

**2) General Reserve :** The General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.

<b>Note 16</b>		
<b>Borrowings</b>		
<b>Secured Loans</b>		
Term Loans from Banks and Financial Institution - *	23,238,894	41,557,689
Less : Current Maturities of Long Term Debts (Refer Note No.20)	(17,759,127)	(18,098,164)
<b>Total</b>	<b>5,479,767</b>	<b>23,459,525</b>

**\* Term Loans from Banks and Financial Institution in Local Currency**

<b>Secured</b>		
Name of the Bank -AXIS Bank Repayment Terms : 60 Months ROI: 8.51 % p.a. Nature of Security : Vehicle	4,283,016	6,287,496
Name of the Bank - Kotak Mahindra Prime Ltd Repayment Terms - 60 Month ROI: 9.51 % p.a. Nature of Security : Vehicle	186,922	643,002
Name of the Bank - Kotak Mahindra Bank Repayment Terms - 42 Months ROI: 8.50 % to 8.90 % p.a. Nature of Security : Fixed Assets	18,768,956	34,627,191
Less : Current Portion of Term Loans shown under Other Current Financial Liabilities	(17,759,127)	(18,098,164)
<b>Total</b>	<b>5,479,767</b>	<b>23,459,525</b>



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

	As at March 31, 2021 ₹	As at March 31, 2020 ₹
<b>Note 17</b>		
<b>Deferred Tax Liability (Net)</b>		
<b>Deferred Tax Liabilities</b>		
- On Difference in WDV	27,339,873	28,725,978
- Others	-	693,911
<b>Less : Deferred Tax Assets :</b>		
- On 43B Disallowance	(6,912,751)	(5,119,923)
- Others	(560,208)	(348,118)
- On account of reduced Income Tax rate*	-	(2,511,752)
<b>Total</b>	<b>19,866,914</b>	21,440,096
<p>* The Government of India, on September 20, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new section 115BAA in the Income Tax Act, 1961, which provides an option to the Company for paying income tax at reduced rates as per provisions/conditions defined in the said section. The Company is continuing to provide for income tax at the old rates, based on the available outstanding MAT credit entitlement to the Company under the Income Tax Act, 1961. However, the Company has applied the lower tax rates on the deferred tax assets/liabilities to the extent these are expected to be realised or settled in the future period when the Company may be subjected to lower tax rate and accordingly reversed net deferred tax liability of ₹ 2,511,752/- during the year ended March 31, 2020</p>		
<b>Note 18</b>		
<b>Borrowings</b>		
<b>Secured</b>		
<b>Loans repayable on demand - From Banks :</b>		
Cash Credit / Working Capital Borrowings	86,068,696	65,390,697
FCNR Loan	95,556,110	98,001,670
<b>Total</b>	<b>181,624,806</b>	163,392,367
<p>Cash Credit / Working Capital Borrowings are secured by hypothecation of inventories, receivable, other current assets and other tangible fixed assets, pledge of immovable properties and personal guarantee of promoter directors. ROI ranges from 4.35% to 7.75% p.a.</p> <p>FCNR loan in USD to fund working capital requirement is secured against current assets, tangible fixed assets of the Company and personal guarantee from promoter directors. ROI ranges from 1.50 % to 2.85% p.a.</p>		
<b>Note 19</b>		
<b>Trade Payables</b>		
Due to Micro and Small enterprises (Refer Note No.43)	4,897,249	12,801,575
Other Payables (Other than Micro and Small enterprises)	19,747,176	6,316,390
<b>Total</b>	<b>24,644,425</b>	19,117,965

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

	As at March 31, 2021 ₹	As at March 31, 2020 ₹
<b>Note 20</b>		
<b>Other Current Financial Liabilities</b>		
Current Maturities of Long Term Debts (Refer Note No.16)	17,759,127	18,098,164
Interest accrued but not due on borrowings	253,280	540,063
Unclaimed Dividend	3,391,555	3,871,389
Provision for Expenses	5,428,946	5,511,929
Creditors for Expenses-Due to Micro and Small enterprises (Refer Note No. 43)	794,183	681,088
Creditors for Expenses - Other than Micro and Small enterprises	4,047,369	7,101,502
Lease Liabilities (Refer Note No.42)	10,323,166	6,317,796
<b>Total</b>	<b>41,997,626</b>	<b>42,121,931</b>
<b>Note 21</b>		
<b>Other Current Liabilities</b>		
Statutory Liabilities	2,147,377	2,655,271
Advances from Customers	3,534,225	3,772,424
<b>Total</b>	<b>5,681,602</b>	<b>6,427,695</b>
<b>Note 22</b>		
<b>Provisions</b>		
<b>Provision for Employee Benefits</b>		
Provision for Bonus/Leave Salary	4,923,705	4,994,932
Provision for Gratuity	649,838	-
<b>Total</b>	<b>5,573,543</b>	<b>4,994,932</b>

	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
<b>Note 23</b>		
<b>Revenue from Operations (Refer Note No.46)</b>		
<b>Sale of Products</b>		
Export	96,402,341	89,084,587
Local	811,269,819	895,057,225
	<b>907,672,160</b>	<b>984,141,812</b>
<b>Other Operating Revenues</b>		
Sale of Scrap	619,043	618,822
Subsidy / Government Grants (Refer Note no. 47)	4,357,482	1,030,887
Others	2,572,948	1,469,879
	<b>7,549,473</b>	<b>3,119,588</b>
<b>Total</b>	<b>915,221,633</b>	<b>987,261,400</b>
<b>Note 24</b>		
<b>Other Income</b>		
<b>Interest Income</b>		
On Banks Fixed Deposits	522,133	576,428
On Inter Corporate Deposits	349,999	350,958
On Loan and Advance to Subsidiary Company	5,591,349	8,205,305
On Others	244,848	262,196
	<b>6,708,329</b>	<b>9,394,887</b>

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
<b>Dividend Income</b>		
From Joint Venture Company	31,347,681	-
	31,347,681	-
<b>Other Non-Operating Income</b>		
Profit on Sale of Property, Plant and Equipment (Net)	-	884,450
Others	-	34,000
	-	918,450
<b>Total</b>	<b>38,056,010</b>	<b>10,313,337</b>
<b>Note 25</b>		
<b>Cost of Material Consumed</b>		
Opening Stock of Raw Material	59,750,906	69,708,197
Add : Purchases	585,621,497	588,267,919
	645,372,403	657,976,116
Less : Closing Stock of Raw Material	(125,532,090)	(59,750,906)
<b>Total</b>	<b>519,840,313</b>	<b>598,225,210</b>
<b>Note 26</b>		
<b>Changes in inventories of Finished Goods, Stock in Trade and Work in Progress</b>		
<b>Closing Stock</b>		
Finished Goods	132,172,267	150,828,107
Work in Progress	13,837,817	15,410,504
Scrap	1,425,311	2,103,675
<b>Opening Stock</b>		
Finished Goods	150,828,107	148,341,393
Work in Progress	15,410,504	9,833,073
Scrap	2,103,675	558,966
<b>Total</b>	<b>20,906,891</b>	<b>(9,608,854)</b>
<b>Note 27</b>		
<b>Employee Benefits Expense</b>		
Salaries, Wages and Bonus	104,113,307	111,000,767
Leave Salary	6,415,394	6,455,443
Contribution to Provident and other funds (Refer Note No.32)	3,910,991	4,342,473
Gratuity Expenses	1,938,420	2,177,649
Staff Welfare	2,266,592	5,656,700
<b>Total</b>	<b>118,644,704</b>	<b>129,633,032</b>
<b>Note 28</b>		
<b>Finance Costs</b>		
Interest on Borrowings	7,546,246	16,174,962
Other Borrowing Costs (Finance Charges)	988,532	752,717
Interest on Lease Liability (Refer Note No.42)	1,958,533	1,348,909
<b>Total</b>	<b>10,493,311</b>	<b>18,276,588</b>

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

	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
<b>Note 29</b>		
<b>Other Expenses</b>		
<b>Manufacturing Expenses</b>		
Labour Charges	30,925,419	30,069,945
Consumption of Stores, Spare Parts and Components, Packing Materials	17,015,415	17,664,054
Power and Fuel	24,691,437	30,348,818
Repairs to Buildings	464,518	1,189,835
Repairs to Machinery	1,511,172	2,957,280
Factory Insurance	1,007,987	1,520,709
Factory Expenses	2,861,738	2,379,017
Other Manufacturing Expenses		5,849,620
	<b>85,367,081</b>	<b>91,979,278</b>
<b>Selling and Distribution Expenses</b>		
Advertisement Expenses	505,574	567,366
Brokerage and Commission	59,322	90,000
Freight, Forward and others	59,761,426	49,024,023
Sales Promotion Expenses	1,169,210	3,196,443
	<b>61,495,532</b>	<b>52,877,832</b>
<b>Other Expenses</b>		
Professional Fees	6,013,057	5,192,706
Rent	1,828,301	4,553,542
Insurance (Others)	2,912,560	3,292,781
Corporate Social Responsibility Expenses (Refer Note No.44)	927,500	1,735,000
Travelling and Conveyance Expenses	3,559,577	9,109,366
Telephone Expenses	810,837	984,958
General Expenses	6,000,050	7,301,937
Printing and Stationery	1,954,301	1,372,548
Repairs to Other's	548,480	756,901
Payment to Statutory Auditors (Refer Note No.37)	1,592,690	1,101,150
Exchange Loss / (Gain) (Net)	1,458,541	994,054
Postage and Telegram	430,041	657,129
Provision against Interest Receivables	-	1,175,000
Provision for Doubtful Debts	5,865,775	7,765,570
Bad Debts written off	-	3,293,861
Sundry Balance written Off	-	1,705,438
Loss on Sale of Property, Plant and Equipment (Net)	318,745	-
Director's Sitting Fees	490,000	427,500
Vehicle Expenses	1,987,782	2,197,698
	<b>36,698,237</b>	<b>53,617,139</b>
<b>Total</b>	<b>183,560,850</b>	<b>198,474,249</b>

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS****Note 30: Contingent Liabilities (Ind AS 37)****A. Claims against the Company not acknowledged as debt : Nil**

The Company does not have any pending litigations and proceedings as at March 31, 2021 (March 31, 2020 - Nil)

**B. Guarantees:**

The company has issued corporate guarantees as under:

- (a) Guarantee of ₹ Nil/- ( March 31, 2020 ₹ 50,011,056/- in favour of Vinmar International Ltd on behalf of its subsidiary, Prima Union Plasticos S.A. for the purpose of procurement of raw material.)

**Note 31: Capital and other commitments**

Estimated amount of Contracts remaining to be executed on capital account, not provided for are (net of advances) Nil/- (March 31, 2020 ₹ 2,928,742/-)

**Note 32: Employee Benefits (Ind AS 19)****A. Defined Benefit Plans:****Gratuity:**

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

**Inherent Risk :**

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

**Statement of Change in the Present Value of Projected Benefit Obligation**

Particulars	As at March 31, 2021 ₹	As at March 31, 2020 ₹
<b>Change in Defined Benefit Obligation</b>		
Balance at the beginning of the year	14,726,520	18,236,014
Adjustment of:		
Current Service Cost	1,986,426	2,071,797
Interest Cost	1,004,349	1,420,585
Actuarial (gains)/losses recognised in Other Comprehensive Income:		
- Change in Financial Assumptions	(197,934)	(1,501,552)
- Experience Changes	360,408	(452,537)
Benefits Paid	(939,979)	(5,047,787)
<b>Balance at the end of the year</b>	<b>16,939,790</b>	<b>14,726,520</b>
<b>Change in Fair value of assets</b>		
Balance at the beginning of the year	15,430,427	16,877,190
Expected Return on Plan Assets	1,052,355	1,314,733
Re-measurements due to:		
Interest on Plan Assets	(1,180,315)	(163,709)
Contribution by the employer	1,927,464	2,450,000
Benefits Paid	(939,979)	(5,047,787)
<b>Balance at the end of the year</b>	<b>16,289,952</b>	<b>15,430,427</b>
<b>Net Asset / (Liability) recognized in the Balance Sheet</b>		
Present value of the funded defined benefit obligation at the end of the period	(16,939,790)	(14,726,520)
Fair Value of Plan Assets	16,289,952	15,430,427

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

Particulars	As at March 31, 2021 ₹	As at March 31, 2020 ₹
<b>Net Asset / (Liability) in the Balance Sheet</b>	(649,838)	703,907
<b>Expenses recognized in the Statement of Profit &amp; Loss</b>		
Current Service Cost	1,986,426	2,071,797
Interest Cost	(48,006)	105,852
<b>Amount charged to the Statement of Profit and Loss</b>	<b>1,938,420</b>	<b>2,177,649</b>
<b>Re-measurements recognized in Other Comprehensive Income(OCI):</b>		
Changes in Financial Assumptions	(197,934)	(1,501,552)
Experience Adjustments	360,408	(452,537)
Actual return on Plan assets less interest on plan assets	1,180,315	163,709
<b>Loss/ (Gain) recognized in Other Comprehensive Income(OCI)</b>	<b>1,342,789</b>	<b>(1,790,380)</b>
<b>Maturity Profile of Defined Benefit Obligation:</b>		
Within the next 12 months	461,152	413,395
Between 1 and 5 years	4,896,544	4,373,545
Between 5 and 10 years	7,632,151	6,999,614
10 Years and above	24,365,577	19,927,347
<b>Sensitivity analysis for significant assumptions:*</b>		
<b>Increase/(Decrease) on present value of defined benefits obligation at the end of the year</b>		
1% increase in discount rate	(1,399,471)	(1,232,817)
1% decrease in discount rate	1,631,010	1,432,119
1% increase in salary escalation rate	1,646,828	1,444,081
1% decrease in salary escalation rate	(1,436,225)	(1,263,817)
1% increase in employee turnover rate	185,018	148,154
1% decrease in employee turnover rate	(219,299)	(173,957)
<b>The major categories of plan assets as a percentage of total plan:</b>		
Insurer Managed Funds	100%	100%
<b>Actuarial Assumptions:</b>		
Discount Rate (p.a.)	6.95%	6.82%
Expected Return on Plan Assets (p.a.)	6.95%	6.82%
Turnover Rate	2.00%	2.00%
Mortality tables		Indian Assured Lives Mortality (2006-08)
Salary Escalation Rate (p.a.)		5.00%
Retirement age		60 Years
<b>Weighted Average duration of Defined benefit obligation</b>		<b>11 Years</b>

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

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS****Discount rate:**

The Discount rate is based on the prevailing market rates of Indian government securities for the estimated term of obligation.

**Salary Escalation Rate:**

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

**Asset Liability matching strategy**

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

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

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

The Company's expected contribution during next year is ₹ 2,956,993/- (March 31, 2020 ₹ 1,282,519/-)

**B. Defined Contribution Plans:**

Amount recognised as an expense and included in Note 27 under the head "Contribution to Provident and other Funds" of Statement of Profit and Loss is ₹ 3,910,991/- (March 31, 2020 ₹ 4,342,473/-)

**Note 33: Segment Reporting (Ind AS 108):**

The Company has presented segment information in the consolidated financial statements. Accordingly, as per Ind AS 108 'Operating Segments', no disclosures related to segments are presented in these standalone financial statements.

**Note 34: Related Party Disclosures (Ind AS 24):****A. List of Related Parties where control exists:**

Name of Related Parties	Principal Place of Business	% Shareholding and Voting Power	
		As at March 31, 2021	As at March 31, 2020
Prima Union Plasticos S.A. – Subsidiary	Guatemala	90%	90%
Prima Deelite Plastics S.A.R.L. - Joint Venture	Cameroon	50%	50%

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

### B. Other Related Parties with whom there were transactions during the year:

Name of Related Parties	Nature of Relationship
Shri Bhaskar M. Parekh - Executive Chairman	Key Management Personnel
Shri Dilip M. Parekh - Managing Director	Key Management Personnel
Smt. Hina V. Mehta - Non Executive Director	Key Management Personnel
Shri Krishnakant V. Chitalia - Independent Director	Key Management Personnel
Shri Rasiklal M. Doshi - Independent Director	Key Management Personnel
Shri Snehal N. Muzoomdar -Independent Director	Key Management Personnel
Shri Shailesh Shah - Independent Director	Key Management Personnel
Shri Mulchand S. Chheda - Independent Director (till September 30, 2019)	Key Management Personnel
Shri Dharmesh R. Sachade - Chief Financial Officer	Key Management Personnel
Ms. Ankita Agarwal - Company Secretary (till November 30, 2020)	Key Management Personnel
Ms. Vandana Ahuja – Company Secretary (w.e.f. February 11,2021)	Key Management Personnel
Ms. Nidhi Shah - Company Secretary (till November 30, 2019)	Key Management Personnel
Shri Pratik B. Parekh	Relative of KMP
Shri Paras B. Parekh	Relative of KMP
Ms. Shriya D. Parekh	Relative of KMP
Sanya Plastics	Entities controlled by KMP
Classic Plastics	Entities controlled by KMP
National Plastics and Allied Industries	Entities controlled by KMP

Above mentioned related parties are identified by the Management and same has been relied upon by the Auditors.

### C. The following transactions were carried out with the related parties in the ordinary course of business

Nature of Transaction	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
<b>Rent Paid:</b>		
Classic Plastics	2,564,680	3,157,974
Sanya Plastics	954,920	774,080
National Plastics and Allied Industries	4,446,070	4,705,629
<b>Total</b>	<b>7,965,670</b>	<b>8,637,683</b>
<b>Purchase :</b>		
Sanya Plastics	-	33,630
<b>Reimbursement of Expenses:</b>		
National Plastics and Allied Industries	60,158	441,270
<b>Services received from:</b>		
Key Management Personnel	14,824,528	15,901,029
Relatives of Key Management Personnel	5,879,111	6,021,643
<b>Total</b>	<b>20,703,639</b>	<b>21,922,672</b>
<b>Dividend Income:</b>		
Prima Deelite Plastics S.A.R.L.	31,347,681	-
<b>Loan Given to Subsidiary:</b>		
Prima Union Plasticos S.A	18,895,000	-
<b>Loan Repayment from Subsidiary:</b>		
Prima Union Plasticos S.A	18,895,000	70,554,726
<b>Interest Income:</b>		
Prima Union Plasticos S.A	5,591,349	8,205,305
<b>Corporate Guarantees on behalf of subsidiary:</b>		
Issued during the year	-	50,011,056
Released during the year	50,011,056	-



## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

## D. Outstanding balances:

Nature of Transaction	As at March 31, 2021 ₹	As at March 31, 2020 ₹
<b>Loans and Advances</b>		
Prima Union Plasticos S.A.	77,095,003	79,068,090
<b>Interest Receivable :</b>		
Prima Union Plasticos S.A.	1,112,071	1,602,670
<b>Rent Deposits</b>		
Classic Plastics	1,000,000	1,000,000
National Plastics and Allied Industries	1,500,000	1,500,000
Sanya Plastics	151,000	151,000
<b>Dividend Receivable :</b>		
Prima Deelite Plastics S.A.R.L.	26,251,417	-

## E. Compensation of Key Management Personnel of the Company:

Nature of Transaction	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
Short - term Employee Benefits	14,824,528	15,901,029

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

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

## Terms and Conditions of transactions with Related Parties:

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

For the year ended March 31, 2021, the Company has not recorded any impairment of receivables relating to amounts owned by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related parties operates.

## Note 35: Income Taxes (Ind AS 12):

## Reconciliation of Effective Tax Rate:

Particulars	Year ended March 31, 2021 %	Year ended March 31, 2020 %
Applicable Tax Rate	27.82	27.82
Effect of Tax Paid at a Lower Rate	(5.72)	-
Effect of Allowances for tax purpose	(2.19)	(3.66)
Others	1.00	(1.08)
Effect of Reversal of Opening Deferred Tax Liability for change in income tax rates (Refer Note 17)	-	(10.83)
Effective Tax Rate	20.91	14.41

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

**Note 36: Earnings per Share (EPS) (Ind AS 33):**

Particulars	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
<b>Basic/Diluted EPS</b>		
(i) Net Profit attributable to Equity Shareholders	<b>43,361,590</b>	19,849,413
(ii) Weighted average number of Equity Shares outstanding (Nos.)	<b>11,000,470</b>	11,000,470
<b>Basic Earnings Per Share / Diluted Earnings Per Share (i/ii)</b>	<b>3.94</b>	1.80

**Note 37: Auditor's Remuneration (excluding GST) :**

Particulars	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
Audit Fees (including Quarterly Limited Review)	<b>1,525,000</b>	1,005,000
Expenses Reimbursed	<b>17,690</b>	33,650
Fees for Other Services	<b>50,000</b>	62,500

**Note 38: Financial Instruments: Disclosure (Ind AS 107):**

**Classification of Financial Assets and Liabilities**

Particulars	As at March 31, 2021 ₹	As at March 31, 2020 ₹
<b>Financial assets at Amortized cost:</b>		
Loans - Non Current	<b>91,793,767</b>	88,757,908
Loans - Current	<b>4,116,624</b>	7,269,835
Trade Receivables	<b>192,646,710</b>	203,583,858
Cash and Cash Equivalents	<b>2,446,804</b>	29,387,173
Other Bank Balances	<b>13,335,588</b>	11,841,894
Other Non Current Financial Assets	<b>1,592,118</b>	1,112,365
Other Current Financial Assets	<b>50,221,571</b>	32,063,379
<b>Total</b>	<b>356,153,182</b>	374,016,412
<b>Financial liabilities at Amortized Cost:</b>		
Borrowings - Non Current	<b>5,479,767</b>	23,459,525
Other Non Current Financial Liabilities	<b>12,555,254</b>	4,895,514
Trade Payables	<b>24,644,425</b>	19,117,965
Borrowings - Current	<b>181,624,806</b>	163,392,367
Other Current Financial Liabilities	<b>41,997,626</b>	42,121,931
<b>Total</b>	<b>266,301,878</b>	252,987,302

Investment in Subsidiary and Joint ventures amounting to ₹ **42,205,470/-** (March 31, 2020 ₹ 42,205,470/-) are measured at Cost in accordance with Ind AS 27.

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS****Note 39: Financial Risk Management Objectives and Policies (Ind AS 107):**

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

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

**A. Market Risk**

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

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

**(a) Foreign Currency Risk**

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

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures and uses forward contracts, if required, to hedge exposure to foreign currency risk. Forward contract outstanding as on March 31, 2021 is USD Nil/- against foreign currency exposures. (March 31, 2020 USD 200,000).

Outstanding Foreign Currency Exposure	As at March 31, 2021	As at March 31, 2020
<b>Trade Receivables:</b>		
USD	164,753	187,904
EURO	717	11,951
<b>Borrowings:</b>		
USD	1,300,000	1,300,000
<b>Loans and Advances:</b>		
USD	1,071,975	1,065,795
<b>Interest Receivable:</b>		
USD	15,129	21,260
<b>Dividend Receivable :</b>		
Euro	304,898	-
<b>Investments:</b>		
Euro	191,444	191,444
USD	477,631	477,631

**Foreign Currency Sensitivity on unhedged exposure:**

Impact on profit before tax due to increase in foreign exchange rate by 100 bps :

Particulars	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
USD	315,919	341,420
Euro	427,963	168,919

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

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

### (b) Interest rate risk :

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

Particulars	Total Borrowings ₹	Floating Rate Borrowings ₹	Fixed Rate Borrowings ₹
INR	109,307,590	34,837,652	74,469,938
USD*	95,556,110	95,556,110	-
<b>Total as at March 31, 2021</b>	<b>204,863,700</b>	<b>130,393,762</b>	<b>74,469,938</b>
INR	106,948,386	87,833,017	19,115,369
USD*	98,001,670	98,001,670	-
Total as at March 31, 2020	204,950,056	185,834,687	19,115,369

\*Above exposure in foreign currency is unhedged

### Interest rate sensitivities for unhedged exposure (impact on Profit before tax due to increase in 100 bps):

Particulars	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
INR	1,303,937	1,858,346

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

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period

### B. Credit Risk:

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

#### (a) Trade Receivables:

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

Gross Trade receivable as on March 31, 2021 ₹ 211,921,300/- (March 31, 2020 ₹ 216,992,673/-)

The Company does not have higher concentration of credit risks to a single customer.

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

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

#### Movement of Allowances for Credit Loss:

Particulars	As at March 31, 2021 ₹	As at March 31, 2020 ₹
Opening Provision	13,408,815	6,750,735
Add: Provided during the Year	5,865,775	7,765,570
Less: Utilised during the Year	-	1,107,490
<b>Closing Provision</b>	<b>19,274,590</b>	<b>13,408,815</b>

**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS****(b) Cash and Cash Equivalent and Bank Deposit:**

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

**C. Liquidity Risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. Senior management of the Company is responsible for liquidity, funding as well as settlement management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

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

As at March 31, 2021	Up to 1 Year ₹	1 to 5 Years ₹	More than 5 Years ₹	Total ₹
Trade Payables	24,644,425	-	-	24,644,425
Borrowings (including current maturities of long term debt)	199,383,933	5,479,767	-	204,863,700
Interest accrued but not due on borrowings	253,280	-	-	253,280
Other Current Financial Liabilities	13,662,053	-	-	13,662,053
Lease Liabilities	11,773,412	13,192,740	-	24,966,152
As at March 31, 2020	Up to 1 Year ₹	1 to 5 Years ₹	More than 5 Years ₹	Total ₹
Trade Payables	19,117,965	-	-	19,117,965
Borrowings (including current maturities of long term debt)	181,490,531	23,459,525	-	204,950,056
Interest accrued but not due on borrowings	540,063	-	-	540,063
Other Current Financial Liabilities	17,165,908	-	-	17,165,908
Lease Liabilities	6,978,872	5,116,821	-	12,095,693

**Note 40: Distribution made and proposed (Ind AS 1):**

Particulars	As at March 31, 2021 ₹	As at March 31, 2020 ₹
<b>Cash Dividends on equity shares declared and paid:</b>		
Final Dividend for the year ended on March, 2020 ₹ Nil per share (March 31, 2019 ₹ 1/- per share)	-	11,000,470
DDT on Final Dividend	-	2,239,500
Interim Dividend for the year ended on March, 2021 ₹ Nil per share (March 31, 2020 ₹ 1/- per share)	-	11,000,470
DDT on Interim Dividend	-	2,239,500
<b>Total Dividend paid</b>	-	26,479,940
<b>Proposed Dividends on Equity shares:</b>		
Proposed Final Dividend for the year ended on March 31, 2021 ₹ 1.50 per share (March 31, 2020 ₹ Nil per share)	16,500,705	-

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at March 31, 2021.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

### Note 41: Capital Management (Ind AS 1):

The Company's objectives when managing capital are to :

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

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

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

Particular	As at March 31, 2021 ₹	As at March 31, 2020 ₹
Total Debt (bank and other borrowings)	204,863,700	204,950,056
Total Equity	702,336,564	659,944,199
Debt to Equity (Net)	0.29	0.31

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

### Note 42: Leases:

#### (A) As a lessee (Ind AS 116)

- The Company has implemented Indian Accounting Standard for Leases ("Ind AS 116") with effect from April 01, 2019 using the modified retrospective approach, under which the cumulative effect of Initial application is recognised in retained earnings as on April 01, 2019. The effect of initial recognition as per Ind AS 116 is as follows:

Particular	As on April 01, 2019 ₹
Lease liability	12,062,181
Right of Use (ROU) asset	10,839,533
Deferred tax assets	340,141
<b>Net Impact on Retained Earnings</b>	<b>882,507</b>

- Following are the carrying value of Right of Use Assets

For the year ended March 31, 2021:

Particular	Gross Block ₹			Accumulated depreciation and amortisation ₹			Net Block ₹
	As at April 01, 2020	Additions	As at March 31, 2021	As at April 01, 2020	For the year	As at March 31, 2021	As at March 31, 2021
Leasehold Land	934,331	-	934,331	42,900	10,725	53,625	8,80,706
Leasehold Building	20,337,199	22,279,447	42,616,646	10,043,991	11,245,840	21,289,831	21,326,815
<b>Total</b>	<b>21,271,530</b>	<b>22,279,447</b>	<b>43,550,977</b>	<b>10,086,891</b>	<b>11,256,565</b>	<b>21,343,456</b>	<b>22,207,521</b>

For the year ended March 31, 2020:

	As at April 01, 2019	Reclassified on account of Ind AS 116	Additions	As at March 31, 2020	As at April 01, 2019	Reclassified on account of Ind AS 116	For the year	As at March 31, 2020	As at March 31, 2020
Leasehold Land	-	934,331	-	934,331	-	32,175	10,725	42,900	8,91,431
Leasehold Building	10,839,533	-	9,497,666	20,337,199	-	-	10,043,991	10,043,991	10,293,208
<b>Total</b>	<b>10,839,533</b>	<b>934,331</b>	<b>9,497,666</b>	<b>21,271,530</b>	<b>-</b>	<b>32,175</b>	<b>10,054,716</b>	<b>10,086,891</b>	<b>11,184,639</b>

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

(c) Impact of adoption of Ind AS 116 for the year ended March 31, 2021 is as follows:

Particulars	Year Ended March 31, 2021 ₹	Year Ended March 31, 2020 ₹
Decrease in Other Expenses (Rent Expense) by	12,572,872	11,695,445
Increase in Depreciation by (excludes depreciation on reclassified assets)	11,245,840	10,043,991
Increase in Finance cost by	1,958,533	1,348,909
<b>Net Impact on Profit/(Loss)</b>	<b>(631,501)</b>	302,545

(d) Lease Expenses recognised in Profit and Loss statement not included in the measurement of lease liabilities

Particulars	Year Ended March 31, 2021 ₹	Year Ended March 31, 2020 ₹
Expenses relating to short-term leases	1,828,301	4,553,542

(e) Maturity analysis of lease liabilities– contractual undiscounted cash flows:

Particulars	Year Ended March 31, 2021 ₹	Year Ended March 31, 2020 ₹
Less than one year	11,773,412	6,978,872
One to five years	13,192,740	5,116,821
More than five years	-	-
Total undiscounted lease liabilities at March 31, 2021	24,966,152	12,095,693
Discounted Lease liabilities included in the statement of financial position at March 31, 2021	22,878,420	11,213,310
Current lease liability	10,323,166	6,317,796
Non-Current lease liability	12,555,254	4,895,514

(f) The Weighted average incremental borrowing rate of 9.50% p.a has been applied for measuring the lease liability at the date of initial application.

(g) The total cash outflow for leases for year ended March 31, 2021 ₹ 12,572,872/- (March 31, 2020 is ₹11,695,445/-)

**Note 43: Micro, Small and Medium Enterprises**

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from October 02, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises.

Particulars	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
Principal amount:	5,691,432	13,482,663
Interest: due thereon remaining unpaid to any supplier as at the year end	-	-
Amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'), along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company and the same has been relied upon by the auditors.

## NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS

### Note 44: Corporate Social Responsibility

Expenditure incurred on Corporate Social Responsibility activities, included in different heads of expenses in the Statement of Profit and Loss is ₹ 927,000/- (March 31, 2020 ₹ 1,735,000/-/- including unspent amount of ₹ 435,397/- for the FY 2018-19.)

The amount required to be spent under Section 135 of the Companies Act, 2013 for the year ended March 31, 2021 is ₹ 913,621/- (March 31, 2020 ₹ 1,299,603/-) i.e. 2% of average net profits for last three financials years, calculated as per section 198 of the Companies Act, 2013

### Note 45: Investment Details

Details of investments made by the Company covered u/s. 186 (4) of the Companies Act 2013 as on March 31, 2021 (including investments made in the previous years):

Name of the entity	As at March 31, 2021 ₹	Transactions during the year ₹	As at March 31, 2020 ₹
<b>Prima Union Plasticos S.A.-Subsidiary:</b>			
Loan to Subsidiary	77,095,003#	- @@	79,068,090
Guarantee	-	(50,011,056)	50,011,056
Investment	31,997,900	-	31,997,900
<b>Prima Deelite Plastics S.A.R.L.-Joint Venture:</b>			
Investment	10,207,570	-	10,207,570

# Includes impact of foreign currency revaluation gain amounting to ₹ 1,973,087/-

@@ Includes Loan granted and repaid during the year amounting to ₹ 18,895,000/- Net Impact - Nil/-

### Note 46 – Revenue (Ind AS 115)

(A) The Company is primarily in the Business of manufacture and sale of Plastic Articles. All sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch. The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established, the Company does not give significant credit period resulting in no significant financing component. The Company, however, has a policy for replacement of the damaged goods.

#### (B) Revenue recognised from Contract liability (Advances from Customers):

Particulars	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
Opening Contract liability	3,772,424	7,056,496
Recognised as revenue during the year	3,322,622	6,512,108

#### (C) Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:

Particulars	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
Revenue as per Contract price	929,022,894	1,008,065,770
Less: Discounts and incentives	(21,350,734)	(23,923,958)
Revenue as per statement of profit and loss	907,672,160	984,141,812

### Note 47

#### Government Grants:

Other Operating Revenues include Incentives against capital investments, under State Investment Promotion Scheme of ₹ 4,357,482/- (March 31, 2020 ₹ 1,030,887/-)



**NOTES FORMING PART OF THE STANDALONE FINANCIAL STATEMENTS****Note 48 :**

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

**Note 49 – COVID-19 (Global Pandemic)**

In the view of unprecedented COVID 19 pandemic, the management has made an assessment of its position as at the Balance Sheet date. In assessing, the Company has taken into consideration external and internal information upto the date of approval of these financial statements. The Company has assessed the possible effects that may result from COVID 19 pandemic, on the carrying amount of receivables, inventories, investments, advances and other receivables. The Company based on current estimates expects, the net carrying amount of the assets will be recovered. The Company is monitoring the situation closely and has resumed operations in a phased manner at all plants taking into account directives from the Governments.

**Note 50 :**

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

As per our Report of even date attached

**For Khimji Kunverji & Co LLP**

Chartered Accountants

Firm Registration No : 105146W/W-100621

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

**Vinit K Jain**  
Partner  
M. No.145911

**Dharmesh R. Sachade**  
Chief Financial Officer  
M. No.139349

**Vandana S. Ahuja**  
Company Secretary  
M. No. ACS: 57118

**Bhaskar M. Parekh**  
Executive Chairman  
DIN : 00166520

**Dilip M. Parekh**  
Managing Director  
DIN : 00166385

Mumbai  
May 27, 2021



# INDEPENDENT AUDITORS' REPORT

**To the Members of  
Prima Plastics Limited**

## **Report on the Audit of Consolidated Financial Statements**

### **Opinion**

We have audited the consolidated financial statements of Prima Plastics Limited (hereinafter referred to as “the Holding Company”) and its subsidiary (Holding Company and its subsidiary together referred to as “the Group”) and its joint venture, which comprise the consolidated balance sheet as at March 31, 2021, and the consolidated statement of profit and loss (including other comprehensive income), consolidated statement of changes in equity and consolidated statement of cash flows for the year then ended, and notes to the consolidated financial statements, including a summary of the significant accounting policies and other explanatory information (hereinafter referred to as “the consolidated financial statements”)

In our opinion and to the best of our information and according to the explanations given to us, and based on the consideration of reports of other auditors on separate financial statements, as applicable, and on the other financial information of the subsidiary and joint venture, the aforesaid consolidated financial statements give the information required by the Companies Act, 2013 (“the Act”) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group and its joint venture as at March 31, 2021, of its consolidated profit and other comprehensive income, consolidated changes in equity and consolidated cash flows for the year ended on that date.

### **Basis for Opinion**

We conducted our audit in accordance with the Standards on Auditing (“SAs”) specified under section 143(10) of the Act. Our responsibilities under those SAs are further described in the Auditor’s Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group, and its joint venture in accordance with the ethical requirements that are relevant to our audit of the consolidated financial statements in terms of the Code of Ethics issued by the Institute of Chartered Accountants of India and the relevant provisions of the Act, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in the “Other Matters” paragraph below, is sufficient and appropriate to provide a basis for our opinion on the consolidated financial statements.

### **Emphasis of Matter**

We draw attention to Note 50 of the consolidated financial statements, as regards to the management evaluation of COVID - 19 impact on the future performance of the Group. Our opinion is not modified in respect of this matter.

### **Key Audit Matters**

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current year. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

### **Description of Key Audit Matte**

Key Audit Matters	How the matter was addressed in our audit
<p><b>Revenue Recognition - Discounts, incentives, rebates etc</b></p> <ul style="list-style-type: none"> <li>• Revenue is measured net of discounts, incentives, rebates etc. given to the customers on the Holding Company’s sales.</li> <li>• Due to the Holding Company’s presence across different marketing regions within the country and the competitive business environment, the estimation of the various types of discounts, incentives and rebate schemes to be recognised based on sales made during the year is considered to be complex and judgmental.</li> <li>• Therefore, there is a risk of revenue being misstated as a result of variations in the assessment of discounts, incentives and rebates.</li> <li>• Given the complexity and judgement required to assess the provision for discounts, incentives and rebates, this is a key audit matter.</li> </ul>	<p><b>Our procedures included:</b></p> <ul style="list-style-type: none"> <li>• We have assessed the Holding Company’s accounting policies relating to revenue, discounts, incentives and rebates by comparing with applicable accounting standards.</li> <li>• We have assessed the design and implementation and tested the operating effectiveness of Holding Company’s internal controls over the provisions, approvals and disbursements of discounts, incentives and rebates.</li> <li>• We have assessed the Holding Company’s computations for accrual of discounts, incentives and rebates, on a sample basis, and compared the accruals made with the approved schemes and underlying documents.</li> <li>• We have verified, on a sample basis, the underlying documentation for discounts, incentives and rebates recorded and disbursed during the year.</li> <li>• We have compared the historical trend of payments and reversal of discounts, incentives and rebates to provisions made to assess the current year accruals.</li> <li>• We have examined the manual journals posted to discounts, rebates and incentives to identify unusual or irregular items.</li> </ul>

## Other Information

The Holding Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Holding Company's annual report, but does not include the consolidated financial statements and our auditors' report thereon.

Our opinion on the consolidated financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the consolidated financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed and based on the work done/ audit report of other auditors, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

## Management's and Board of Directors' Responsibilities for the Consolidated Financial Statements

The Holding Company's Management and Board of Directors are responsible for the preparation and presentation of these consolidated financial statements in term of the requirements of the Act that give a true and fair view of the consolidated state of affairs, consolidated profit and other comprehensive income, consolidated statement of changes in equity and consolidated cash flows of the Group including its joint venture in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ("Ind AS") specified under section 133 of the Act. The respective Management and Board of Directors of the companies included in the Group and of joint venture are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of each company and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring accuracy and completeness of the accounting records, relevant to the preparation and presentation of the consolidated financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Management and Directors of the Holding Company, as aforesaid.

In preparing the consolidated financial statements, the respective Management and Board of Directors of the companies included in the Group and of its joint venture are responsible for assessing the ability of each company to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the respective Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

The respective Company's Management and the Board of Directors of the companies included in the Group and of its joint venture are responsible for overseeing the financial reporting process of each company.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on the internal financial controls with reference to the consolidated financial statements and the operating effectiveness of such controls based on our audit.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Management and Board of Directors.
- Conclude on the appropriateness of Management and Board of Directors use of the going concern basis of accounting in preparation of consolidated financial statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the appropriateness of this assumption. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group and its joint venture to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- Obtain sufficient appropriate audit evidence regarding the financial information of such entities or business activities within the Group and its joint venture to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the audit of financial information of such entities included in the consolidated financial statements of which we are the independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion. Our responsibilities in this regard are further described in the section titled 'Other Matters' in this audit report.

We believe that the audit evidence obtained by us along with the consideration of audit reports of the other auditors referred to in Other Matters paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

We communicate with those charged with governance of the Holding Company regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the consolidated financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditors' report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

#### **Other Matters**

The consolidated financial statements include the audited financial statements of Prima Union Plasticos S.A, Guatemala, a subsidiary whose financial statements reflect Group's share of total assets (before consolidation adjustments) of ₹ 2,392.70 lakh as at March 31, 2021, Group's share of total revenue (before consolidation adjustments) of ₹ 2,752.51 lakh, Group's share of total net profit after tax (before consolidation adjustments) of ₹ 463.10 lakh and Group's share of net cash inflows of ₹ 243.74 lakh for the year ended on that date, as considered in the consolidated financial statements, which have been audited by their independent auditors. The latest available audited financial statements of Prima Dee-Lite Plastics s.a.r.l, Cameroon, a joint venture, are for the year ended December 31, 2020, accordingly the consolidated financial statements also include the Group's share of net profit after tax (before consolidation adjustments) of ₹ 961.88 lakh for the year ended December 31, 2020, as considered in the consolidated financial statements, in respect of said joint venture, whose financial statements have been audited by their independent auditors. These financial statements have been audited by other auditors as per the requirement of the applicable accounting standards of the respective countries and by an independent practitioner as per the requirement of Ind AS. The independent auditors' and Independent practitioners' reports on financial statements of these entities have been furnished to us by the management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of these entities, is based solely on the report of such auditors and independent practitioners and the procedures performed by us, as stated in the paragraph above.

Our opinion on the consolidated financial statements, and our report on Other Legal and Regulatory Requirements below, is not modified in respect of the above matters with respect to our reliance on the work done and the report of the other auditors and practitioner.

#### **Report on Other Legal and Regulatory Requirements**

- A. As required by Section 143(3) of the Act, based on our audit and on the consideration of reports of the other auditors on separate financial statements of the subsidiary and joint venture as were audited by other auditors, as noted in the 'Other Matters' paragraph, we report, to the extent applicable, that:
- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit of the aforesaid consolidated financial statements.
  - b) In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books and the reports of the other auditors.
  - c) The consolidated balance sheet, the consolidated statement of profit and loss (including other comprehensive income), the consolidated statement of changes in equity and the consolidated statement of cash flows dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
  - d) In our opinion, the aforesaid consolidated financial statements comply with the Ind AS specified under Section 133 of the Act.

- e) On the basis of the written representations received from the directors of the Holding Company as on March 31, 2021 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of its subsidiary company and joint venture incorporated in India, none of the directors of the Group companies, and joint venture incorporated in India is disqualified as on March 31, 2021 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls with reference to consolidated financial statements of the Holding Company and the operating effectiveness of such controls- refer to our separate report in "Annexure A".
- B. With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditor's) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us and based on the consideration of the reports of the other auditors on separate financial statements of the subsidiary and joint venture, as noted in the 'Other Matters' paragraph:
- i. The consolidated financial statements disclose the impact of pending litigations as at March 31, 2021 on the consolidated financial position of the Group and joint venture. Refer Note 31 to the consolidated financial statements.
  - ii. Provision has been made in the consolidated financial statements, as required under the applicable law or Ind AS, for material foreseeable losses on long-term contracts including derivative contracts. Refer Note 49 to the consolidated financial statements in respect of such items as it relates to the Group and its joint venture.
  - iii. There has been no delay in transferring amounts to the Investor Education and Protection Fund by the Holding Company or its subsidiary companies and joint venture incorporated in India during the year ended March 31, 2021.
  - iv. The disclosures in the consolidated financial statements regarding holdings as well as dealings in specified bank notes during the period from November 8, 2016 to December 30, 2016 have not been made in the consolidated financial statements since they do not pertain to the financial year ended March 31, 2021.
- C. With respect to the matter to be included in the Auditor's report under section 197(16) of the Act:
- In our opinion and according to the information and explanations given to us, the remuneration paid during the current year by the Holding Company to its directors is in accordance with the provisions of section 197 of the Act. The remuneration paid to any director by the Holding Company is not in excess of the limit laid down under section 197 of the Act. The Ministry of Corporate Affairs has not prescribed other details under section 197(16) of the Act which are required to be commented upon by us.

**For Khimji Kunverji & Co LLP**

Chartered Accountants

Firm Registration No : 105146W/W-100621

**Vinit K Jain**

Partner

Membership No: 145911

ICAI UDIN: 21145911AAAABP9364

Mumbai

May 27, 2021



## **Annexure A to the Independent Auditors' report on the consolidated financial statements for the year ended March 31, 2021**

(Referred to in paragraph A(f) under 'Report on Other Legal and Regulatory Requirements' section of our report of even date)

### **Report on the internal financial controls with reference to the aforesaid consolidated financial statements under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013**

#### **Opinion**

In conjunction with our audit of the consolidated financial statements of Prima Plastics Limited (hereinafter referred to as “the Holding Company”) as of and for the year ended March 31, 2021, we have audited the internal financial controls with reference to consolidated financial statements of the Holding Company. The Holding Company do not have any other components incorporated in India.

In our opinion, the Holding Company have, in all material respects, have adequate internal financial controls with reference to consolidated financial statements and such internal financial controls were operating effectively as at March 31, 2021, based on the internal financial controls with reference to consolidated financial statements criteria established by such companies considering the essential components of such internal controls stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India (the “Guidance Note”).

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

The respective company's management and the Board of Directors are responsible for establishing and maintaining internal financial controls with reference to consolidated financial statements based on the criteria established by the respective company considering the essential components of internal control stated in the Guidance Note. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the respective company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013 (hereinafter referred to as “the Act”).

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the internal financial controls with reference to consolidated financial statements based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, prescribed under section 143(10) of the Act, to the extent applicable to an audit of internal financial controls with reference to consolidated financial statements. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls with reference to consolidated financial statements were established and maintained and if such controls operated effectively in all material respects.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the internal financial controls with reference to consolidated financial statements.

#### **Meaning of Internal Financial controls with Reference to Consolidated Financial Statements**

A company's internal financial controls with reference to consolidated financial statements is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles.

A company's internal financial controls with reference to consolidated financial statements includes those policies and procedures that

- 1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the Company;
- 2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of consolidated financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and
- 3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the consolidated financial statements.

**Inherent Limitations of Internal Financial controls with Reference to Consolidated Financial Statements**

Because of the inherent limitations of internal financial controls with reference to consolidated financial statements, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls with reference to consolidated financial statements to future periods are subject to the risk that the internal financial controls with reference to consolidated financial statements may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

**Other Matter**

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

**For Khimji Kunverji & Co LLP**

Chartered Accountants

Firm Registration No : 105146W/W-100621

**Vinit K Jain**

Partner

Membership No: 145911

ICAI UDIN: 21145911AAAABP9364

Mumbai

May 27, 2021



## CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2021

Particulars	Note	As at March 31, 2021 ₹	As at March 31, 2020 ₹
<b>ASSETS</b>			
<b>I. Non Current Assets</b>			
Property, Plant and Equipment	2	271,077,163	276,947,266
Capital Work in Progress		33,457,223	1,050,000
Intangible Assets	2	1,579,448	1,475,798
Right of Use Assets	43	22,207,521	11,184,639
Financial Assets			
(i) Investments accounted for using Equity Method	3	371,752,886	306,912,761
(ii) Loans	4	18,025,440	13,053,848
(iii) Other Non Current Financial Assets	5	1,592,118	1,112,365
Income Tax Assets (Net)		1,167,366	3,072,290
Other Non-Current Assets	6	1,705,225	5,177,790
<b>Total Non - Current Assets</b>		<b>722,564,390</b>	<b>619,986,757</b>
<b>II. Current Assets</b>			
Inventories	7	311,780,362	273,883,630
Financial Assets			
(i) Trade Receivables	8	229,847,853	237,206,356
(ii) Cash and Cash Equivalents	9	41,055,974	43,688,879
(iii) Bank Balances other than Cash and Cash Equivalents	10	13,335,588	11,841,894
(iv) Loans	11	4,116,624	7,272,271
(v) Other Current Financial Assets	12	49,109,500	30,282,635
Other Current Assets	13	118,560,534	83,094,208
<b>Total Current Assets</b>		<b>767,806,435</b>	<b>687,269,873</b>
<b>TOTAL ASSETS</b>		<b>1,490,370,825</b>	<b>1,307,256,630</b>
<b>EQUITY AND LIABILITIES</b>			
<b>I. Equity</b>			
Equity Share Capital	14	110,004,700	110,004,700
Other Equity	15	1,007,159,767	858,308,444
<b>Total Equity</b>		<b>1,117,164,467</b>	<b>968,313,144</b>
<b>II. Non Controlling Interest</b>		<b>9,477,603</b>	<b>4,853,287</b>
<b>III. Non-Current Liabilities</b>			
Financial Liabilities			
(i) Borrowings	16	28,160,107	31,098,059
(ii) Other Non Current Financial Liabilities	43	12,555,254	4,895,514
Deferred Tax Liabilities (Net)	17	19,866,914	21,440,096
Provisions		860,304	
<b>Total Non-Current Liabilities</b>		<b>61,442,579</b>	<b>57,433,669</b>
<b>IV. Current Liabilities</b>			
Financial Liabilities			
(i) Borrowings	18	181,624,806	163,392,367
(ii) Trade Payables	19		
(a) Total Outstanding Dues of Micro Enterprises and Small Enterprises		4,897,249	12,801,575
(b) Total Outstanding Dues of Creditors other than Micro Enterprises and Small Enterprises		49,177,971	40,214,355
(iii) Other Current Financial Liabilities	20	45,800,652	44,623,244
Current Tax Liabilities (Net)		9,201,473	3,450,117
Other Current Liabilities	21	5,681,601	6,659,835
Provisions	22	5,902,424	5,515,037
<b>Total Current Liabilities</b>		<b>302,286,176</b>	<b>276,656,530</b>
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>1,490,370,825</b>	<b>1,307,256,630</b>
<b>Significant Accounting Policies</b>	1		
<b>The accompanying Notes are an integral part of the Consolidated Financial Statements</b>			

As per our Report of even date attached

**For Khimji Kunverji & Co LLP**

Chartered Accountants

Firm Registration No : 105146W/W-100621

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

**Vinit K Jain**  
Partner  
M. No.145911

**Dharmesh R. Sachade**  
Chief Financial Officer  
M. No.139349

**Vandana S. Ahuja**  
Company Secretary  
M. No. ACS: 57118

**Bhaskar M. Parekh**  
Executive Chairman  
DIN : 00166520

**Dilip M. Parekh**  
Managing Director  
DIN : 00166385

Mumbai  
May 27, 2021



**CONSOLIDATED STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2021**

Particulars	Note	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
<b>I. Revenue From Operations</b>	23	<b>1,190,472,449</b>	1,270,589,861
<b>II. Other Income</b>	24	<b>1,446,907</b>	2,171,167
<b>III. Total Revenue (I+II)</b>		<b>1,191,919,356</b>	1,272,761,028
<b>IV. Expenses</b>			
Cost of Materials Consumed	25	<b>652,928,608</b>	747,534,441
Purchase of Stock-in-Trade		<b>11,685,694</b>	7,523,700
Changes in Inventories of Finished Goods, Stock-in-Trade and Work-in-Progress	26	<b>23,164,281</b>	(5,967,207)
Employee Benefits Expense	27	<b>138,427,137</b>	153,256,005
Finance Costs	28	<b>11,286,662</b>	19,708,618
Depreciation and Amortisation Expense	2 & 43	<b>48,973,321</b>	47,889,151
Other Expenses	29	<b>218,162,121</b>	240,780,466
<b>Total Expenses</b>		<b>1,104,627,824</b>	1,210,725,174
<b>V. Profit before Tax Expenses and Share in Profit of Joint Venture (III-IV)</b>		<b>87,291,532</b>	62,035,854
<b>VI. Share in Profit of Joint Venture (net of tax expenses)</b>		<b>96,187,806</b>	56,688,988
<b>VII. Profit Before Tax (V + VI)</b>		<b>183,479,338</b>	118,724,842
<b>VIII. Tax Expense</b>			
Current Tax		<b>30,167,194</b>	18,275,727
Deferred Tax	17	<b>(1,199,618)</b>	(3,360,094)
<b>Total Tax Expense</b>		<b>28,967,576</b>	14,915,633
<b>IX. Profit after Tax (VII-VIII)</b>		<b>154,511,762</b>	103,809,209
Profit attributable to Non Controlling Interest		<b>4,631,005</b>	2,727,081
Profit attributable to owners of the Parent		<b>149,880,757</b>	101,082,128
<b>X. Other Comprehensive Income/(Loss)</b>			
- Items that will not be reclassified to profit or loss		<b>(1,342,789)</b>	1,790,380
- Income Tax relating to the Items that will not be reclassified to profit or loss		<b>373,564</b>	(498,084)
- Items that will be reclassified to profit or loss - FCTR		<b>(66,898)</b>	3,563,413
<b>Other Comprehensive Income/(Loss) for the year</b>		<b>(1,036,123)</b>	4,855,709
Other Comprehensive Income/(Loss) attributable to Non-Controlling Interest		<b>(6,689)</b>	356,342
Other Comprehensive Income / (Loss) attributable to Owners of the Parent		<b>(1,029,434)</b>	4,499,367
<b>XI. Total Comprehensive Income for the year (IX+X)</b>		<b>153,475,639</b>	108,664,918
Total Comprehensive Income attributable to Non-Controlling Interest		<b>4,624,316</b>	3,083,423
Total Comprehensive Income attributable to Owners of the Parent		<b>148,851,323</b>	105,581,495
<b>XII Earning Per Share (Face Value ₹ 10/- each)</b>	37		
- Basic		<b>13.62</b>	9.19
- Diluted		<b>13.62</b>	9.19
<b>Significant Accounting Policies</b>	1		
<b>The accompanying Notes are an integral part of the Consolidated Financial Statements</b>			

As per our Report of even date attached

**For Khimji Kunverji & Co LLP**

Chartered Accountants

Firm Registration No : 105146W/W-100621

For and on behalf of the Board of  
Directors of Prima Plastics Limited  
CIN : L25206DD1993PLC001470**Vinit K Jain**  
Partner  
M. No.145911**Dharmesh R. Sachade**  
Chief Financial Officer  
M. No.139349**Vandana S. Ahuja**  
Company Secretary  
M. No. ACS: 57118**Bhaskar M. Parekh**  
Executive Chairman  
DIN : 00166520**Dilip M. Parekh**  
Managing Director  
DIN : 00166385Mumbai  
May 27, 2021

## Consolidated Statement of Changes in Equity (SOCIE) for the year ended March 31, 2021

### A. Equity Share Capital

For the Year Ended March 31, 2021

	Changes in Equity Share Capital during the year	Balance as at March 31, 2021
Balance as at April 01, 2020	-	110,004,700
110,004,700		

For the Year Ended March 31, 2020

	Changes in Equity Share Capital during the year	Balance as at March 31, 2020
Balance as at April 01, 2019	-	110,004,700
110,004,700		

### B. Other Equity

For the year ended March 31, 2021

Particulars	Attributable to Owners of the Company				Attributable to NCI	Total Other Equity
	Securities Premium	General Reserve	Retained Earnings	Exchange differences on translating the financial statements of a foreign currency operation		
<b>Balance at the beginning of the reporting period</b>	13,080,000	125,656,286	718,281,343	1,290,815	4,853,287	863,161,731
Profit for the year	-	-	149,880,757	-	4,631,005	154,511,762
Remeasurement Loss on Defined Benefit Plan@	-	-	(969,225)	-	-	(969,225)
Other Comprehensive loss for the year - FCTR	-	-	-	(60,209)	(6,689)	(66,898)
<b>Total Comprehensive income for the year</b>	-	-	148,911,532	(60,209)	4,624,316	153,475,639
Dividend (Including Tax on Dividend)	-	-	-	-	-	-
Transfer from Retained Earnings	-	5,000,000	(5,000,000)	-	-	-
<b>Balance at the end of the reporting period</b>	13,080,000	130,656,286	862,192,875	1,230,606	9,477,603	1,016,637,370

For the year ended March 31, 2020

₹

Particulars	Attributable to Owners of the Company					Attributable to NCI	Total other Equity
	Securities Premium	General Reserve	Retained Earnings	Exchange differences on translating the financial statements of a foreign currency operation	Total Attributable to the Owners of the Company		
Balance at the beginning of the reporting period	13,080,000	120,656,286	648,356,566	(1,916,256)	780,176,596	1,769,864	781,946,460
Profit for the year	-	-	101,082,128	-	101,082,128	2,727,081	103,809,209
Remeasurement Gain on Defined Benefit Plan#	-	-	1,292,296	-	1,292,296	-	1,292,296
Transition Impact of Ind AS 116 Leases (Refer note No. 43)##	-	-	(882,507)	-	(882,507)	-	(882,507)
Other Comprehensive Income for the year - FCTR	-	-	-	3,207,072	3,207,072	356,342	3,563,413
Total Comprehensive income for the year	-	-	101,491,917	3,207,072	104,698,988	3,083,423	107,782,410
Dividend (Including Tax on Dividend)	-	-	(26,567,140)	-	(26,567,140)	-	(26,567,140)
Transfer from Retained Earnings	-	5,000,000	(5,000,000)	-	-	-	-
Balance at the end of the reporting period	13,080,000	125,656,286	718,281,343	1,290,815	858,308,444	4,853,287	863,161,731

@ Net of Tax amounting to ₹ 373,564/-

# Net of Tax amounting to ₹ 498,084/-

## Net of Tax amounting to ₹ 340,141/-

**The accompanying Notes are an integral part of the Consolidated Financial Statements**

As per our Report of even date attached

**For KhimjiKunverji & Co LLP**

Chartered Accountants

Firm Registration No : 105146W/W-100621

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

**Vinit K Jain**  
Partner  
M. No.145911

Mumbai  
May 27, 2021

**Dharmesh R. Sachade**  
Chief Financial Officer  
M. No.139349

**Vandana S. Ahuja**  
Company Secretary  
M. No. ACS: 57118

**Bhaskar M. Parekh**  
Executive Chairman  
DIN : 00166520

**Dilip M. Parekh**  
Managing Director  
DIN : 00166385

## CONSOLIDATED CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2021

	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
<b>A. Cash Flow from Operating Activities</b>		
Profit Before Tax	183,479,338	118,724,842
Adjustments :		
Depreciation and Amortisation Expense	48,973,322	47,889,151
Finance Costs	10,151,781	18,372,399
Provision for doubtful debts and Bad Debts written off	5,865,775	14,442,598
(Profit) / Loss on Sale of Property, Plant and Equipments	318,745	(884,450)
Share in Loss on equity accounted investment	(96,187,806)	(56,688,988)
Interest Income	(1,176,769)	(1,252,717)
<b>Operating Profit before Working Capital Changes</b>	<b>151,424,386</b>	<b>140,602,835</b>
Changes in Working Capital		
Adjustments for (Increase)/Decrease in Operating Assets:		
Trade Receivables	1,492,728	37,013,546
Inventories	(37,896,724)	(5,648,507)
Other Assets	(15,525,529)	(15,492,295)
Adjustments for Increase/(Decrease) in Operating Liabilities:		
Trade Payables	1,059,289	11,781,626
Short Term Provisions	(95,097)	1,195,707
Other Liabilities	(5,143,547)	(174,061)
<b>Cash Generated From Operations</b>	<b>95,315,506</b>	<b>169,278,851</b>
Taxes Paid	(22,510,915)	(18,147,906)
<b>Net Cash Inflow / (Outflow) from Operating Activities (A)</b>	<b>72,804,591</b>	<b>151,130,945</b>
<b>B. Cash Flow from Investment Activities</b>		
Purchase of Property, Plant and Equipments	(36,241,764)	(20,255,892)
Sale of Property, Plant and Equipments	3,972,712	1,500,000
Capital Work-in-Progress	(32,407,223)	184,100
Interest received	1,176,769	1,252,717
Redemption/(Investment) in other bank deposits	(2,453,282)	648,324
<b>Net Cash Inflow / (Outflow) from Investing Activities (B)</b>	<b>(65,952,788)</b>	<b>(16,670,751)</b>
<b>C. Cash Flow from Financing Activities</b>		
(Repayments)/Proceeds of Long term borrowings	(6,884,127)	(19,769,244)
(Repayments)/Proceeds of Short term borrowings	18,232,439	(94,007,717)
Interest Paid	(8,193,248)	(17,023,490)
Dividend Paid (including Tax on Dividend)	-	(26,567,140)
Repayment of Principal towards Lease Liability	(12,572,873)	(11,695,445)
<b>Net Cash Inflow / (Outflow) from Financing Activities (C)</b>	<b>(9,417,809)</b>	<b>(169,063,036)</b>
Net Increase/(Decrease) In Cash and Cash Equivalents (A+B+C)	(2,566,007)	(34,602,842)
<b>Cash &amp; Cash Equivalents as at March 31, 2021</b>	<b>41,055,974</b>	<b>43,688,879</b>
Effect of Exchange rate on consolidation of Foreign Subsidiary	(66,898)	3,563,413
<b>Cash &amp; Cash Equivalents as at March 31, 2020</b>	<b>43,688,879</b>	<b>74,728,308</b>

Notes :

- The Cash Flow statement has been prepared under the "Indirect Method" as set out Indian Accounting Standard (Ind AS-7) Statement of Cash Flows.

## ii) Changes in liabilities arising from financing activities:

Particulars	Non Cash Changes			
	March 31, 2020 ₹	Cash Flow ₹	Non Cash Changes ₹	March 31, 2021 ₹
Non Current Borrowings (Including Current Maturity)	49,196,223	398,141	-	49,594,364
Current Borrowings	163,392,367	18,232,439	-	181,624,806
<b>Total</b>	<b>212,588,590</b>	<b>18,630,580</b>	<b>-</b>	<b>231,219,170</b>

As per our Report of even date attached

**For Khimji Kunverji & Co LLP**Chartered Accountants  
Firm Registration No : 105146W/W-100621For and on behalf of the Board of  
Directors of Prima Plastics Limited  
CIN : L25206DD1993PLC001470**Vinit K Jain**  
Partner  
M. No.145911**Dharmesh R. Sachade**  
Chief Financial Officer  
M. No.139349**Vandana S. Ahuja**  
Company Secretary  
M. No. ACS: 57118**Bhaskar M. Parekh**  
Executive Chairman  
DIN : 00166520**Dilip M. Parekh**  
Managing Director  
DIN : 00166385Mumbai  
May 27, 2021

## Note 1(A): Company Overview and Significant Accounting Policies

### Company Overview:

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

### Significant Accounting Policies:

#### a) Statement of Compliance:

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

The financial statements are authorised for issue by the Board of Directors of the Company at their meeting held on May 27, 2021.

#### b) Basis of preparation of Accounts:

The Consolidated Financial Statements comprise the financial statements of Prima Plastics Limited ('the holding company') and its Subsidiary and Joint venture (together referred as "the Company" or "the group").

#### Basis of Preparation:

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

- i. Certain financial assets and liabilities measured at fair value (refer accounting policy regarding financial instruments); and
- ii. Employee's Defined Benefit Plan as per Actuarial Valuation.

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

#### Functional and Presentation Currency:

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

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

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

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

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

All other assets are classified as non-current.

Similarly, a liability is classified as current if:

- i. It is expected to be settled in the normal operating cycle; or
- ii. It is held primarily for the purpose of trading; or
- iii. It is due to be settled within twelve months after the reporting period; or
- iv. The Company does not have an unconditional right to defer the settlement of the liability for at least twelve months after the reporting period. Terms of a liability that could result in its settlement by the issue of equity instruments at the option of the counterparty does not affect this classification.

All other liabilities are classified as non-current.

Deferred tax assets and liabilities are classified as non-current only.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS****c) Property, Plant and Equipment (PPE):**

PPE are stated at their cost of acquisition/installation or construction net of accumulated depreciation, and impairment losses, if any. The initial cost of PPE comprises of its purchase price, including import duties and non-refundable purchase taxes, and any directly attributable costs of bringing an asset to working condition and location for its intended use, including relevant borrowing costs and any expected costs of decommissioning.

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

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

Any gain or loss on disposal of an item of PPE is recognised in the Statement of Profit and Loss.

**d) Capital Work in Progress:**

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

**e) Depreciation:**

Depreciation on PPE is the systematic allocation of the depreciable amount over its useful life and is provided on a straight-line basis over such useful lives as prescribed in Schedule II to the Act or as per technical assessment conducted by the management. Freehold Land with indefinite life is not depreciated.

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

In case of certain classes of PPE, the Company uses different useful lives than those prescribed in Schedule II to the Act. The useful lives have been assessed, taking into account the nature of the PPE and the estimated usage of the asset on the basis of management's best estimation of obtaining economic benefits from those classes of assets. The estimated useful life is reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis

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

No	Nature	Useful Life
1	Plant and Machinery	15 - 20 Years
2	Moulds	8 -15 Years
3	Leasehold Land	Over the period of lease agreement

In case of subsidiary, Depreciation is calculated by straight line method based on their useful lives.

No	Nature	Useful Life
1	Plant and Machinery	5 years
2	Furniture and Equipments	5 years
3	Computer Equipments	3 years
4	Tools	4 years
5	Lease hold Improvements	3 years

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

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### f) Intangible Assets and Amortization :

Intangible assets with finite useful life that are acquired separately are stated at acquisition cost less accumulated amortization and impairment losses, if any. Cost comprises the purchase price (net of tax / duty credits availed wherever applicable) and any directly attributable cost of bringing the assets to its working condition for its intended use. The Company determines the useful life as the period over which the future economic benefits will flow to the Company after taking into account all relevant facts and circumstances. The estimated useful life and amortization method is reviewed periodically, with the effect of any changes in estimate being accounted for on a prospective basis.

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

No	Nature	Useful Life
1	Software	5 years

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

Assets are tested for impairment whenever events or changes in circumstances indicate that the carrying amount may not be recoverable. An impairment loss is recognised in the Statement of Profit and Loss for the amount by which the asset's carrying amount exceeds its recoverable amount. The recoverable amount is the higher of an asset's fair value less cost of disposal and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted. For the purposes of assessing impairment, assets are grouped at the lowest levels for which there are separately identifiable cash inflows which are largely independent of the cash inflows from other assets or groups of assets (cash-generating units).

When an impairment loss subsequently reverses, the carrying amount of the asset (or a cash-generating unit) is increased to the revised estimate of its recoverable amount, but so that the increased carrying amount does not exceed the carrying amount that would have been determined had no impairment loss been recognised for the asset (or cash-generating unit) in prior years. A reversal of an impairment loss is recognised immediately in the Statement of Profit and Loss.

### h) Inventories:

Inventories are valued as follows:

#### Raw Materials, Stores and Packing Materials:

Valued at lower of cost and net realisable value(NRV). However, these items are considered to be realisable at cost, if the finished products, in which they will be used, are expected to be sold at or above cost. Cost is determined on weighted average basis. Which includes expenditure incurred for acquiring inventories like purchase price, import duties, taxes (net of tax credit) and other costs incurred in bringing the inventories to their present location and condition.

#### Work-in-progress (WIP), finished goods, stock in trade:

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

#### Waste / Scrap

Waste/Scrap inventory is valued at NRV.

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

### i) Borrowing Costs:

General and specific borrowing cost that are attributable to acquisition or construction of qualifying asset, are capitalised as a part of the cost of such asset up to the date when such asset is ready for its intended use and borrowing costs are being incurred. A qualifying asset is an asset that necessarily takes a substantial period of time to get ready for its intended use. All other borrowing cost are recognised as an expense in the period in which they are incurred.

Borrowing cost includes interest expense and other ancillary costs incurred in connection with borrowing of funds.



**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS****j) Government Grants:**

Government grants related to income under State Investment Promotion Scheme linked with VAT / GST payment and reimbursement of certain costs incurred, are recognised in the Statement of Profit and Loss in the period in which they become receivable.

Government grants are not recognised until there is reasonable assurance that the Company will comply with the conditions attached to them and that the grants will be received.

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

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

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

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

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

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

**l) Revenue Recognition:****(i) Revenue from Contracts with Customers**

- Revenue is recognised on the basis of approved contracts regarding the transfer of goods or services to a customer for an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.
- Revenue is measured at the fair value of consideration received or receivable taking into account the amount of discounts, incentives, volume rebates, outgoing taxes on sales. Any amounts receivable from the customer are recognised as revenue after the control over the goods sold are transferred to the customer which is generally on dispatch of goods.
- Variable consideration - This includes incentives, volume rebates, discounts etc. It is estimated at contract inception considering the terms of various schemes with customers and constrained until it is highly probable that a significant revenue reversal in the amount of cumulative revenue recognised will not occur when the associated uncertainty with the variable consideration is subsequently resolved. It is reassessed at end of each reporting period.
- Significant financing component - Generally, the Company receives short-term advances from its customers. Using the practical expedient in Ind AS 115, the Company does not adjust the promised amount of consideration for the effects of a significant financing component if it expects, at contract inception, that the period between the transfer of the promised good or service to the customer and when the customer pays for that good or service will be one year or less.

(ii) Dividend income is accounted for when the right to receive the income is established.

(iii) Interest income is recognised using the Effective Interest Rate Method.

**m) Lease:**

The Company assesses whether a contract contains a lease, at the inception of the contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration. To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether

- (i) the contract involves the use of identified asset;
- (ii) the Company has substantially all of the economic benefits from the use of the asset through the period of lease and;
- (iii) the Company has the right to direct the use of the asset.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### As a lessee

The Company recognises a right-of-use asset ("ROU") and a lease liability at the lease commencement date. The ROU is initially measured at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or before the commencement date, plus any initial direct costs incurred and an estimate of costs to dismantle and remove the underlying asset or to restore the underlying asset or the site on which it is located, less any lease incentives received.

Certain lease arrangements include the option to extend or terminate the lease before the end of the lease term. The right-of-use assets and lease liabilities include these options when it is reasonably certain that the option will be exercised.

The ROU is subsequently depreciated using the straight-line method from the commencement date to the end of the lease term.

The lease liability is initially measured at the present value of the lease payments that are not paid at the commencement date, discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the company's incremental borrowing rate. Generally, the company uses its incremental borrowing rate as the discount rate.

Lease payments included in the measurement of the lease liability comprises fixed payments, including in-substance fixed payments.

The lease liability is subsequently measured at amortised cost using the effective interest method, It is remeasured when there is a change in future lease payments arising from a change in an index or rate.

When the lease liability is remeasured in this way, a corresponding adjustment is made to the carrying amount of the ROU, or is recorded in Statement of Profit or Loss if the carrying amount of the ROU has been reduced to zero.

Lease Liabilities have been presented in 'Financial Liabilities' and the 'ROU' have been presented separately in the Balance Sheet.

Lease payments have been classified as financing activities in the Statement of Cash Flows.

### Short-term leases:

The Company has elected not to recognise ROU and lease liabilities for short term leases that have a lease term of 12 months or lower. The Company recognises the lease payments associated with these leases as an expense over the lease term. The related cash flows are classified as Operating activities in the Statement of Cash Flows.

### n) Foreign Operations:

The assets and liabilities of foreign operations including goodwill and fair value adjustments arising on acquisition, are translated into INR, the functional currency of the Company, at the exchange rates at the reporting date. The income and expenses of foreign operations are translated into INR at the exchange rates at the dates of the transactions or an average rate if the average rate approximates the actual rate at the date of the transaction. Exchange differences are recognised in Other Comprehensive Income (OCI) and accumulated equity (as exchange differences on translating the financial statements of a foreign operation), except to the extent that the exchange differences are allocated to NCI.

When a foreign operation is disposed of in its entirety or partially such that control, significant influence or joint control is lost, the cumulative amount of exchange differences related to that foreign operation recognised in OCI is reclassified to Statement of Profit and Loss as part of the gain or loss on disposal. If the Group disposes of part of its interest in a subsidiary but retains control, then the relevant proportion of the cumulative amount is re-allocated to NCI. When the Group disposes of only a part of its interest in an associate or a joint venture while retaining significant influence or joint control, the relevant proportion of the cumulative amount is reclassified to Statement of Profit and Loss.

### o) Employee Benefit Expense:

#### • Defined benefit plan:

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

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

Re-measurement, comprising actuarial gains and losses, the effect of the changes to the asset ceiling (if applicable) and the return on plan assets (excluding net interest), is reflected immediately in the Balance Sheet with a charge or credit recognised in Other Comprehensive Income (OCI) in the period in which they occur. Remeasurement recognised in OCI is reflected immediately in retained earnings and will not be reclassified to Statement of Profit and Loss. Past service cost is recognised in the Statement of Profit and Loss in the period of a plan amendment. Interest is calculated by applying the discount rate at the beginning of the period to the net defined benefit liability or asset and is recognised in the Statement of Profit and Loss.

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

- **Defined contribution plan:**

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

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

- **Short-term employee benefits:**

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

### p) Income Taxes:

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

- **Current Tax:**

Current Tax is measured on the basis of estimated taxable income for the current accounting period in accordance with the applicable tax rates and the provisions of the Income-tax Act, 1961 and other applicable tax laws.

- **Deferred Tax:**

Deferred tax is recognised on all temporary differences at the reporting date between the tax base of assets and liabilities and their carrying amounts for financial reporting purpose.

Deferred tax liabilities and assets are measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting date. Minimum Alternate Tax (MAT) Credits are in the form of unused tax credits that are carried forward by the Company for a specified period of time, hence it is grouped with Deferred Tax Asset. MAT is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income tax during the specified period.

Current tax assets and current tax liabilities are offset when there is a legally enforceable right to set off the recognised amounts and there is an intention to settle the asset and the liability on a net basis. Deferred tax assets and deferred tax liabilities are offset when there is a legally enforceable right to set off current tax assets against current tax liabilities; and the deferred tax assets and the deferred tax liabilities relate to income taxes levied by the same taxation authority.

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

### q) Foreign Currency Transactions:

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

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

### r) Earnings Per Share:

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

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

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### s) Financial Instruments:

A Financial Instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity. Financial assets & financial liabilities are recognised when the Company becomes party to contractual provisions of the relevant instruments.

#### Initial Recognition and Measurement:

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

#### Classification and Subsequent Measurement: Financial Assets

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

A financial asset shall be measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding. In case of financial assets classified and measured at amortised cost, any interest income, foreign exchange gains or losses and impairment are recognised in the Statement of Profit and Loss.

- **Financial assets at Fair Value through Other Comprehensive Income (FVTOCI):**

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

- **Financial assets at Fair Value through profit or loss (FVTPL):**

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

All recognised financial assets are subsequently measured in their entirety at either amortised cost or fair value, depending on the classification of the financial assets

For financial assets at FVTPL, net gains or losses, including any interest or dividend income, are recognised in the Statement of Profit and Loss.

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

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

- **Financial Liabilities at FVTPL:**

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

- **Other Financial Liabilities:**

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

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

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

- **Impairment of financial assets:**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

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

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

- **Derecognition of Financial Instruments:**

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

On derecognition of a financial asset, the difference between the asset's carrying amount and the sum of the consideration received and receivable and the cumulative gain or loss that had been recognised in OCI and accumulated in equity is recognised in the Statement of Profit and Loss.

A financial liability (or a part of a financial liability) is derecognised from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires. The difference between the carrying amount of the financial liability de-recognised and the consideration paid and payable is recognised in the Statement of Profit and Loss.

**t) Cash and cash equivalents**

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

**u) Financial Liabilities & equity instruments:**

- **Classification as debt or equity**

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

- **Equity Instrument**

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

- **Derivative financial instruments:**

The Company enters into derivative financial instruments viz. foreign exchange forward contracts to manage its exposure to foreign exchange rate risks. The Company does not hold derivative financial instruments for speculative purposes.

Derivatives are initially recognised at fair value at the date the derivative contracts are entered into and are subsequently remeasured to their fair value at the end of each reporting period. The resulting gain or loss is recognised in profit or loss.

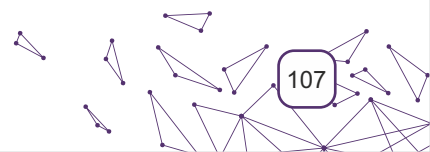
**v) Segment Reporting - Identification of Segments:**

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

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

**w) Cash Flow Statement**

Cash flows are reported using the indirect method, whereby the net profit before tax is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments and item of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the Company are segregated.



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 1 (B): Critical accounting judgements and key sources of estimation uncertainty:

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

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

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

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

#### b) Defined Benefit Plans :

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

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

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

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

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

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

#### e) Classification of Lease Ind AS 116

Ind AS 116 Leases requires a lessee to determine the lease term as the non-cancellable period of a lease adjusted with any option to extend or terminate the lease, if the use of such option is reasonably certain. The Company makes an assessment on the expected lease term on lease by lease basis and thereby assesses whether it is reasonably certain that any options to extend or terminate the contract will be exercised. In evaluating the lease term, the Company considers factors such as any significant leasehold improvements undertaken over the lease term, costs relating to the termination of lease and the importance of the underlying lease to the Company's operations taking into account the location of the underlying asset and the availability of the suitable alternatives. The lease term in future periods is reassessed to ensure that the lease term reflects the current economic circumstances. The discount rate is generally based on the incremental borrowing rate specific to the lease being evaluated or for a portfolio of leases with similar characteristics

#### f) Recognition and measurement of deferred tax assets and liabilities:

Deferred tax assets and liabilities are recognised for deductible temporary differences and unused tax losses for which there is probability of utilisation against the future taxable profit. The Company uses judgement to determine the amount of deferred tax liability / asset that can be recognised, based upon the likely timing and the level of future taxable profits and business developments

#### g) Income Taxes

The Company calculates income tax expense based on reported income and estimated exemptions / deduction likely available to the Company. The Company is continuing with higher income tax rate option, based on the available outstanding MAT credit entitlement to the Company. However, the Company has applied the lower income tax rates on the deferred tax assets / liabilities to the extent these are expected to be realised or settled in the future when the Company may be subject to lower tax rate based on the future financials projections

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

## Note 2: Property, Plant and Equipment and Intangible Assets

For the year ended March 31, 2021

Particulars	Gross Block					Depreciation & Amortisation				Net Block
	As at April 1, 2020 (Opening)	Additions	Deletions / Adjustments	Other Adjustments*	As at March 31, 2021 (Closing)	As at April 1, 2020 (Opening)	For the Year	Deletions / Adjustments	As at March 31, 2021 (Closing)	
<b>A] Tangible Assets</b>										
Freehold Land	13,708,918	-	-	-	13,708,918	-	-	-	-	13,708,918
Buildings	79,299,486	1,468,029	(1,243,929)	(525,072)	78,998,514	21,780,614	3,063,804	-	24,844,418	54,154,096
Plant & Machinery	259,017,985	34,095,925	(6,775,120)	569,022	286,907,812	76,368,853	28,787,018	(2,546,353)	102,609,518	184,298,294
Furniture & Fixtures	5,026,414	669,631	-	(46,497)	5,649,548	2,121,901	831,897	-	2,953,798	2,695,750
Office Equipments	5,823,560	682,741	(206,541)	(3,088)	6,296,672	3,583,359	1,038,259	(160,407)	4,461,211	1,835,461
Vehicles	30,396,662	-	(183,501)	-	30,213,161	12,471,032	3,524,428	(166,943)	15,828,517	14,384,644
<b>Total Tangible Assets</b>	<b>393,273,025</b>	<b>36,916,326</b>	<b>(8,409,091)</b>	<b>(5,635)</b>	<b>421,774,625</b>	<b>116,325,759</b>	<b>37,245,406</b>	<b>(2,873,703)</b>	<b>150,697,462</b>	<b>271,077,163</b>
<b>B] Intangible Assets</b>	<b>2,500,615</b>	<b>575,000</b>	<b>-</b>	<b>-</b>	<b>3,075,615</b>	<b>1,024,817</b>	<b>471,350</b>	<b>-</b>	<b>1,496,167</b>	<b>1,579,448</b>
<b>Total Assets (A + B)</b>	<b>395,773,640</b>	<b>37,491,326</b>	<b>(8,409,091)</b>	<b>(5,635)</b>	<b>424,850,240</b>	<b>117,350,576</b>	<b>37,716,756</b>	<b>(2,873,703)</b>	<b>152,193,629</b>	<b>272,656,611</b>

For the year ended March 31, 2020

Particulars	Gross Block					Depreciation & Amortisation				Net Block
	As at April 1, 2019 (Opening)	Additions	Deletions / Adjustments	Other Adjustments*	As at March 31, 2020 (Closing)	As at April 1, 2019 (Opening)	For the Year	Deletions / Adjustments	As at March 31, 2020 (Closing)	
<b>A] Tangible Assets</b>										
Freehold Land	13,708,918	-	-	-	13,708,918	-	-	-	-	13,708,918
Leasehold Land #	934,331	-	(934,331)	-	-	32,175	10,725	(42,900)	-	-
Buildings	77,825,626	1,473,860	-	-	79,299,486	15,855,047	5,925,567	-	21,780,614	57,518,872
Plant & Machinery	244,517,915	13,206,792	(1,038,242)	2,331,520	259,017,985	51,173,655	25,617,890	(422,692)	76,368,853	182,649,132
Furniture & Fixtures	4,726,280	85,206	-	214,928	5,026,414	1,340,386	781,515	-	2,121,901	2,904,513
Office Equipments	4,959,450	819,295	-	44,815	5,823,560	2,417,245	1,166,114	-	3,583,359	2,240,201
Vehicles	29,527,186	869,476	-	-	30,396,662	8,525,223	3,945,809	-	12,471,032	17,925,630
<b>Total Tangible Assets</b>	<b>376,199,706</b>	<b>16,454,629</b>	<b>(1,972,573)</b>	<b>2,591,263</b>	<b>393,273,025</b>	<b>79,343,731</b>	<b>37,447,620</b>	<b>(465,592)</b>	<b>116,325,759</b>	<b>276,947,266</b>
<b>B] Intangible Assets</b>	<b>1,290,615</b>	<b>1,210,000</b>	<b>-</b>	<b>-</b>	<b>2,500,615</b>	<b>627,277</b>	<b>397,540</b>	<b>-</b>	<b>1,024,817</b>	<b>1,475,798</b>
<b>Total Assets (A + B)</b>	<b>377,490,321</b>	<b>17,664,629</b>	<b>(1,972,573)</b>	<b>2,591,263</b>	<b>395,773,640</b>	<b>79,971,008</b>	<b>37,845,160</b>	<b>(465,592)</b>	<b>117,350,576</b>	<b>278,423,064</b>

Tangible Assets are pledged as security against the secured borrowings.

\*On account of Foreign Currency Translation

# Leasehold Land has been reclassified in Right of Use Assets (Refer Note No. 43)

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

	As at March 31, 2021 ₹	As at March 31, 2020 ₹
<b>Note 3</b>		
<b>Investments accounted for using Equity Method</b>		
<b>Unquoted:</b>		
<b>Equity Shares of Joint Venture Company fully paid up</b>		
Prima Dee-Lite Plastics s.a.r.l.	306,912,761	250,223,773
Add : Share of Profit in Joint Venture	96,187,806	56,688,988
Less: Dividend	(31,347,681)	-
<b>Total</b>	<b>371,752,886</b>	<b>306,912,761</b>
<b>Note 4</b>		
<b>Loans</b>		
<b>Unsecured and Considered Good</b>		
Security Deposit #	15,162,138	12,352,148
Loans to Employees	2,863,302	701,700
<b>Total</b>	<b>18,025,440</b>	<b>13,053,848</b>
# Security Deposits with Related party Amounting of ₹ 2,651,000/- (March 31, 2020 ₹ 2,651,000/-) (Refer Note No.35)		
<b>Note 5</b>		
<b>Other Non-Current Financial Assets</b>		
Bank Deposit with Maturity greater than 12 Months *	1,592,118	1,112,365
<b>Total</b>	<b>1,592,118</b>	<b>1,112,365</b>
*Lodged as Security with Government Department ₹ 1,592,118/- (March 31,2020 ₹ 1,112,365/-).		
<b>Note 6</b>		
<b>Other Non-Current Assets</b>		
<b>Unsecured, Considered good</b>		
Capital Advances	1,705,225	5,177,790
<b>Total</b>	<b>1,705,225</b>	<b>5,177,790</b>
<b>Note 7</b>		
<b>Inventories</b>		
<b>(Valued at lower of cost and net realisable value, unless otherwise stated)</b>		
Raw Materials (Includes Goods in Transit ₹ Nil (March 31, 2020 ₹ 3,515,563/-))	152,717,606	91,116,706
Finished Goods	139,539,172	160,452,402
Work in Progress	13,837,817	15,410,504
Stores and Packing Materials	4,260,456	4,800,343
Scrap (Valued at Net realisable value)	1,425,311	2,103,675
<b>Total</b>	<b>311,780,362</b>	<b>273,883,630</b>
(i) The Company follows suitable provisioning norms for writing down the value of Inventories towards slow moving, non-moving and surplus inventory.		
(ii) Working Capital Borrowings are secured by hypothecation of inventory of the Company.		



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at March 31, 2021 ₹	As at March 31, 2020 ₹
<b>Note 8</b>		
<b>Trade Receivable</b>		
<b>Considered Good - Unsecured</b>	229,847,853	237,206,356
Significant increase in credit risk	20,425,140	14,448,686
	250,272,993	251,655,042
Less : Allowances for Credit Losses	(20,425,140)	(14,448,686)
<b>Total</b>	229,847,853	237,206,356
<b>Note 9</b>		
<b>Cash and Cash Equivalents</b>		
Cash on Hand	344,154	666,179
<b>Balance with Banks</b>		
In Current Account	15,166,610	37,157,744
In EEFC Account	25,545,210	5,864,956
<b>Total</b>	41,055,974	43,688,879
<b>Note 10</b>		
<b>Bank Balance other than Cash and Cash Equivalents</b>		
Earmarked Balances with Bank for Unpaid Dividend	3,391,555	3,871,390
Bank Deposits *	9,944,033	7,970,504
<b>Total</b>	13,335,588	11,841,894
*Lodged as Security with Government Department ₹ 8,741,853/- (March 31,2020 ₹ 6,202,317/-) and Earmarked for Specific purpose ₹ 1,202,180/- (March 31, 2020 ₹ 1,768,187/-)		
<b>Note 11</b>		
<b>Loans</b>		
<b>Unsecured, Considered Good</b>		
Inter Corporate Deposits	2,500,000	2,500,000
Loans to Employees	1,616,624	4,772,271
<b>Total</b>	4,116,624	7,272,271
<b>Note 12</b>		
<b>Other Current Financial Assets</b>		
<b>Unsecured, Considered Good</b>		
Advances to Employees	366,720	354,931
Earnest Money Deposits	15,929,597	24,412,320
Interest Receivable	79,696	427,508
Government Grants Receivable	3,874,200	4,244,762
Other Receivables	600,000	-
Dividend Receivable	26,251,417	-
License Benefit Receivable	2,007,870	843,114
<b>Total</b>	49,109,500	30,282,635

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

	As at March 31, 2021 ₹	As at March 31, 2020 ₹
<b>Note 13</b>		
<b>Other Current Assets</b>		
Pre-paid Expenses	5,981,565	3,520,266
Advance to Creditors	43,102,405	14,772,261
Gratuity - Receivable	-	703,907
Balance with Government Authorities	69,476,564	64,097,774
<b>Total</b>	<b>118,560,534</b>	<b>83,094,208</b>
<b>Note 14</b>		
<b>Equity Share Capital</b>		
<b>Authorised</b>		
1,20,00,000 (March 31, 2020 - 12,000,000) Equity Shares of ₹ 10/- each	120,000,000	120,000,000
<b>Issued, Subscribed Fully Paid up</b>	-	-
1,10,00,470 ((March 31, 2020 - 11,000,470) Equity Shares of ₹ 10/- each	110,004,700	110,004,700
<b>A) Reconciliation of the Shares Outstanding at the beginning and at the end of the year</b>	-	-
Outstanding at the beginning of the year	110,004,700	110,004,700
Add: Issued During the year	-	-
Less: Cancelled During the year	-	-
Outstanding at the end of the year	110,004,700	110,004,700

	March 31, 2021		March 31, 2020	
	No of Shares	% of holding	No of Shares	% of holding
<b>B) List of Shareholders holding more than 5% of Paid up Equity Share Capital</b>				
Bhaskar M. Parekh	25,51,610	23.20%	25,51,610	23.20%
Dilip M. Parekh	26,15,420	23.78%	26,15,420	23.78%

**Terms and Rights Attached to Equity Shares.**

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

	As at March 31, 2021 ₹	As at March 31, 2020 ₹
<b>Note 15</b>		
<b>Other Equity</b>		
<b>a) Securities Premium Account</b>	13,080,000	13,080,000
<b>b) General Reserve</b>	130,656,286	125,656,286
<b>c) Surplus in Statement of Profit and Loss</b>	862,192,875	718,281,343
<b>d) Translation Reserve</b>	1,230,606	1,290,815
<b>TOTAL (a+b+c+d)</b>	<b>1,007,159,767</b>	<b>858,308,444</b>
<b>Nature and purpose of reserves</b>		
<b>1) Securities Premium:</b> Securities Premium is credited when shares are issued at premium. It is utilised in accordance with the provisions of the Act, to issue bonus shares, to provide for premium on redemption of shares or debentures, write-off equity related expenses like underwriting costs, etc.		
<b>2) General Reserve :</b> The General Reserve is used from time to time to transfer profits from retained earnings for appropriation purposes.		

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	As at March 31, 2021 ₹	As at March 31, 2020 ₹
<b>Note 16</b>		
<b>Borrowings</b>		
<b>Secured Loans</b>		
Term Loans from Banks and Financial Institution - *	41,614,545	41,557,689
Less : Current Maturities of Long Term Debts (Refer Note No.20)	(21,434,257)	(18,098,164)
<b>Total</b>	<b>20,180,288</b>	<b>23,459,525</b>
<b>Unsecured</b>		
Loan from Union S.A	7,979,819	7,638,534
<b>Total</b>	<b>28,160,107</b>	<b>31,098,059</b>

## \* Term Loans from Banks and Financial Institution in Local Currency.

<b>Secured:</b>		
Name of the Bank -AXIS Bank Repayment Terms : 60 Months ROI: 8.51% p.a. Nature of Security : Vehicle	4,283,016	6,287,496
Name of the Bank - Kotak Mahindra Prime Ltd Repayment Terms - 60 Month ROI:9.51% p.a. Nature of Security : Vehicle	186,922	643,002
Name of the Bank - Kotak Mahindra Bank Repayment Terms - 42 Months ROI: 8.50% to 8.90 % p.a. Nature of Security : Fixed Assets	18,768,956	34,627,191
Name of the Bank - Banco Industrial, S.A. Repayment Terms - 36 Months ROI: 6% p.a. Nature of Security : Fixed Assets	18,375,651	-
Less : Current Portion of Term Loans shown under Other Current Financial Liabilities	(21,434,257)	(18,098,164)
<b>Total</b>	<b>20,180,288</b>	<b>23,459,525</b>
<b>Unsecured:</b>		
Unsecured Loan form Union S.A Repayment Terms - 60 Months from the date of Loan given ROI: 5.00 % to 6.50 % p.a.	7,979,819	7,638,534
<b>Total</b>	<b>28,160,107</b>	<b>31,098,059</b>

<b>Note 17</b>		
<b>Deferred Tax Liability (Net)</b>		
<b>Deferred Tax Liability :</b>		
- On Difference in WDV	27,339,873	28,725,978
- Others	-	693,911
<b>Less : Deferred Tax Assets :</b>		
- On 43B Disallowance	(6,912,751)	(5,119,923)
-Others	(560,208)	(348,118)
- On account of reduced Income Tax rate*	-	(2,511,752)
<b>Total</b>	<b>19,866,914</b>	<b>21,440,096</b>

\*The Government of India, on December 20, 2019, vide the Taxation Laws (Amendment) Ordinance 2019, inserted a new section 115BAA in the Income Tax Act, 1961, which provides an option to the Company for paying income tax at reduced rates as per provisions/conditions defined in the said section. The Company is continuing to provide for income tax at the old rates, based on the available outstanding MAT credit entitlement to the Company under the Income Tax Act, 1961. However, the Company has applied the lower tax rates on the deferred tax assets/liabilities to the extent these are expected to be realised or settled in the future period when the Company may be subjected to lower tax rate and accordingly reversed net deferred tax liability of ₹ 2,511,752/- during the year ended March 31, 2020.

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

	As at March 31, 2021 ₹	As at March 31, 2020 ₹
<b>Note 18</b>		
<b>Borrowings</b>		
<b>Secured</b>		
Cash Credit / Working Capital Borrowings	86,068,696	65,390,697
FCNR Loan	95,556,110	98,001,670
<b>Total</b>	<b>181,624,806</b>	<b>163,392,367</b>
<p>Cash Credit / Working Capital Borrowings are secured by hypothecation of inventories, receivable, other current assets and other tangible fixed assets, pledge of immovable properties and personal guarantee of promoter directors. ROI ranges from 4.35% to 7.75% p.a.</p> <p>FCNR loan in USD to fund working capital requirement is secured against current assets, tangible fixed assets of the Company and personal guarantee from promoter directors. ROI 1.50 % to 2.85% p.a.</p>		
<b>Note 19</b>		
<b>Trade Payables</b>		
Due to Micro and Small enterprises (Refer Note No.44)	4,897,249	12,801,575
Other Payables (Other than Micro and Small enterprises)	49,177,971	40,214,355
<b>Total</b>	<b>54,075,220</b>	<b>53,015,930</b>
<b>Note 20</b>		
<b>Other Current Financial Liabilities</b>		
Current Maturities of Long Term Debts (Refer Note No.16)	21,434,257	18,098,164
Interest accrued but not due on borrowings	381,172	708,532
Unclaimed Dividend	3,391,555	3,871,389
Provision for Expenses	5,428,946	7,844,773
Creditors for Expenses-Due to Micro and Small enterprises (Refer Note 44)	794,183	681,088
Creditors for Expenses - Other than Micro and Small enterprises	4,047,373	7,101,502
Lease Liabilities (Refer Note No.43)	10,323,166	6,317,796
<b>Total</b>	<b>45,800,652</b>	<b>44,623,244</b>
<b>Note 21</b>		
<b>Other Current Liabilities</b>		
Statutory Liabilities	2,147,376	2,887,411
Advances from Customers	3,534,225	3,772,424
<b>Total</b>	<b>5,681,601</b>	<b>6,659,835</b>
<b>Note 22</b>		
<b>Provisions</b>		
<b>Provision for Employee Benefits</b>		
Provision for Bonus/Leave Salary	5,252,586	5,515,037
Provision for Gratuity	649,838	-
<b>Total</b>	<b>5,902,424</b>	<b>5,515,037</b>

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
<b>Note 23</b>		
<b>Revenue from Operations (Refer Note No. 47)</b>		
<b>Sale of Products</b>		
Export	243,623,525	237,940,458
Local	939,299,451	1,028,864,707
	<b>1,182,922,976</b>	<b>1,266,805,165</b>
<b>Other Operating Revenues</b>		
Sale of Scrap	619,043	618,822
Subsidy / Government Grants (Refer Note No. 48)	4,357,482	1,030,887
Others	2,572,948	2,134,987
	<b>7,549,473</b>	<b>3,784,696</b>
<b>Total</b>	<b>1,190,472,449</b>	<b>1,270,589,861</b>
<b>Note 24</b>		
<b>Other Income</b>		
<b>Interest Income</b>		
On Banks Fixed Deposits	569,240	639,563
On Inter Corporate Deposits	349,999	350,958
On Others	244,848	262,196
	<b>1,164,087</b>	<b>1,252,717</b>
<b>Other Non-Operating Income</b>		
Profit on Sale of Property, Plant and Equipment (Net)	-	884,450
Other Non Operating	282,820	34,000
	<b>282,820</b>	<b>918,450</b>
<b>Total</b>	<b>1,446,907</b>	<b>2,171,167</b>
<b>Note 25</b>		
<b>Cost of Material Consumed</b>		
Opening Stock of Raw Material	91,116,706	90,834,807
Add : Purchases	714,529,508	747,816,340
	<b>805,646,214</b>	<b>838,651,147</b>
Less : Closing Stock of Raw Material	(152,717,606)	(91,116,706)
<b>Total</b>	<b>652,928,608</b>	<b>747,534,441</b>
<b>Note 26</b>		
<b>Changes in inventories of Finished Goods, Stock in Trade and Work in Progress</b>		
<b>Closing Stock</b>		
Finished Goods	139,539,172	160,452,402
Work in Progress	13,837,817	15,410,504
Scrap	1,425,311	2,103,675
<b>Opening Stock</b>		
Finished Goods	160,452,402	161,607,336
Work in Progress	15,410,504	9,833,073
Scrap	2,103,675	558,966
<b>Total</b>	<b>23,164,281</b>	<b>(5,967,207)</b>
<b>Note 27</b>		
<b>Employee Benefits Expense</b>		
Salaries, Wages and Bonus	123,580,849	134,456,723
Leave Salary	6,415,394	6,455,443
Contribution to provident and other funds ( Refer Note No. 33)	3,910,991	4,342,473
Gratuity Expenses	1,938,420	2,177,649
Staff Welfare	2,581,483	5,823,717
<b>Total</b>	<b>138,427,137</b>	<b>153,256,005</b>

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

	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
<b>Note 28</b>		
<b>Finance Costs</b>		
Interest on Borrowings	8,193,248	17,023,490
Other Borrowing Costs (Finance Charges)	1,134,882	1,336,219
Interest on Lease Liability (Refer Note No. 43)	1,958,532	1,348,909
<b>Total</b>	<b>11,286,662</b>	<b>19,708,618</b>
<b>Note 29</b>		
<b>Other Expenses</b>		
<b>Manufacturing Expenses</b>		
Labour Charges	34,101,630	33,575,944
Consumption of Stores, Spare Parts and Components, Packing Materials	17,835,914	18,521,584
Power and Fuel	32,776,095	39,068,956
Repairs to Buildings	464,518	1,189,835
Repairs to Machinery	3,059,088	4,398,411
Factory Insurance	1,007,987	1,520,709
Factory Expenses	2,861,738	2,379,017
Other Manufacturing Expenses	6,889,395	5,849,620
	<b>98,996,365</b>	<b>106,504,076</b>
<b>Selling and Distribution Expenses</b>		
Advertisement Expenses	505,574	2,328,150
Brokerage and Commission	59,322	90,000
Freight, Forward and others	59,967,946	49,181,048
Sales Promotion Expenses	2,213,673	3,448,327
	<b>62,746,515</b>	<b>55,047,525</b>
<b>Other Expenses</b>		
Professional Fees	7,966,030	7,901,606
Rent	12,673,240	15,640,292
Insurance (Others)	4,013,868	4,127,465
Corporate Social Responsibility Expenses (Refer Note No. 45)	927,500	1,735,000
Travelling and Conveyance Expenses	4,185,540	11,279,758
Telephone Expenses	896,216	1,060,606
General Expenses	10,704,840	15,078,249
Printing and Stationery	2,026,308	1,405,892
Repairs to Other's	768,353	1,028,578
Payment to Statutory Auditors (Refer Note No. 38)	1,645,472	1,226,972
Exchange Loss (Net)	1,653,421	1,019,522
Postage and Telegram	430,041	657,129
Provision against Interest Receivables	-	1,175,000
Provision for Doubtful Debts	5,731,884	8,268,299
Bad Debts written off	-	3,293,861
Sundry Balance written Off	-	1,705,438
Loss on Sale of Property, Plant and Equipment (Net)	318,745	-
Director's Sitting Fees	490,000	427,500
Vehicle Expenses	1,987,783	2,197,698
	<b>56,419,241</b>	<b>79,228,865</b>
<b>Total</b>	<b>218,162,121</b>	<b>240,780,466</b>

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS****Note 30 : Principles of Consolidation:**

These Consolidated Financial Statements (CFS) are prepared on the following basis in accordance with Ind AS on "Consolidated Financial Statements" (Ind AS – 110), "Investments in Associates and Joint Ventures" (Ind AS – 28) and "Disclosure of interest in other entities" (Ind AS – 112), specified under Section 133 of the Companies Act, 2013.

**(a) Subsidiaries:**

Subsidiaries are entities controlled by the Group. The Group controls an entity when it is exposed to, or has rights to, variable returns from its involvement with the entity and has the ability to affect those returns through its power over the entity. The financial statements of subsidiaries are included in the consolidated financial statements from the date on which control commences until the date on which control ceases.

**(b) Non-controlling interest (NCI):**

NCI are measured at their proportionate share of the acquiree's net identifiable assets at the date of acquisition. Changes in the Group's equity interest in a subsidiary that do not result in a loss of control are accounted for as equity transactions.

**(c) Loss of control:**

When the Group loses control over a subsidiary, it derecognizes the assets and liabilities of the subsidiary, and any related NCI and other components of equity. Any interest retained in the former subsidiary is measured at fair value at the date the control is lost. Any resulting gain or loss is recognized in profit or loss.

**(d) Equity accounted investees:**

The Group's interests in equity accounted investees comprise interest in joint venture. A joint venture is an arrangement in which the Group has joint control and has rights to the net assets of the arrangement, rather than rights to its assets and obligations for its liabilities. Interest in joint venture is accounted for using equity method. They are initially recognized at cost which includes transaction costs. Subsequent to initial recognition, consolidated financial statements include the Group's share of profit or loss and OCI of equity accounted investees until the date on which significant influence or joint control ceases.

**(e) Transactions eliminated on consolidation:**

The reporting date of the Holding Company is different from the reporting date of its Subsidiary Company and Joint Venture. The financial statements of the Company and its Subsidiary Company used in consolidation procedure are drawn up to the same reporting date i.e. March 31, 2021. However, the financial statements of Joint Venture used for consolidation are for year ended December 31, 2020. The difference between reporting date of the Company and its Subsidiary Company and Joint Venture is 3 months. The financial statements of the Company and its Subsidiary Company are combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses. Intra-group balances and transactions, and any unrealized income and expenses arising from intra-group transactions, are eliminated. Unrealized losses are eliminated in the same way as unrealized gains, but only to the extent that there is no evidence of impairment.

The Consolidated Financial Statements are comprised of the financial statements of the members of the Group as under:

Name of Related Parties	Principal Place of Business	% Shareholding and Voting Power	
		As at March 31, 2021	As at March 31, 2020
Prima Union Plasticos S.A. – Subsidiary	Guatemala	90%	90%
Prima Deelite Plastics S.A.R.L. - Joint Venture	Cameroon	50%	50%

Notes on Accounts of the financial statements of the Company, its Subsidiary and its interest in Joint Venture are set out in their respective financial statements.

**Note 31: Contingent Liabilities (Ind AS 37)****A. Claims against the Company not acknowledged as debt: Nil**

The Company does not have any pending litigations and proceedings as at March 31, 2021 (March 31, 2020 - Nil/-).

**Note 32: Capital and other commitments**

Estimated amount of Contracts remaining to be executed on capital account, not provided for are net of advances ₹ Nil/- (March 31, 2020 ₹ 17,176,677/-).

**Note 33: Employee Benefits (Ind AS 19)****A. Defined Benefit Plans****Gratuity:**

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

**Inherent Risk on above:**

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

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS**
**Statement of Change in the Present Value of Projected Benefit Obligation**

Particulars	As at March 31, 2021 ₹	As at March 31, 2020 ₹
<b>Change in Defined Benefit Obligation</b>		
Balance at the beginning of the year	14,726,520	18,236,014
Adjustment of:		
Current Service Cost	1,986,426	2,071,797
Interest Cost	1,004,349	1,420,585
Actuarial (gains)/losses recognised in Other Comprehensive Income:		
- Change in Financial Assumptions	(197,934)	(1,501,552)
- Experience Changes	360,408	(452,537)
Benefits Paid	(939,979)	(5,047,787)
<b>Balance at the end of the year</b>	<b>16,939,790</b>	<b>14,726,520</b>
<b>Change in Fair value of assets</b>		
Balance at the beginning of the year	15,430,427	16,877,190
Expected Return on Plan Assets	1,052,355	1,314,733
Re-measurements due to:		
Interest on Plan Assets	(1,180,315)	(163,709)
Contribution by the employer	1,927,464	2,450,000
Benefits Paid	(939,979)	(5,047,787)
<b>Balance at the end of the year</b>	<b>16,289,952</b>	<b>15,430,427</b>
<b>Net Asset / (Liability) recognized in the Balance Sheet</b>		
Present value of the funded defined benefit obligation at the end of the period	(16,939,790)	(14,726,520)
Fair Value of Plan Assets	16,289,952	-
<b>Net Asset / (Liability) in the Balance Sheet</b>	<b>(649,838)</b>	<b>703,907</b>
<b>Expenses recognized in the Statement of Profit &amp; Loss</b>		
Current Service Cost	1,986,426	2,071,797
Interest Cost	(48,006)	105,852
<b>Amount charged to the Statement of Profit and Loss</b>	<b>1,938,420</b>	<b>2,177,649</b>
<b>Re-measurements recognized in Other Comprehensive Income(OCI):</b>		
Changes in Financial Assumptions	(197,934)	(1,501,552)
Experience Adjustments	360,408	(452,537)
Actual return on Plan assets less interest on plan assets	1,180,315	163,709
<b>Loss/ (Gain) recognized in Other Comprehensive Income(OCI)</b>	<b>1,342,789</b>	<b>(1,790,380)</b>
<b>Maturity Profile of Defined Benefit Obligation:</b>		
Within the next 12 months	461,152	413,395
Between 1 and 5 years	4,896,544	4,373,545
Between 5 and 10 years	7,632,151	6,999,614
10 Years and above	24,365,577	19,927,347
<b>Sensitivity analysis for significant assumptions:*</b>		



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Particulars	As at March 31, 2021 ₹	As at March 31, 2020 ₹
<b>Increase/(Decrease) on present value of defined benefits obligation at the end of the year</b>		
1% increase in discount rate	(1,399,471)	(1,232,817)
1% decrease in discount rate	1,631,010	1,432,119
1% increase in salary escalation rate	1,646,828	1,444,081
1% decrease in salary escalation rate	(1,436,225)	(1,263,817)
1% increase in employee turnover rate	185,018	148,154
1% decrease in employee turnover rate	(219,299)	(173,957)
<b>The major categories of plan assets as a percentage of total plan:</b>		
Insurer Managed Funds	100%	100%
<b>Actuarial Assumptions:</b>		
Discount Rate (p.a.)	6.95%	6.82%
Expected Return on Plan Assets (p.a.)	6.95%	6.82%
Turnover Rate	2.00%	2.00%
Mortality tables	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Salary Escalation Rate (p.a.)	5.00%	5.00%
Retirement age	60 Years	60 Years
<b>Weighted Average duration of Defined benefit obligation</b>	<b>11 Years</b>	11 Years

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

**Discount rate:**

The Discount rate is based on the prevailing market rates of Indian government securities for the estimated term of obligation.

**Salary Escalation Rate:**

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

**Asset Liability matching strategy**

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

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

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

The Company's expected contribution during next year is ₹ 2,956,993/- (March 31, 2020 ₹ 1,282,519/-)

**B. Defined Contribution Plans**

Amount recognized as an expense and included in Note 27 under the head "Contribution to Provident and other Funds" of Statement of Profit and Loss is ₹ 3,910,991 /- (March 31, 2020 ₹ 4,342,473/-)

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 34: Segment Reporting (Ind AS 108):

#### A. Basis for segmentation

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

The Group is exclusively engaged in the business of plastic articles and related products. As per Ind AS 108 "Operating Segments", specified under Section 133 of the Companies Act, 2013, there are no reportable segments applicable to the Group.

The Group's revenue from continuing operations from external customers by location of operations and information about its non-current assets by location of assets are detailed below:

Particulars	Revenue from External Customers		Non-Current Assets	
	Year Ended March 31, 2021 ₹	Year Ended March 31, 2020 ₹	As at March 31, 2021 ₹	As at March 31, 2020 ₹
India (Country of Domicile)	907,672,160	984,141,812	282,852,629	260,399,187
Others	275,250,816	282,663,353	47,173,952	35,436,306
<b>Total</b>	<b>1,190,472,449</b>	<b>1,270,589,861</b>	<b>330,026,581</b>	<b>295,835,493</b>

### Note 35: Related Party Disclosures (Ind AS 24):

#### A. List of Related Parties where control exists:

Name of Related Parties	Principal Place of Business	% Shareholding and Voting Power	
		As at March 31, 2021	As at March 31, 2020
Prima Deelite Plastics S.A.R.L. - Joint Venture	Cameroon	50%	50%

#### B. Other Related Parties with whom there were transactions during the year

Name of Related Parties	Nature of Relationship
Shri Bhaskar M. Parekh - Executive Chairman	Key Management Personnel
Shri Dilip M. Parekh - Managing Director	Key Management Personnel
Smt. Hina V. Mehta - Non Executive Director	Key Management Personnel
Shri Krishnakant V. Chitalia - Independent Director	Key Management Personnel
Shri Rasiklal M. Doshi - Independent Director	Key Management Personnel
Shri Snehal N. Muzoomdar- Independent Director	Key Management Personnel
Shri Shailesh Shah- Independent Director	Key Management Personnel
Shri Mulchand S. Chheda - Independent Director (till September 30, 2019)	Key Management Personnel
Shri Dharmesh R. Sachade - Chief Financial Officer	Key Management Personnel
Ms. Ankita Agarwal - Company Secretary (till November 30, 2020)	Key Management Personnel
Ms. Vandana Ahuja – Company Secretary (w.e.f. February 11, 2021)	Key Management Personnel
Ms. Nidhi Shah - Company Secretary (till November 30, 2019)	Key Management Personnel
Shri Pratik B. Parekh	Relative of KMP
Shri Paras B. Parekh	Relative of KMP
Ms. Shriya D. Parekh	Relative of KMP
Sanya Plastics	Entities controlled by KMP
Classic Plastics	Entities controlled by KMP
National Plastics and Allied Industries	Entities controlled by KMP

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS****C. The following transactions were carried out with the related parties in the ordinary course of business:**

Nature of Transaction / Relationship	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
<b>Rent Paid:</b>		
Classic Plastics	2,564,680	3,157,974
Sanya Plastics	954,920	774,080
National Plastics and Allied Industries	4,446,070	4,705,629
<b>Total</b>	<b>7,965,670</b>	<b>8,637,683</b>
<b>Purchase:</b>		
Sanya Plastics	-	33,630
<b>Reimbursement of Expenses:</b>		
National Plastics and Allied Industries	60,158	441,270
<b>Services received from:</b>		
Key Management Personnel	14,824,528	15,901,029
Relative of Key Management Personnel	5,879,111	6,021,643
<b>Total</b>	<b>20,703,639</b>	<b>21,922,672</b>

**D. Outstanding balances**

Nature of Transaction / Relationship	As at March 31, 2021 ₹	As at March 31, 2020 ₹
<b>Rent Deposits</b>		
Classic Plastics	1,000,000	1,000,000
National Plastics and Allied Industries	1,500,000	1,500,000
Sanya Plastics	151,000	151,000

**E. Compensation of Key Management Personnel of the Company:**

Nature of Transaction	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
<b>Short - Term Employee Benefits</b>	<b>14,824,528</b>	<b>15,901,029</b>

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

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

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

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

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

For the year ended March 31, 2021, the Company has not recorded any impairment of receivables relating to amounts owned by related parties. This assessment is undertaken each financial year through examining the financial position of the related party and the market in which the related parties operate.

### Note 36: Income Taxes (Ind AS 12):

#### Reconciliation of Effective Tax Rate:

Particulars	Year ended March 31, 2021 %	Year ended March 31, 2020 %
Applicable Tax Rate	27.82	27.82
Effect of Tax Paid at a Lower Rate	(5.72)	-
Effect of Allowances for tax purpose	(2.19)	(3.66)
Others	(4.13)	(0.77)
Effect of Reversal of Opening Deferred Tax Liability for change in income tax rates (Refer Note 17)	-	(10.83)
Effective Tax Rate	15.78	12.56

### Note 37: Earnings per Share (EPS) (Ind AS 33):

Particulars	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
<b>Basic/Diluted EPS</b>		
(i) Net Profit attributable to Equity Shareholders	149,880,757	101,082,128
(ii) Weighted average number of Equity Shares outstanding (Nos.)	11,000,470	11,000,470
<b>Basic Earnings Per Share / Diluted Earnings Per Share (i/ii)</b>	13.62	9.19

### Note 38 : Auditors' Remuneration (excluding GST):

Particulars	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
Audit Fees (including Quarterly Limited Review)	1,577,782	1,130,822
Expenses Reimbursed	17,690	33,650
Fees for Other Services	50,000	62,500

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS****Note 39: Financial Instruments: Disclosure (Ind AS 107):****Classification of Financial Assets and Liabilities :**

Particulars	As at March 31, 2021 ₹	As at March 31, 2020 ₹
<b>Financial assets at Amortized cost:</b>		
Loans - Non-Current	<b>18,025,440</b>	13,053,848
Loans - Current	<b>4,116,624</b>	7,272,271
Trade Receivables	<b>229,847,853</b>	237,206,356
Cash and Cash Equivalents	<b>41,055,974</b>	43,668,879
Other Bank Balances	<b>13,335,588</b>	11,841,894
Other Non-Current Financial Assets	<b>1,592,118</b>	1,112,365
Other Current Financial Assets	<b>49,109,500</b>	30,282,635
<b>Total</b>	<b>357,083,097</b>	344,438,248
<b>Financial liabilities at Amortized Cost:</b>		
Borrowings – Non Current	<b>28,160,107</b>	31,098,059
Other Non Current Financial Liabilities	<b>12,555,254</b>	4,895,514
Trade Payables	<b>54,075,220</b>	53,015,930
Borrowings – Current	<b>181,624,806</b>	163,392,367
Other Current Financial Liability	<b>45,800,652</b>	44,623,244
<b>Total</b>	<b>322,216,039</b>	297,025,114

**Note 40: Financial Risk Management Objectives and Policies (Ind AS 107):**

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

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

**A. Market Risk**

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

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

**(a) Foreign Currency Risk**

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

The Company evaluates exchange rate exposure arising from foreign currency transactions. The Company follows established risk management policies and standard operating procedures and uses forward contracts, if required, to hedge exposure to foreign currency risk. Forward contract outstanding as on March 31, 2021 is USD Nil against foreign currency exposures. (March 31, 2020 USD 200,000).

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

Outstanding Foreign Currency Exposure	As at March 31, 2021	As at March 31, 2020
<b>Trade Receivables:</b>		
USD	389,924	366,705
EURO	717	11,951
<b>Advances:</b>		
USD	23,130	16,950
<b>Borrowings:</b>		
USD	1,300,000	1,300,000
<b>Trade Payable</b>		
USD	336,205	401,624
<b>Dividend Receivable:</b>		
Euro	304,898	-
<b>Investments:</b>		
Euro	191,444	191,444

**Foreign Currency Sensitivity on unhedged exposure:**

Impact on profit before tax due to increase in foreign exchange rate by 100 bps :

Particulars	Year ended March 31, 2021	Year ended March 31, 2020
USD	(899,073)	(993,563)
EURO	263,131	9,925

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

**(b) Interest rate risk :**

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

Particulars	Total Borrowings ₹	Floating Rate Borrowings ₹	Fixed Rate Borrowings ₹
INR	109,307,590	34,837,652	74,469,938
USD*	113,931,761	95,556,110	18,375,651
Quetzals*	7,979,819	-	7,979,819
<b>Total as at March 31, 2021</b>	<b>231,219,170</b>	<b>130,393,762</b>	<b>100,825,408</b>
INR	106,948,386	87,833,017	19,115,369
USD*	98,001,670	98,001,670	-
Quetzals*	7,638,534	-	7,638,534
<b>Total as at March 31, 2020</b>	<b>212,588,590</b>	<b>185,834,687</b>	<b>26,753,903</b>

\* above exposure in foreign currency in unhedged

**Interest rate sensitivities for unhedged exposure (impact on Profit before tax due to increase in 100 bps):**

Particulars	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
INR	1,303,937	1,858,346

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

Interest rate sensitivity has been calculated assuming the borrowings outstanding at the reporting date have been outstanding for the entire reporting period.

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS****B. Credit Risk :**

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

**(a) Trade Receivables :**

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

Total Trade receivable as on March 31, 2021 ₹ 250,272,993/- (March 31, 2020 ₹ 251,655,402/-).

The Company does not have higher concentration of credit risks to a single customer.

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

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

**Movement of Allowances for Credit Loss:**

Particulars	As at March 31, 2021 ₹	As at March 31, 2020 ₹
Opening Provision	14,448,686	7,474,404
Add: Provided during the Year	5,865,775	8,268,299
Less: Utilised during the Year	133,891	1,294,017
<b>Closing Provision</b>	<b>20,425,140</b>	<b>14,448,686</b>

**(b) Cash and cash Equivalent and Bank Deposit :**

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

**C. Liquidity Risk**

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time or at reasonable price. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of credit facilities to meet obligations when due. Senior management of the Company is responsible for liquidity, funding as well as settlement management. Management monitors the Company's liquidity position through rolling forecasts on the basis of expected cash flows.

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

As at March 31, 2021	Upto 1 Year ₹	1 to 5 Years ₹	More than 5 Years ₹	Total ₹
Trade Payables	54,075,220	-	-	54,075,220
Borrowings (including current maturities of long term debt)	203,059,063	28,160,107	-	231,219,170
Interest accrued but not due on borrowings	381,172	-	-	381,172
Other Current Financial Liabilities	13,662,057	-	-	13,662,057
Lease Liabilities	11,773,412	13,192,740	-	24,966,152
As at March 31, 2020	Upto 1 Year ₹	1 to 5 Years ₹	More than 5 Years ₹	Total ₹
Trade Payables	53,015,930	-	-	53,015,930
Borrowings (including current maturities of long term debt)	181,490,531	31,098,059	-	212,588,590
Interest accrued but not due on borrowings	708,532	-	-	708,532
Other Current Financial Liabilities	19,498,752	-	-	19,498,752
Lease Liabilities	6,978,872	5,116,821	-	12,095,693

## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

### Note 41: Distribution made and proposed (Ind AS 1):

Particulars	As at March 31, 2021 ₹	As at March 31, 2020 ₹
<b>Cash Dividends on equity shares declared and paid:</b>	-	
Final Dividend for the year ended on March, 2020 ₹ Nil per share (March 31, 2019 ₹ 1/- per share)	-	11,000,470
DDT on Final Dividend	-	2,239,500
Interim Dividend for the year ended on March, 2021 ₹ Nil per share (March 31, 2020 ₹ 1/- per share)	-	11,000,470
DDT on Interim Dividend	-	2,239,500
<b>Total Dividend paid</b>		26,479,940
<b>Proposed Dividends on Equity shares:</b>		
Proposed Final Dividend for the year ended on March 31, 2021 ₹ 1.50 per share (March 31, 2020 ₹ Nil per share)	<b>16,500,705</b>	-

Proposed dividends on equity shares are subject to approval at the annual general meeting and are not recognised as a liability as at March 31, 2021.

### Note 42: Capital Management (Ind AS 1):

The Company's objectives when managing capital are to :

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

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

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

Particulars	As at March 31, 2021	As at March 31, 2020
Total Debt (bank and other borrowings) ₹	<b>231,219,170</b>	212,588,590
Total Equity ₹	<b>1,117,164,467</b>	968,313,144
Debt to Equity (Net)	<b>0.21</b>	0.22

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

### Note 43: Leases

#### (A) As a lessee (Ind AS 116)

- The Company has implemented Indian Accounting Standard for Leases ("Ind AS 116") with effect from April 01, 2019 using the modified retrospective approach, under which the cumulative effect of Initial application is recognised in retained earnings as on April 01, 2019. The effect of initial recognition as per Ind AS 116 is as follows:

Particulars	As on April 01, 2019 ₹
Lease liability	12,062,181
Right of Use (ROU) asset	10,839,533
Deferred tax assets	340,141
<b>Net Impact on Retained Earnings</b>	<b>882,507</b>



## NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

## (b) Following are the carrying value of Right of Use Assets

For the year ended March 31, 2021:

Particular	Gross Block ₹			Accumulated depreciation and amortisation ₹			Net Block ₹
	As at April 01, 2020	Additions	As at March 31, 2021	As at April 01, 2020	For the year	As at March 31, 2021	As at March 31, 2021
Leasehold Land	934,331	-	934,331	42,900	10,725	53,625	8,80,706
Leasehold Building	20,337,199	22,279,447	42,616,646	10,043,991	11,245,840	21,289,831	21,326,815
<b>Total</b>	<b>21,271,530</b>	<b>22,279,447</b>	<b>43,550,977</b>	<b>10,086,891</b>	<b>11,256,565</b>	<b>21,343,456</b>	<b>22,207,521</b>

For the year ended March 31, 2020:

Particular	Gross Block ₹				Accumulated depreciation and amortisation ₹				Net Block ₹
	As at April 01, 2019	Reclassified on account of Ind AS 116	Additions	As at March 31, 2020	As at April 01, 2019	Reclassified on account of Ind AS 116	For the year	As at March 31, 2020	As at March 31, 2020
Leasehold Land	-	934,331	-	934,331	-	32,175	10,725	42,900	8,91,431
Leasehold Building	10,839,533	-	9,497,666	20,337,199	-	-	10,043,991	10,043,991	10,293,208
<b>Total</b>	<b>10,839,533</b>	<b>934,331</b>	<b>9,497,666</b>	<b>21,271,530</b>	<b>-</b>	<b>32,175</b>	<b>10,054,716</b>	<b>10,086,891</b>	<b>11,184,639</b>

## (C) Impact of adoption of Ind AS 116 for the year ended March 31, 2021 is as follows:

Particulars	Year Ended March 31, 2021 ₹	Year Ended March 31, 2020 ₹
Decrease in Other Expenses (Rent Expense) by	12,572,872	11,695,445
Increase in Depreciation by (excludes depreciation on reclassified assets)	11,245,840	10,043,991
Increase in Finance cost by	1,958,533	1,348,909
<b>Net Impact on Profit / (Loss)</b>	<b>(631,501)</b>	<b>302,545</b>

## (d) Lease Expenses recognised in Profit and Loss statement not included in the measurement of lease liabilities:

Particulars	Year Ended March 31, 2021 ₹	Year Ended March 31, 2020 ₹
Expenses relating to short-term leases	12,673,240	15,640,292

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

**(e) Maturity analysis of lease liabilities– contractual undiscounted cash flows:**

Particulars	Year Ended March 31,2021 ₹	Year Ended March 31,2020 ₹
Less than one year	11,773,412	6,978,872
One to five years	13,192,740	5,116,821
More than five years	-	-
Total undiscounted lease liabilities at March 31, 2021	24,966,152	12,095,693
Discounted Lease liabilities included in the statement of financial position at March 31, 2021	22,878,420	11,213,310
Current lease liability	10,323,166	6,317,796
Non-Current lease liability	12,555,254	4,895,514

(f) The Weighted average incremental borrowing rate of 9.50% p.a has been applied for measuring the lease liability at the date of initial application.

(g) The total cash outflow for leases for year ended March 31, 2021 ₹ 12,572,872/- (March 31, 2020 is ₹11,695,445/-)

**Note 44: Micro, Small and Medium Enterprises**

Under the Micro, Small and Medium Enterprises Development Act, 2006 (MSMED) which came into force from October 02, 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises.

Particulars	As at March 31, 2021 ₹	As at March 31, 2020 ₹
Principal amount:	5,691,432	13,482,663
Interest: due thereon remaining unpaid to any supplier as at the year end	-	-
Amount of interest paid by the Company in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act') , along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the year) but without adding the interest specified under the MSMED Act	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-
Amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the MSMED Act	-	-

The above information has been determined to the extent such parties have been identified on the basis of information available with the Company and the same has been relied upon by the auditors.

**Note 45: Corporate Social Responsibility**

Expenditure incurred on Corporate Social Responsibility activities, included in different heads of expenses in the Statement of Profit and Loss is ₹ 927,000/- (March 31, 2020 ₹ 1,735,000/- including unspent amount of ₹ 435,397/- for the FY 2018-19.)

The amount required to be spent under Section 135 of the Companies Act, 2013 for the year ended March 31, 2021 is ₹ 913,621/- (March 31, 2020 ₹ 1,299,603/-) i.e. 2% of average net profits for last three financials years, calculated as per section 198 of the Companies Act, 2013.

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

**Note 46: Additional Information as required by Paragraph 2 of Part III - General Instruction for Preparation of CFS of Schedule III of the Companies Act, 2013.**

Name of the Entity in the group	Net Assets i.e. total assets minus total liabilities		Share in profit or loss		Share in Other Comprehensive Income (OCI)		Share in Total Comprehensive Income (TCI)	
	As % of consolidated net assets	Amount ₹	As % of consolidated profit / loss	Amount ₹	As % of consolidated OCI	Amount ₹	As % of consolidated TCI	Amount ₹
Parent Company	62.27%	701,606,591	7.78%	12,013,908	93.54%	(969,225)	7.20%	11,044,683
Prima Union Plasticos S.A. - Subsidiary	3.89%	43,804,989	26.97%	41,679,043	5.81%	(60,209)	27.12%	41,618,834
Non Controlling Interest in Subsidiary	0.84%	9,477,603	3.00%	4,631,005	0.65%	(6,689)	3.01%	4,624,316
Joint Venture	33.00%	371,752,886	62.25%	96,187,806	0.00%	-	62.67%	96,187,806
Total	100.00%	1,126,642,069	100.00%	154,511,762	100.00%	(1,036,123)	100.00%	153,475,639

**Note 47 – Revenue (Ind AS 115)**

(A) The Company is primarily in the Business of manufacture and sale of Plastic Articles. All sales are made at a point in time and revenue recognised upon satisfaction of the performance obligations which is typically upon dispatch. The Company has a credit evaluation policy based on which the credit limits for the trade receivables are established, the Company does not give significant credit period resulting in no significant financing component. The Company, however, has a policy for replacement of the damaged goods.

**(B) Revenue recognised (Advances from Customers):**

Particulars	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
Opening Contract liability	3,772,424	7,056,496
Less : Recognised as revenue during the year	3,322,622	6,512,108

**(C) Reconciliation of revenue as per contract price and as recognised in statement of profit and loss:**

Particulars	Year ended March 31, 2021 ₹	Year ended March 31, 2020 ₹
Revenue as per Contract price	1,204,273,710	1,290,729,123
Less: Discounts and incentives	(21,350,734)	(23,923,958)
Revenue as per statement of profit and loss	1,182,922,976	1,266,805,165

**Note 48 - Government Grants:**

Other Operating Revenues include Incentives against capital investments, under State Investment Promotion Scheme of ₹ 4,357,482/- (March 31, 2020 ₹ 1,030,887/-)

**NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS****Note 49 :**

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

**Note 50 - COVID-19 (Global Pandemic)**

In the view of unprecedented COVID 19 pandemic, the management has made an assessment of its position as at the Balance Sheet date. In assessing, the Group has taken into consideration external and internal information upto the date of approval of these financial statements. The Group has assessed the possible effects that may result from COVID- 19 pandemic, on the carrying amount of receivables, inventories, investments, advances and other receivables. The Group based on current estimates expects, the net carrying amount of the assets will be recovered. The group is monitoring the situation closely and has resumed operations in a phased manner at all plants taking into account directives from the Governments.

**Note 51 :**

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

As per our Report of even date attached

**For Khimji Kunverji & Co LLP**

Chartered Accountants  
Firm Registration No : 105146W/W-100621

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

**Vinit K Jain**  
Partner  
M. No.145911

**Dharmesh R. Sachade**  
Chief Financial Officer  
M. No.139349

**Vandana S. Ahuja**  
Company Secretary  
M. No. ACS: 57118

**Bhaskar M. Parekh**  
Executive Chairman  
DIN : 00166520

**Dilip M. Parekh**  
Managing Director  
DIN : 00166385

Mumbai  
May 27, 2021



**NOTES**

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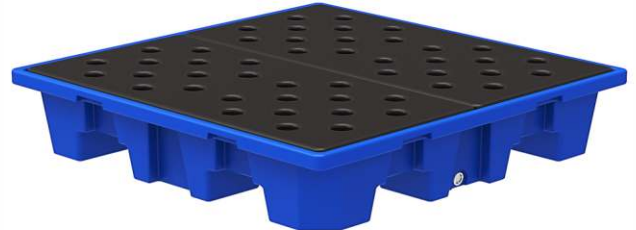


# NEW ARRIVALS

ASRS PALLETS WITH CORNER-LOCK



STACKABLE & NESTABLE SPILL CONTAINMENT PALLETS



CHAIR



TABLE



CABINET



## EXPANDING ON DIGITAL PLATFORM

During the year 20-21, Prima took leaps into the ecommerce world by expanding our product offerings and adding new platforms. In January 2021, the company officially entered the Amazon ecosystem along with the existing online platforms like Pepperfry. Amazon hosts a wide range of Prima products from different categories like kids chairs to storage units and adult chairs. We are using the platform as a way to showcase our complete brand offerings and bring Prima's legacy to Amazon. Along with Amazon, we have seen great success on Pepperfry and FirstCry in the past year. We are constantly looking to grow and create new products for the online market and bring on board thousands of new and happy customers.

pepperfry

amazon

Flipkart





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