

10th Death Anniversary



Late Shri Manharlal V. Parekh
(CMD)
1934 - 2002

PRIMA PLASTICS LIMITED

BOARD OF DIRECTORS

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

BANKERS

Corporation Bank
Bank of India

AUDITORS

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

REGISTRAR & SHARE TRANSFER AGENTS

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

REGISTERED OFFICE

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

CORPORATE OFFICE

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

WORKS

Moulded Furniture Division:

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

Aluminium Composite Panel Division:

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

MARKETING DEPOTS

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

MARKETING OFFICE

New Delhi

18TH ANNUAL GENERAL MEETING

Date : September 08, 2012

Time : 11.30 a.m.

Venue : Hotel Sandy Resorts,
Devka Beach,
Nani Daman,
Daman (U.T.), Pin - 396 210

CONTENTS:

→ Notice	2
→ Directors' Report, Management Discussion & Analysis Report.	4
→ Report on Corporate Governance	9
→ Auditors' Report	21
→ Balance Sheet	24
→ Statement of Profit & Loss	25
→ Cash Flow Statement.	26
→ Notes to Financial Statement	27
→ Auditors' Report of Consolidated Financial Statement	41
→ Consolidated Balance Sheet.	42
→ Consolidated Statement of Profit & Loss.	43
→ Consolidated Cash Flow Statement	44
→ Notes to Consolidated Financial Statement.	45

NOTICE

Notice is hereby given that the Eighteenth Annual General Meeting of the Members of PRIMA PLASTICS LIMITED will be held on September 08, 2012 at 11.30 a.m. at Hotel Sandy Resorts, Devka Beach, Nani Daman, Daman (U.T.), Pin - 396 210 to transact the following businesses:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at March 31, 2012, the Profit & Loss Account for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend for the year 2011-12 on Equity Shares.
3. To appoint a Director in place of Shri Krishnakant V. Chitalia, who retires by rotation and being eligible, offers him for reappointment.
4. To appoint M/s. G. P. Kapadia & Co., the retiring Auditors of the Company, as Statutory Auditors, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, on such remuneration as may be decided by the Board of Directors.

Registered Office:

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

By Order of the Board of Directors

Mumbai
May 28, 2012

Bhaskar M. Parekh
Chairman

NOTES:

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll instead of him and the proxy need not be a member of the Company. The Proxy form should be lodged with the Company at the Registered Office at least 48 hours before the schedule time of the meeting.
2. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote at the meeting.
3. The Register of Members and the Share Transfer Book of the Company will remain closed from Monday, September 03, 2012 to Saturday, September 08, 2012 (both days inclusive) for the purpose of determining the eligibility of the Members to attend the Annual General Meeting and payment of Dividend.
4. The Board of Directors in their Meeting held on May 28, 2012 have recommended a dividend of Rupee 1/- per share on equity share of Rs.10/- each, which if approved at the Annual General Meeting, will be paid on or after September 13, 2012, to those members whose names shall appear on the Company's Register of members on September 01, 2012; in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date.
5. All documents referred to in the Notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays and holidays, between 11.00 a.m. to 1.00 p.m. up to the date of the Annual General Meeting.
6. The members are requested to:
 - (a) Bring their copy of Annual Report and the attendance slips at the Meeting.
 - (b) Members desiring any information as regards the accounts are requested to write to the Company at least 10 days prior to the date of meeting to enable the Management to keep the information ready at the meeting.
7. Shareholders holding shares in dematerialized form should intimate change of their address, request for making nomination etc. if any, to their Depository Participant. Members who are holding shares in physical form are requested to notify regarding

change in address, Bank particulars, ECS details etc. if any, to the Company's Share Transfer Agent, M/s. Bigshare Services Pvt. Ltd., E-2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (East), Mumbai – 400 072 quoting their folio number.

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

8. Pursuant to the provisions of Section 205A(5) of the Companies Act, 1956, dividend for the financial year ended 31st March 2010 and thereafter, which remain unclaimed for a period of seven years, will be transferred by the Company to "The Investor Education and Protection Fund" (IEPF) pursuant to Section 205C of the Companies Act, 1956.
9. Members holding shares in electronic form may please note that their bank details as furnished by the respective Depositories to Bigshare Services Private Limited, will be printed on their dividend warrants as per the applicable regulations of the Depositories and the Company / Bigshare Services Pvt. Limited, will not entertain any direct request from such members for deletion or / change in such bank details. While members holding shares in physical form may write to the Registrar & Share Transfer Agent / Company for any change in their addresses and bank mandates etc. and members holding shares in electronic form may write to their depository participants for immediate updating so as to enable the Registrar & Share Transfer Agent / Company to dispatch dividend warrants to the correct addresses.
10. Important Communication to Members.
The Ministry of Corporation Affairs (vide circular nos.17/2011 and 18/2011, dated April 21 and April 29, 2011 respectively) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold share in physical form are requested to send the email id along with their folio no. / Client id at investor@primaplastics.com or investor@bigshareonline.com.
11. Additional information on Director seeking re-appointment at the forthcoming Annual General Meeting.

DETAILS OF DIRECTOR SEEKING REAPPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING

(Pursuant to Clause 49 of the Listing Agreement)

Name of Director	Shri Krishnakant V. Chitalia
Age	73 years
Date of appointment	18-06-1996
Qualification	B.Com
Expertise in specific area	He has wide and varied Industrial experience in the filed of Plastic, Electrical and Dairy products.
Other Directorships in Public Limited Co.	Venlon Enterprises Limited.
Number of Shares held	5,295 Equity Shares

12. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are therefore, requested to submit the PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / Registrar and Transfer Agents, M/s. Bigshare Services Pvt. Ltd. E-2/3, Ansa Industrial Estate, Saki Vihar Road, Andheri (East), Mumbai - 400 072.

Registered Office:

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

By Order of the Board of Directors

Mumbai
May 28, 2012

Bhaskar M. Parekh
Chairman

DIRECTORS' REPORT, MANAGEMENT DISCUSSION & ANALYSIS REPORT

Dear Shareholders,

Your Directors submit the 18th Annual Report along with the Audited Statement of Accounts of the Company for the year ended March 31, 2012.

(Rs. In Lacs)

FINANCIAL RESULTS	2011-2012	2010-2011
Gross Income	6,110.02	6,053.62
Profit before Depreciation, Finance Cost and Tax	520.38	558.43
Less : Depreciation	150.91	158.53
Less : Finance Cost	93.70	69.25
Profit/(Loss) before Taxation	275.77	330.65
Less : Current Tax	56.84	67.89
Profit /(Loss) after Tax	218.93	262.76
Add : Balance b/f from previous year	1,796.15	1,711.66
Balance available for appropriation	2,015.08	1,974.42
Appropriation :		
Balance c/f	2,015.08	1,974.42
Less : Proposed Dividend	110.00	110.00
Less: Dividend Tax	17.85	18.27
Less : General Reserve	50.00	50.00
Balance c/f to Balance Sheet	1,837.23	1,796.15

DIVIDEND

Based on the Company's performance, the Directors are pleased to recommend a dividend of Rs.1/- per Equity Share (last year Rs. 1/- per Equity Shares) for the financial year ended March 31, 2012 amounting to Rs.127.85 lacs (inclusive of tax of Rs.17.85 lacs). The dividend pay out ratio for the current year, inclusive of corporate tax on dividend distribution, is at 58.40%. This Management had maintained the consistency in dividend payout in spite of plans to invest in new manufacturing units / Joint Ventures.

TRANSFER TO RESERVES

The Company proposes to transfer Rs. 50 lacs to the General Reserve out of the amount available for appropriations and an amount of Rs.1837.23 lacs is proposed to be retained in the Profit and Loss Account.

OPERATIONAL PERFORMANCE

The year under review was a challenging year for manufacturing Industries in India due to multiple adverse conditions like high inflations, high oil prices, lower economic growth, euro zone debt crises etc. Despite these constraints and the challenging environment, your Company performed reasonably well and delivered positive growth in sales, however there is marginal decline in operating profits.

Your Company achieved higher net sales in moulded furniture segment of Rs. 5,572.35 lacs as against Rs. 5,247.48 lacs in the last year. The growth in sales in percentage terms achieved is 6%. The Exports were higher at Rs. 1070.05 lacs as compared to Rs. 870.46 lacs in last year. The growth in export in percentage term achieved is 23%. The moulded furniture division has earned higher profit before interest of Rs. 397.83 lacs as against Rs. 224.65 lacs in last year from its operation.

The Government of India has taken corrective steps by removing 'Anti Dumping Duty' on Polymers resulting into lower volatility in raw material prices as compared to previous years and resulted in improved margins of moulded furniture division.

However the performance of the Company has adversely impacted due to lower Sales of ACP Division at Rs. 464.71 lacs as compared to Rs.646.48 lacs in last year and resulted into a loss of Rs. 101.32 lacs before interest as compared to profits of Rs.14.66 lacs in last year.

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

Overall the Company's performance is satisfactory and registered a profit before tax of Rs. 275.77 lacs.

RECOGNITIONS

The Company has been awarded the 'Second Best Export Award' from PLEX Council of India for the exports for Financial Year 2009-10 & 2010-11.

SUBSIDIARY COMPANY

"Prima Global (FZE)", a wholly owned subsidiary of the Company at RAK SEZ Ras Al khaimah, UAE is taking steps to start trading in UAE Countries and also looking to set up a manufacturing unit to cater the UAE & other Countries.

PERFORMANCE OF JOINT VENTURE

Prima Dee-lite Plastics Pvt. Ltd., Cameroon, a Joint Venture Company manufacturing Moulded Articles had diversified in to the business of HDPE Woven Sack Bags and set up a manufacturing unit in adjacent location with total investment of INR 1600.00 lacs. The Commercial production was started from January 2012.

The total turnover of JV Company for Moulded Furniture division for the calendar year 2011 was INR 1992.48 lacs as compared to previous calendar year of INR 1432.32 lacs. The profit for the year after depreciation and tax was INR 452.87 lacs as compared to INR 341.27 lacs in the previous year.

The encouraging performance of Joint Venture Company has boosted the confidence of both the Joint Venture Partners and initiatives have been taken to explore neighboring countries to set up distribution network for Moulded Furniture Articles.

CONSOLIDATED FINANCIAL STATEMENTS

The Consolidated Financial Accounts form part of this Annual Report.

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

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

The World witnessed fair bit of challenges with deepening debt crises in Europe, political unrest in Middle East & North African Countries, rising tension between Iran and the Western Countries, high oil prices, Tsunami in Japan and down grade of credit rating of USA. China and India were forced to tighten liquidity to control inflation. It is not possible to remain insulated from swings in the global economy. The Indian economy is further impacted due to allegations of corruptions at government functionaries and resulting policy indecisiveness at the centre and various states level. The over all scenarios were not positive for Industries in the year under review.

MOULDED FURNITURE

Prima is committed to further invest its resources in core business within India as well as globally. It is also taking initiative to invest in latest technology and help to meet the economy of operations. These strategies are aimed to ensure consolidation of its market and to deliver long term growths. However looking to the over all adverse conditions with in India and abroad, it has decided to go slow on expansion in the year under review and may take forward look steps in appropriate time in near future.

Financial year 2011-12 was reasonable for moulded furniture and input prices were well with in the acceptable range. The demand for the product was rather stable. The Company has delivered the Financial & Operating Results in line with industry specific performance.

ALUMINIUM COMPOSITE PANEL

The Indian Real Estate has partially recovered in Financial Year 2011-2012. The Residential Segment demands were on raise due to overall shortage of affordable housing and metro cities have seen demand for premium housing projects. The Commercial Segment was still stagnant and not showing sign of improvement and demand for rental premises were lower then the supply of commercial premises due to overall depressing economical conditions.

BUSINESS OUTLOOK**MOULDED FURNITURE**

Consumer sector story in India remains intact and the demographic factors combined with rising per capita disposable incomes are expected to fuel consumption growth in India for a long period of time. As income levels are rising there is also a clear trend of increase in share of non-food expenditure in both rural and urban India. Your Company is well placed to take advantage of the sustained growth of our economy.

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

The supply of polymers was at ease with removal of antidumping duty on import of polymers by the Government of India.

The introduction of GST is expected in a short span and will integrate the country economy in to one and provide level playing in every part of the country. This is expected to boost the growth of your Company's business at pan India level. The Company expects to achieve 10-15 percent annual growth in turnover in medium term.

ALUMINIUM COMPOSITE PANEL

The Commercial real estate was not showing sign of revival in the year under review and it seems that it may take little longer

to recover the segment then expected earlier. Your Company had taken cautious approach in sales due to fund crises in realty business and worked on the approach to do secured business rather running for recoveries of dues. However this situation will not remain for a long and it is expected that the Indian business and financial activities will gain momentum in near term and lead to demand of commercial premises and recovery of this segment of Real Estate. The Management expects full fledged business in ACP Division in years to come.

The Company was selective in executions of Orders in the year under review and the sales target was even though short of the managements expectation but confident to achieve higher sales in steady manner.

OPPORTUNITY

The Company is developing new moulded articles in premium segment as well as introducing new moulds for chairs for daily use as per consumers' preferences. The Company plans to further expand its manufacturing base at importunate time in near future.

The Company is focusing to expand its network to far off places to take advantage of GST regime.

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

THREAT

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

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

The real estate industry is known for excessive credit time.

Internal Control System and Their Adequacy

The Company's internal control systems, commensurate with the size of the Company and nature of its business, has well defined policies and procedures ensuring that all transactions are authorized, recorded and correctly reported, all assets are safeguarded and protected against loss from unauthorized use or disposition, reducing wastages and maintenance of proper accounting records for ensuring accuracy and reliability of its financial information. As a matter of proactive planning, the Board has also constituted an Audit Committee which meets periodically to review the financial performance and the accuracy of financial records.

The management duly considers and takes appropriate action on the recommendations made by the statutory auditors and the Audit Committee of the Board of Directors.

Risk Management

The Company, like any other enterprise having national as well global business interests, is exposed to business risk which may be internal as well as external. We define risk as the eventuality of not achieving our financial, operative, or strategic goals as planned. To ensure our long term corporate success, it is essential to identify, analyze, and mitigate the risk by means of appropriate control measures. The risks outlined below are not exhaustive and for information only. The Board and the Audit Committee periodically review the risk management procedures.

Foreign Exchange Risk

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

Commodity Price Rise

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

Business Risks

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

Risk Element in Individual Business

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

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

Environment & Safety

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

Human Resource

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

DIRECTORS

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

DIRECTORS' RESPONSIBILITY STATEMENT

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

- I. In the preparation of the annual accounts for the year ended March 31, 2012, the applicable accounting standards read with requirements set out under Schedule VI to the Companies Act, 1956, have been followed and there has been no material departure;
- II. The Directors have selected such accounting policies and applied them consistently and made Judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2012 and of the profit of the Company for the year ended on that date;
- III. The Directors have taken proper and sufficient care to the best of their knowledge and ability for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956. They confirm that there are adequate system and control for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- IV. Directors have prepared the Annual Accounts on a going concern basis.

AUDITORS & AUDITOR'S REPORT

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

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

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

PARTICULARS OF EMPLOYEES

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

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

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

ENERGY CONSERVATION

A number of energy conservation techniques were initiated and energy was used more efficiently. Efficient maintenance and daily monitoring has resulted in lower consumption of power and there by lowered the cost of production. The Company continues to emphasize on energy conservation at the stage of selections of plant, equipment to optimize energy consumption and by installing necessary power saving equipments.

RESEARCH & DEVELOPMENT

The R & D activities carried out by the Company are dedicated to the development if new product, new design of chairs for better comfort and attractive colour and modern look. The designed department is directly working in the supervision and guidance of

the Managing Director. The Company has been able to launch several new designs of chairs and other articles. The Company has developed first time in India a moulded computer table and launching in this financial year for sale. The Company further plans to develop and introduce new range of products in the current year.

TECHNICAL ABSORPTION, ADAPTATION & INNOVATION

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

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

II. FOREIGN EXCHANGE EARNING AND OUTGO

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

The Company's key markets for international business are the Africa, Middle East, and Latin America. The Exports products are well established in the international market and the Exports were higher at Rs.1070.05 lacs as compared to Rs.870.46 lacs in last year. The growth in export in percentage term achieved is 22.93% due to repeated orders from its existing clients. The Company has won 14 top export awards from "PLEXCONCIL" of India in last 16 years.

2) Total foreign exchange used and earned.

		(Rs.)
	2011-2012	2010-2011
Foreign Exchange earned (FOB) – (Finished Goods)	97,460,862	77,849,953
Foreign Exchange earned (Capital Goods)	1,283,250	NIL
Foreign Exchange used	52,545,142	69,285,899

FIXED DEPOSITS

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

CORPORATE GOVERNANCE

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

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

ACKNOWLEDGEMENT

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

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

CAUTIONARY STATEMENT

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

For and on behalf of the Board

Mumbai,
May 28, 2012

Bhaskar M Parekh
Chairman

CORPORATE GOVERNANCE

(a) Company's Philosophy

Statement on Company's philosophy on Corporate Governance

Corporate Governance is a set of systems and practices to ensure that the affairs of the Company are being managed in a way which ensures accountability, transparency, and fairness in all its transactions in the widest sense and meet its stakeholder's aspirations and societal expectations. Good governance practices stem from the culture and mindset of the organization and at Prima we are committed to meet the aspirations of all our stakeholders. This is demonstrated in shareholder returns, high credit ratings, governance processes and an entrepreneurial, performance focused work environment. Our customers have benefited from high quality products delivered at the most competitive prices.

The corporate governance structure in the Company ensures that its Board of Directors is well informed and well equipped to fulfill its overall responsibility by way of providing strategic direction to the senior management, employees, etc. which is needed to meet the aspirations of all stakeholders, including societal expectations. It's initiatives towards adhering to highest standards of governance include professionalization of the Board; fair and transparent processes and reporting systems; and going beyond the mandated Corporate Governance Code requirements of SEBI. At the highest level the Company continuously endeavors to improve upon these aspects on an ongoing basis and adopt innovative approaches for leveraging resources, converting opportunities into achievements through proper coordination, empowerment and motivation, fostering a healthy all round growth and development to take the Company forward.

The Company's corporate governance philosophy has been further strengthened through the Business Excellence Model, the Code of Conduct for Prevention of Insider Trading and Risk Management. The Company believes that timely disclosures, transparent accounting policies and a strong and independent Board go a long way in protecting shareholders trust while maximizing long-term corporate value.

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

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

(b) Board of Directors

Composition

The composition of the Board is in conformity with the Clause 49 of the listing agreement, which stipulate that at least 50% of the Board should consist of Independent Directors, if the Chairman of the Board is an Executive Director. Majorities of the Board, 3 out of 5, are independent directors. All Independent Directors are persons of eminence and bring a wide range of expertise and experience to the Board thereby ensuring the best interest of stakeholders and the Company.

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

None of the Directors on the Board are Members of more than ten Committees or Chairman of more than five Committees across all the companies in which they are Directors. Necessary disclosures regarding Committee positions in other public companies as on March 31, 2012 have been made by the Directors.

Board Meetings

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

A. Institutionalised decision making process

The Board of Directors is the apex body constituted by the shareholders for overseeing the overall functioning of the Company. The Board provides and evaluates the strategic direction of the Company, management policies and their effectiveness and ensures that the long-term interests of the shareholders are being served. The Chairman and Managing Director are assisted by the Executive Directors/senior managerial personnel in overseeing the functional matters of the Company.

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

B. Scheduling and selection of Agenda Items for Board Meetings

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

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

C. Information to the Board

A detailed Agenda folder is sent to each Director in advance of the Board Meetings. As a policy, all major decisions involving investments and capital expenditure, in addition to matters which statutorily require the approval of the Board are put up for consideration of the Board. Inter alia, the following information, as may be applicable and required, is provided to the Board as a part of the agenda papers.

- Annual operating plans and budgets.
- Capital budget-purchase and disposal of plant, machinery and equipment.
- Quarterly, half yearly and annual results of the Company.
- Minutes of the Meetings of the Audit Committee and other Committees of the Board.
- Information on recruitment and remuneration of senior officers just below the Board level.
- Materially important show cause, demand, prosecution notices and penalty notices, if any.
- Fatal or serious accidents, dangerous occurrences, any material effluent or pollution problems.
- Any material default in financial obligations to and by the Company, or substantial non-payments by clients.
- Any issue, which involves possible public product liability/claims of substantial nature, including any judgments or orders which may have passed strictures on the conduct of the Company or adverse views regarding another enterprise that can have negative implications on the Company.
- Details of any joint venture agreement or collaboration agreement.
- Sale of material nature, of investments, subsidiaries, assets, which are not in the normal course of business.
- Non-compliance of any regulatory, statutory or listing requirements and shareholders' service such as non-payment of dividend, delay in share transfer, etc.

D. Recording Minutes of proceedings at Board and Committee Meetings

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

E. Post Meeting Follow-up Mechanism

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

During the year under review, four Board Meetings of Directors were held on:

May 30, 2011, August 11, 2011, November 07, 2011 & February 14, 2012.

Board's Responsibilities

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

Role of Independent Directors

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

Constitution of Board of Directors and Related Information

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

Name	Category	No. of outside directorship(s) held		No. of outside Committee Position(s) held		No. of Board Meetings during the year 2011-12		Attendance at last AGM
		Public	Private	Chairman	Member	Held	Attended	
Shri Bhaskar M. Parekh	Executive Chairman	Nil	Nil	Nil	Nil	4	4	Present
Shri Dilip M. Parekh	Managing Director	Nil	Nil	Nil	Nil	4	3	Present
Shri Mulchand S. Chheda	Independent Non-Executive Director	1	4	Nil	Nil	4	3	Present
Shri Rasiklal M. Doshi	Independent Non-Executive Director	Nil	5	Nil	Nil	4	2	Present
Shri Krishnakant V. Chitalia	Independent Non-Executive Director	1	2	1	Nil	4	4	Present

Details of Equity Shares held by the Non-Executive Directors:

The details of the Equity Shares held by the Non-Executive Directors as on March 31, 2012:

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

Details of Director(s):

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

Code of Conduct

The Board of Directors has laid down Codes of Conduct ('Code(s)', for the Non-Executive Directors, Executive Directors and designated employees in the Senior Management. The Codes have been posted on the Company's website – www.primaplastics.com. All the Board Members and Senior Management personnel of the Company have affirmed compliance with the Code of Conduct as applicable to them, for the year ended March 31, 2012. A declaration to this effect signed by Mr. Dilip M. Parekh, Managing Director is annexed to this Report.

Board Committee

The Board of Directors has constituted five Board Committees – Audit Committee, Remuneration Committee, Investors' Grievances Committee, Share Transfer Committee and Management Committee of the Board. All decisions pertaining to the constitution of Committees, appointment of members and fixing of terms of reference of the Committees are taken by the Board of Directors. Details on the role and composition of these Committees, including the number of meetings held during the financial year and attendance at meetings, are provided below.

Audit Committee

Composition

- (i) The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements with the Stock Exchanges read with Section 292A of the Companies Act, 1956.
- (ii) The Terms of reference of the Audit Committee are broadly as under:
- Overseeing the Company's financial reporting process and disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.
 - Recommending to the Board, the appointment, re-appointment and, if required, the replacement or removal of the statutory auditor and the fixation of audit fees.
 - Approval of payment to statutory auditors for any other services rendered by them.
 - Reviewing, with the Management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - Matters required as part of the Director's Responsibility Statement to be included in the Board's Report in terms of Clause (2AA) of Section 217 of the Companies Act, 1956.
 - Changes, if any, in accounting policies and practices and reasons for the same.
 - Major accounting entries involving estimates based on the exercise of judgment by the management.
 - Significant adjustments made in the financial statements arising out of audit findings.
 - Compliance with listing and other legal requirements relating to financial statements.
 - Disclosure of any related party transactions.
 - Qualifications in the draft audit report.
 - Reviewing with the Management, quarterly and half-yearly financial statements before submission to the Board for approval.
 - Reviewing with the Management, performance of the statutory and internal auditors and adequacy of the internal control systems.
 - Reviewing the adequacy of internal audit function, reporting structure coverage and frequency of internal audit.
 - Discussion with the internal auditors of any significant findings and follow-up thereon.
 - Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.
 - Discussions with the statutory auditors before the audit commences, about the nature and scope of the audit as well as post-audit discussions to ascertain any areas of concern.
 - To look into the reasons for substantial defaults, if any, with regard to payment to depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors.
 - Carrying out any other functions as specified in the terms of reference, as amended from time to time.
- (iii) The Audit Committee invites such of the executives, as it considers appropriate (particularly the head of the finance function), representatives of the Internal & Statutory Auditors to be present at its meetings.
- (iv) The previous Annual General Meeting of the Company was held on September 10, 2011 and was attended by Chairman of the Audit Committee.
- (v) The dates on which the Audit Committee meetings were held are as follows:
May 30, 2011, August 11, 2011, November 07, 2011 and February 14, 2012.
- (vi) The composition of the Audit Committee and the details of meetings attended by its members as given below:

Name	Category	Number of Meetings during the year 2011-12	
		Held	Attended
Shri Krishnakant V. Chitalia (Chairman)	Independent Director	4	4
Shri Mulchand S. Chheda	Independent Director	4	3
Shri Dilip M. Parekh	Managing Director	4	3

Remuneration Committee

(i) The Broad terms of reference of the Remuneration Committee are as under:

- To approve the annual remuneration plan of the Company;
- To approve the remuneration and commission / incentive remuneration payable to the Executive Director & Managing Director for each financial year;
- Such other matters as the Board may from time to time request the Remuneration Committee to examine and recommend / approve.

(ii) Remuneration Policy:

The Company pays remuneration by way of salary, benefits, perquisites and allowances (fixed component) and commission (variable component) to its Managing Director and the Executive Directors. Annual increments are decided by the Remuneration Committee within the salary scale approved by the members. The Remuneration Committee decides on the commission payable to the Managing Director and the Executive Directors out of the profits for the financial year and within the ceilings prescribed under the Companies Act, 1956, based on the performance of the Company as well as that of the Managing Director and each Executive Director.

(iii) Non-Executive Directors (NEDs) are paid sitting fees for attending the Meetings of the Board of Directors which are within the limits prescribed by the Central Government. The Company pays a sitting fee of Rs.10,000/- each NED for every Board meeting attended by such Director.

(iv) Meeting of the Remuneration Committee was held during the year on May 30, 2011.

(v) The Company does not have any Employee Stock Option Scheme.

(vi) The Composition of the Remuneration Committee and the details of meetings attended by its members are given below:

Name	Category	Number of Meetings during the year 2011-12	
		Held	Attended
Shri Krishnakant V. Chitalia (Chairman)	Independent Director	1	1
Shri Mulchand S. Chheda	Independent Director	1	1
Shri Rasiklal M. Doshi	Independent Director	1	1

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

(Rs.)

Name	Salary	Allowances & Perquisites	Contribution to PF	Total
Shri Bhaskar M. Parekh (Executive Chairman)	18,20,000	1,87,484	57,600	20,65,084
Shri Dilip M. Parekh (Managing Director)	18,20,000	1,31,692	57,600	20,09,292

Details of Remuneration paid to Independent Directors.

(Rs.)

Name	Total Sitting Fees Paid
Shri Krishnakant V. Chitalia	37,500
Shri Mulchand S. Chheda	27,500
Shri Rasiklal M. Doshi	17,500

Investors' Grievances Committee**Composition**

(i) The Board has constituted a Committee of Directors, which inter-alia also functions as "Shareholders' / Investors' Grievances Committee" consisting of three members, chaired by Independent Director.

- (II) The Committee meets once in three month and inter-alias, deals with various matters relating to:
- Transfer/Transmission of shares.
 - Dematerialization / Re-materialization of shares.
 - Issue of new and duplicate share certificates.
 - Registration of Power of Attorneys, Probate, Letters of Transmission or similar other documents.
 - To look into redressal of shareholders' and investors' complaints, like transfer of shares, non-receipt of Annual Report, non-receipt of declared dividends etc.
 - Any allied matter(s) out of, and incidental to, these functions and not herein above specifically provided for.
- (III) The Secretarial Department of the Company and the Registrar and Share Transfer Agent, M/s. Bigshare Services Pvt. Limited attend all grievances of the shareholders and investors received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs and Registrar of Companies etc.
- (iv) The Minutes of the Shareholders' / Investors' Grievances Committee Meetings are circulated to the Board and noted by the Board of Directors at the Board Meetings.
- (v) Continues efforts are made to ensure that grievances are more expeditiously redressed to the complete satisfaction of the investors. Shareholders are requested to furnish their telephone numbers and e-mail addresses to facilitate prompt action.
- (vi) Four Investors' Grievances Committee Meetings were held during the year. The dates on which the said meetings were held are as follows:
- May 30, 2011, August 10, 2011, November 07, 2011 and February 14, 2012
- (vii) The composition of the Committee of Directors and the attendance during 2011-12 is as under:

Name	Category	Number of Meetings during the year 2011-12	
		Held	Attended
Shri Bhaskar M. Parekh (Chairman)	Executive Chairman	4	4
Shri Mulchand S. Chheda	Independent Director	4	3
Shri Dilip M. Parekh	Managing Director	4	3

Name of the Compliance Officer

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

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

Investors' Service

Details of complaints regarding shares for the year 2011-2012.

Nature of Complaint	Number of complaints received	Number redressed
Non-receipt of Dividend	3	3
Non-receipt of Demat Credit	1	1
Non-receipt of share certificate after transfer	1	1
TOTAL	5	5

There were no outstanding complaints as on March 31, 2012

Management Committee

Composition

- (i) In addition to the above Committee, the Board has also constituted a Management Committee to review and guide the Company on various operational matters.
- Opening/Modification of operation and closing of bank accounts;
 - Grant of special/general Power of Attorney in favour of employees of the Company from time to time in connection with the conduct of the business of the Company particularly with Government and Quasi-Government Institutions;
 - To change the signatories for operations of Bank Accounts.

- Authorities to Employees for availing of various facility from Banks/Financial Institution;
 - To carry out any other duties that may be delegated to the Committee by the Board of Directors from time to time.
- (ii) During the year under review, five meetings of the Committee were held on April 01, 2011, May 02, 2011, July 25, 2011, August 08, 2011 & January 23, 2012.
- (iii) The Composition and attendance details are given below:

Name	Category	Number of Meetings during the year 2011-12	
		Held	Attended
Shri Bhaskar M. Parekh (Chairman)	Executive Chairman	5	5
Shri Dilip M. Parekh	Managing Director	5	5
Shri Mulchand S. Chheda	Independent Director	5	1

General Body Meetings:**Annual General Meetings (AGM).**

The Annual General Meetings of the Company during the preceding three years were held at Hotel Sandy Resorts, Daman.

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

Financial year (ended)	Name of Meetings	Date & Time	Venue
March 31, 2009	Fifteenth Annual General Meeting.	September 05, 2009 10.30 a.m.	Hotel Sandy Resorts, Daman.
March 31, 2010	Sixteenth Annual General Meeting	August 28, 2010 10.30 a.m.	Hotel Sandy Resorts, Daman.
March 31, 2011	Seventeenth Annual General Meeting	September 10, 2011 10.30 a.m.	Hotel Sandy Resorts, Daman.

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

Date of AGM	Details of Special Resolution
September 05, 2009	To appoint a relative of director at an office or place of profit u/s 314(1B)
August 28, 2010	None
September 10, 2011	None

Passing of resolution by Postal Ballot:

No Postal Ballot was conducted during the year 2011-12.

No item of business, which required the Members approval through Postal Ballot was transacted during 2011-2012. Accordingly, the Companies (Postal Ballot) Rules 2001 is not applicable to the Company during the said year.

(c) Disclosure:**Basis of related party transactions**

Your Company places all the details before the Audit Committee periodically. A comprehensive list of related party transactions, as required by the Accounting Standard (AS) 18 issued by the Institute of Chartered Accountants of India, forms part of the Notes to the Accounts in the Annual Report. However, these transactions are not likely to have any conflict with the interest of the Company at large.

Disclosure of Accounting Treatment.

Your Company has followed all relevant Accounting Standards while preparing the financial statements.

Insider Trading

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

Risk Management

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

Proceeds from public issues, right issues, preferential issues etc.

During the year under review your Company has not raised any proceeds from public issue, right issue or preferential issue.

Details of non-compliance

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

Compliance of Non-Mandatory requirements

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

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

1. Remuneration Committee

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

2. Financial Results

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

3. Whistle Blower Policy

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

Means of Communication:

- 1. Quarterly Results:** Quarterly Results of the Company are published in a national English news paper "Financial Express" and local language in "Financial Express" and are displayed on the Company's website www.primaplastics.com
- 2. Website:** The Company's website www.primaplastics.com contains a separate dedicated section "Investor Relations" where shareholders information is available. The Annual Report of the Company is also available on the website in a user-friendly and downloadable form.
- 3. Annual Report:** Annual Report containing, inter alia, Audited Annual Accounts, Consolidated Financial Statements, Directors' Report, Auditors' Report and other important information is circulated to members and other entitled thereto. The management's Discussion and Analysis (MD&A) Report forms part of the Annual Report and is displayed on the Company's website www.primaplastics.com
- 4. Chairman is Communiqué:** Printed copy of the Chairman's Speech is distributed to all the shareholders at the Annual General Meetings. The same is also sent to Stock Exchange.
- 5. Reminder to Investors:** Reminders for unclaimed shares, unpaid dividend/unpaid interest or redemption amount on debentures are sent to the shareholders/debenture holders as per records every year.
- 6. Corporate Filing and Dissemination System (CFDS):** The CFDS portal jointly owned, managed and maintained by BSE is a single source to view information filed by listed companies. All disclosures and communications to BSE are filed electronically through the CFDS portal and hard copies of the said disclosures and correspondence are also filed with the stock exchange.
- 7. SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

8. Designated Exclusive email-id: The Company has designated the following email-ids exclusively for investor servicing.

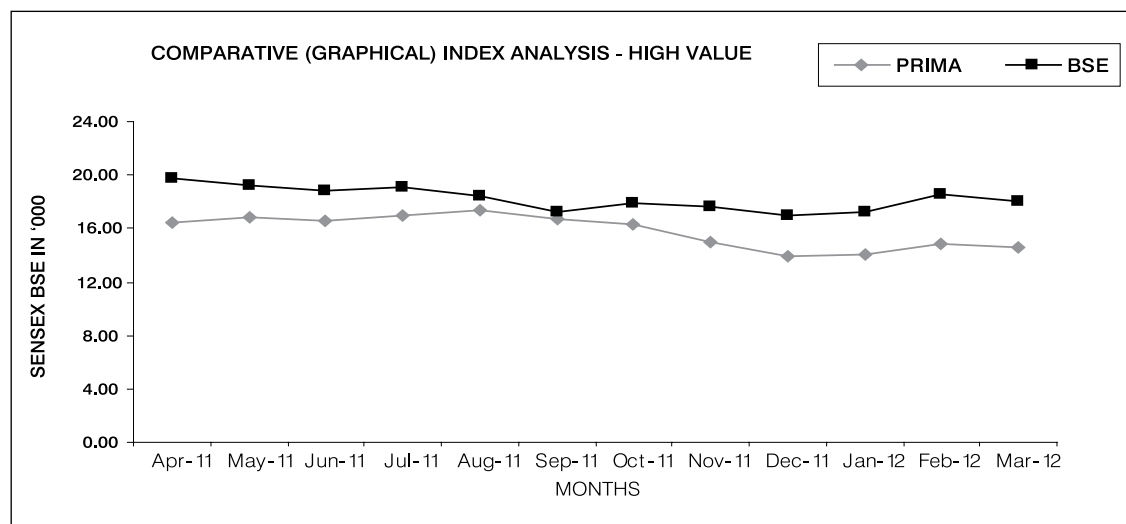
For queries on Annual Report and in respect of shares in physical mode - investor@primaplastics.com

General Shareholders' Information

1.	Date, Time & Venue of AGM	September 08, 2012 at 11.30 a.m. at Sandy Resorts, Devka Beach, Nani Daman, Daman (U.T.), Pin - 396 210.
2.	Financial Calendar:	
	Financial Year	April 01, 2012 to March 31, 2013.
	First Quarter Results	By 15 th of August 2012.
	Second Quarter Results	By 15 th of November, 2012.
	Third Quarter Results	By 15 th of February, 2013.
	Year Ended March 31, 2012	By 31 st of May, 2013
3.	Book Closure	The Register of Members will remain closed for transfer from September 03, 2012 to September 08, 2012 (inclusive of both days).
4.	Name & Address of Registrar & Transfer Agent	M/s. Bigshare Services Pvt. Ltd., E-2/3, Ansa Industrial Estate, Sakivihar Road, Sakinaka, Andheri (E), Mumbai – 400 072.
5	Dividend Payment date	Paid with in September 13, 2012.
6	Registered Office Address	98/4, Prima House, Daman Industrial Estate, Kadaiya, Nani Daman, Daman (U.T.) Pin. – 396 210.
7.	Listing	The Company's shares are listed and traded on the Stock Exchange, Mumbai
8.	Stock Code: Stock Exchange of Mumbai.	530589
9.	ISIN No.(Demat No.): NSDL & CDSL.	INE573B01016

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

Month	April-11	May-11	June-11	July-11	Aug.-11	Sept.-11	Oct.-11	Nov.-11	Dec.-11	Jan.-12	Feb.-12	Mar.-12
High	16.50	16.85	16.55	16.95	17.40	16.75	16.28	15.00	13.92	14.00	14.90	14.55
Low	12.05	13.85	13.85	14.11	13.10	12.42	12.35	12.27	11.11	11.32	11.66	11.05



Distribution of Shareholding by ownership, March 31, 2012

Category			No. of Shares Held	% of Shareholding
A		Promoter's holding		
	a)	Indian Promoters	5,167,030	46.97
	b)	Persons acting in concert.	1,307,113	11.88
		Sub-Total	6,474,143	58.85
B	(i)	Non-Promoters Holding		
	a)	Mutual Funds and UTI	800	0.01
	b)	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-Government Inst.)		
		Sub-Total	800	0.01
	(ii)	Others		
	a)	Private Corporate Bodies	348,156	3.16
	b)	Indian Public	3,775,308	34.32
	c)	NRIs./OCBs.	402,063	3.66
		Sub-Total	4,525,527	41.14
		Grand Total	11,000,470	100.00

Distribution of Shareholding by size, March 31, 2012

Number of Shares		Number of Shareholders	Shareholders %	Number of Shares held	Shareholding %
1	500	4,540	85.26	742,516	6.75
501	1000	384	7.21	332,408	3.02
1001	2000	169	3.17	256,822	2.33
2001	3000	90	1.69	230,167	2.09
3001	4000	28	0.53	100,622	0.91
4001	5000	23	0.43	108,493	0.99
5001	10000	44	0.83	312,075	2.85
10001 and above		47	0.88	8,917,367	81.06
TOTAL		5,325	100.00	11,000,470	100.00

As on March 31, 2012, Shares held in physical and dematerialised form.

Physical	633,535	5.76%
Dematerialised	10,366,935	94.24%
Total	11,000,470	100.00%

Plant Locations:

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

Address for Correspondence:

1. Investors can communicate at the following address:

Mr. Jayant B. Bhatt – Compliance Officer,
M/s. Prima Plastics Limited, 41, National House, Saki Vihar Road, Andheri (E), Mumbai – 400 072.
Tel. No.+ 91 22 - 2857 4768 / 2857 4769 * Fax No. + 91 22 - 2857 2859 * E-mail: investor@primaplastics.com

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

Unit : Prima Plastics Limited,
E-2/3, Ansa Industrial Estate, Saki Vihar Road, Sakinaka, Andheri (East), Mumbai – 400 072.
Tel. No.+ 91 22 4043 0200 * Fax No.+ 91 22 - 2847 5207 * E-mail:investor@bigshareonline.com
Website: www.bigshareonline.com

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

Share Transfer System:

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

CEO/CFO Certification:

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

For and on behalf of the Board

Mumbai,
May 28, 2012

Bhaskar M Parekh
Chairman

CERTIFICATION BY CEO UNDER CLAUSE 49 V OF THE LISTING AGREEMENT

The Board of Directors of Prima Plastics Ltd.

I have reviewed the financial statements and the cash flow statement of Prima Plastics Ltd. for the year ended 31st March, 2012 and to the best of my knowledge and belief:

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

For Prima Plastics Ltd.

Mumbai
May 28, 2012

Dilip M. Parekh
Managing Director

Certificate on Corporate Governance

To the Shareholders of Prima Plastics Limited

1. We have examined the compliance of conditions of corporate governance by Prima Plastics Limited, for the year ended on March 31, 2012 as stipulated in clause 49 of the Listing Agreement of the said Company with Stock Exchange in India.
2. The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
4. We state that such compliance is neither an assurance as to the future viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For G.P. Kapadia & Co.
Chartered Accountants

Mumbai
May 28, 2012

Kirit N. Mehta
Partner
M No.15759

AUDITORS' REPORT

To,

**The Members of
Prima Plastics Limited**

We have audited the attached Balance Sheet of PRIMA PLASTICS LIMITED ("the Company") as at March 31, 2012, the Profit and Loss Account and the Cash Flow Statement of the Company for the year ended on that date, both annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

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

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

- i. we have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
- ii. in our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- iii. the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
- iv. in our opinion, the Balance Sheet, the Profit and Loss Account and the Cash Flow Statement dealt with by this report are in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956.
- v. in our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2012;
 - (b) in the case of the Profit and Loss Account, of the profit of the Company for the year ended on that date;
 - (c) in the case of the Cash Flow Statement, of the cash flows of the Company for the year ended on that date.
- vi. On the basis of the written representations received from the Directors as on March 31, 2012 taken on record by the Board of Directors, we report that none of the Directors is disqualified as on March 31, 2012 from being appointed as a director in terms of Section 274(1)(g) of the Companies Act, 1956.

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

Mumbai
May 28, 2012

Kirit N. Mehta
Partner
M. No.15759

ANNEXURE TO THE AUDITOR'S REPORT

Referred to in paragraph 3 of our Report of even date on the accounts of Prima Plastics Limited for the year ended March 31, 2012:

1. In respect of its fixed assets:
 - (a) The Company has generally maintained proper records showing full particulars, including quantitative details and situation of its fixed assets.
 - (b) As explained to us, some of the fixed assets have been physically verified by the Management at reasonable intervals having regard to size of Company and nature of its assets and no material discrepancies have been noticed during such verification.
 - (c) In our opinion the disposal of fixed assets during the year does not affect the going concern assumption.
2. In respect of its inventories:
 - (a) As explained to us, inventories were physically verified during the year by the Management at reasonable intervals.
 - (b) In our opinion and according to the information and explanations given to us, the procedures followed for physical verification of inventories, by the management, are reasonable and adequate, in relation to the size of the Company and the nature of its business.
 - (c) In our opinion and according to the information and explanations given to us, the Company has maintained proper records of its inventories. As explained to us, there is no material discrepancies noticed on physical verification of inventory, as compared to book records.
3. In respect of loans, secured or unsecured, granted or taken by the Company to / from Companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956.
 - (a) The Company has granted loan to Prima FZE, UAE Company covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.13,46,569/- and the year-end balance of loans granted to such parties was Rs.13,46,569/-.
 - (b) The Company has granted loan to Prima Deelite Plastics Pvt. Ltd., A Joint Venture Company set up in Cameroon with local partner is covered in the register maintained under section 301 of the Companies Act, 1956. The maximum amount involved during the year was Rs.2,01,45,000/- and the year-end balance of loans granted to such parties was Rs.2,01,45,000/-.
 - (c) In our opinion, the rate of interest and other terms and conditions of such loans are not, prima facie, prejudicial to the interest of the Company.
 - (d) The party have repaid the principal amounts as stipulated and have also been regular in the payment of interest to the Company.
 - (e) There is no overdue amount in excess of Rs. 1 lakh in respect of loans granted to Company, listed in the register maintained under section 301 of the Companies Act, 1956.
 - (f) The Company had not taken loan from parties covered in the register maintained under section 301 of the Companies Act, 1956.

Accordingly clauses (iii) (f) to (iii) (g) of CARO are not applicable.
4. In our opinion and according to the information given to us, there are adequate internal control procedures, commensurate to the size of the Company and nature of its business, for the purchase of inventory and fixed assets and for sale of goods. During the course of our audit, no major weakness has been noticed in the internal controls.
5. (a) According to the information and explanations given to us, the transactions that needs to be entered in the register maintained under Section 301 of the Companies Act, 1956, have been so entered.
 - (b) According to the information and explanations given to us, the transactions entered in the register maintained under Section 301 are at market prices for such goods and materials or the prices at which transactions for similar goods have been made with other parties.
6. The Company has not accepted any deposit from the public to which the provisions of sections 58A and 58AA of Companies Act, 1956 and the Companies (Acceptance of Deposit) Rules, 1975 apply.
7. The Company needs to strengthen Internal Audit system commensurate to the size of the Company and nature of the business.
8. According to the information & explanation given to us, and based on primary verification of records the Company has maintained

cost records under Section 209 (1) (d) of the Companies Act, 1956, however we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.

9. According to the information and explanations given to us in respect of statutory dues
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income-Tax, Sales-Tax, Value Added Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other material statutory dues applicable to it with the appropriate authorities.
 - (b) There was no undisputed amounts payable in respect of Income-tax, Wealth Tax, Custom Duty, Excise Duty, Cess and other material statutory dues in arrears as at March 31, 2012 for a period of more than six months from the date they became payable.
10. In our opinion and according to the information and explanations given to us, the Company does not have any accumulated losses at the end of the financial year and has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
11. In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to financial institutions, banks.
12. In our opinion and according to the information and explanations given to us and based on our examination of records, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion, the Company is not a chit fund or a nidhi / mutual benefit fund/society. Therefore, the provisions of clause 4 (xiii) of the Companies (Auditors Report) Order, 2003 are not applicable to the Company.
14. In our opinion and according to the information and explanations given to us, the Company has maintained proper records of transactions and contracts for dealing or trading in shares, securities, debentures and other investments and timely entries have been made therein. The shares, securities, debentures and other securities have been held by the Company in its own name.
15. In our opinion and according to the information and explanations given to us and based on our examination of records, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. In our opinion and according to the information and explanations given to us, the Company did not have any term loan outstanding during the year.
17. In our opinion and according to the information and explanations given to us and based on our examination of records, we report that no funds raised on short-term basis have been used for long term investments.
18. In our opinion and according to the information and explanations given to us, the Company has not made any preferential allotment of shares to parties and Companies covered in the register maintained under Section 301 of the Act.
19. In our opinion and according to the information and explanations given to us, the Company has not issued debenture during the year.
20. In our opinion and according to the information and explanations given to us, the Company has not raised any money by public issue during the year.
21. During the course of our examination of the books and records of the company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanation given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year nor have we been informed of such case by the management.

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

Kirit N. Mehta
Partner
M. No.15759

Mumbai
May 28, 2012

BALANCE SHEET AS AT 31 MARCH, 2012

	Notes	As At 31-03-2012 Rs.	As At 31-03-2011 Rs.
I EQUITY AND LIABILITIES:			
1 Shareholders' Fund			
(a) Share Capital	3	110,004,700	110,004,700
(b) Reserves and Surplus	4	282,459,188	273,351,277
		<u>392,463,888</u>	<u>383,355,977</u>
2 Non-Current Liabilities			
(a) Long Term Borrowings	5	-	28,187,306
		<u>-</u>	<u>28,187,306</u>
3 Current Liabilities			
(a) Short Term Borrowings	6	73,002,984	16,587,970
(b) Trade Payables	7	23,841,270	39,418,140
(c) Other Current Liabilities	8	45,573,566	10,803,527
(d) Short Term Provisions	9	26,359,268	26,450,224
		<u>168,777,088</u>	<u>93,259,861</u>
Total		<u>561,240,976</u>	<u>504,803,144</u>
II ASSETS			
1 Non Current Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	127,721,034	132,632,984
(ii) Capital Work-in-Progress		1,371,211	1,649,462
(b) Non Current Investments	11	22,612,668	22,563,384
(c) Long Term Loans and Advances	12	35,253,482	15,169,182
		<u>186,958,395</u>	<u>172,015,012</u>
2 Current Assets			
(a) Current Investments			-
(b) Inventories	13	141,995,423	136,488,953
(c) Trade Receivables	14	148,887,390	121,727,304
(d) Cash and Bank Balances	15	20,869,058	20,988,411
(e) Short Term Loans and Advances	16	38,684,750	34,465,745
(f) Other Current Assets	17	23,845,960	19,117,719
		<u>374,282,581</u>	<u>332,788,132</u>
Total		<u>561,240,976</u>	<u>504,803,144</u>

See Accompanying Notes Forming Part of the Financial Statements

As per our Report of even date attached

For and on behalf of the Board

For G. P. Kapadia & Co.
Chartered Accountants

Bhaskar M. Parekh
Chairman

Kirit N. Mehta
Partner
Membership No.15759
Mumbai,
May 28, 2012

Dilip M. Parekh
Managing Director

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31 MARCH, 2012

	Notes	For the year ended 31-03-2012 Rs.	For the year ended 31-03-2011 Rs.
I INCOME			
Revenue From Operations (net)	18	601,356,117	588,624,945
II Other Income	19	9,646,147	16,737,027
III Total Revenue		611,002,264	605,361,972
IV EXPENDITURE			
- Cost of Raw Material and Components Consumed	20	391,112,706	370,074,586
- Purchase of Stock-in-Trade		19,166,317	18,872,001
- Change in Inventories of Finished Goods and Work in Progress	21	(11,280,460)	15,617,068
- Employee Benefits Expenses	22	32,857,620	29,991,244
- Finance Costs	23	9,370,321	6,925,237
- Depreciation and Amortization Expense	24	15,091,164	15,852,833
- Other Expenses	25	127,107,544	114,963,844
		583,425,212	572,296,813
V Profit Before Exceptional and Extraordinary Items and Tax (III - IV)		27,577,052	33,065,159
VI Exceptional Items		Nil	Nil
VII Profit Before Extraordinary Items and Tax (V - VI)		27,577,052	33,065,159
VIII Extraordinary Items		Nil	Nil
IX Profit Before Tax (VII - VIII)		27,577,052	33,065,159
X Tax Expenses			
- Current Tax		5,684,071	6,788,530
XI Profit from the period from Continuing Operation (IX - X)		21,892,981	26,276,629
XII Profit from Discontinuing Operations		Nil	Nil
XIII Tax Expense of Discounting Operations		Nil	Nil
XIV Profit from Discontinuing Operations (XII - XIII)		Nil	Nil
XV Profit/(Loss) for the period (XI + XIV)		21,892,981	26,276,629
XVI Earning Per Equity Share (equity share of Rs.10/- each)			
Basic		1.99	2.39
Diluted		1.99	2.39
See Accompanying Notes Forming Part of the Financial Statements			

As per our Report of even date attached

For and on behalf of the Board

For G. P. Kapadia & Co.
Chartered Accountants

Bhaskar M. Parekh
Chairman

Kirit N. Mehta
Partner
Membership No.15759
Mumbai,
May 28, 2012

Dilip M. Parekh
Managing Director

CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2012

	For the year ended 31-03- 2012 Rs.	For the year ended 31-03- 2011 Rs.
A Cash Flow from Operating Activities		
Net Profit before Extraordinary Items and Tax	27,577,052	33,065,159
Adjustments:		
Depreciation	15,091,164	15,852,833
Interest	7,341,223	4,652,489
(Profit) / Loss on Sales of Assets	(1,224,264)	183,274
(Profit) / Loss on Sales of Investments	NIL	(1,829,146)
Dividend	(44,802)	(10,004,119)
Interest Income	(8,123,362)	(5,054,461)
Other Income	(253,719)	(32,575)
Operating Profit before Working Capital Changes	40,363,292	36,833,454
Changes in Working capital		
Adjustments for (Increase)/Decrease in Operating Assets:		
Trade Receivables	(27,160,086)	2,928,735
Inventories	(5,506,470)	16,672,560
Short Term Loan and Advances	(4,219,005)	(12,479,734)
Long Term Loan and Advances	(20,084,300)	(4,486,525)
Other Current Assets	(4,728,241)	(2,674,323)
Adjustments for (Increase) / Decrease in Operating Liabilities		
Trade Payable	(15,576,870)	(25,020,452)
Other Current Liabilities	34,770,039	(36,414)
Short Term Provision	(90,956)	(796,559)
Cash Generated from Operations	(2,232,597)	12,533,860
Income Tax Paid	(5,684,071)	(6,788,530)
Net Cash Inflow / (Outflow) from Operating Activities (A)	(7,916,668)	5,745,330
B Cash Flow from Investment Activities		
Purchase of Fixed Assets	(10,584,391)	(20,499,261)
Sale of Fixed Assets	1,629,441	673,530
Capital Work-in-progress	278,251	1,611,530
Sale of Investments	NIL	659,243
Purchase of Investments	(49,284)	NIL
Interest, Dividend and Other Income	8,421,883	16,920,301
Net Cash Inflow (Outflow) from Investment Activities (B)	(304,100)	(634,657)
C Cash Flow from Financing Activities		
Proceeds from Long Term Borrowings	28,187,306	26,498,797
Proceeds from Short Term Borrowings	47,052,565	(9,839,921)
Net Increase / (Decrease) in Working Capital Borrowings	9,362,449	1,713,390
Interest Paid	(7,341,223)	(4,652,489)
Dividend	(11,000,470)	(11,000,470)
Tax on Dividend	(1,784,600)	(1,827,000)
Net Cash Inflow/(Outflow) from Financing Activities (C)	8,101,415	892,307
Net Increase / (Decrease) in Cash and Cash Equivalents (A+B+C)	(119,353)	6,002,980
Cash and Cash Equivalents as at March 31, 2012	20,869,058	20,988,411
Cash and Cash Equivalents as at March 31, 2011	20,988,411	14,985,431

Notes :

- a) Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard - 3 notified under the Companies (Accounting Standard) Rules, 2006.
- b) Cash and Cash equivalents represent cash and bank balances.

As per our Report of even date attached

For and on behalf of the Board

For G. P. Kapadia & Co.
Chartered Accountants

Bhaskar M. Parekh
Chairman

Kirit N. Mehta
Partner
Membership No.15759
Mumbai,
May 28, 2012

Dilip M. Parekh
Managing Director

NOTE TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2012**NOTE NO.1****COMPANY INFORMATION**

PRIMA PLASTICS LIMITED ("the Company") is a public Company, resident in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in the business of manufacturing of Plastic Moulded Articles and Aluminum Composite Panel.

NOTE NO. 2**SIGNIFICANT ACCOUNTING POLICIES:****1) Accounting Convention:**

The accounts have been prepared in accordance with the historical cost convention (except for specifically excluded treatment of accounts referred to in B 16(a) under accrual basis of accounting as per Indian GAAP. Accounts and disclosures thereon comply with the Accounting Standards specified in Companies (Accounting Standard) Rules, other pronouncements of ICAI, provisions of the Companies Act, 1956 and guidelines issued by SEBI as applicable.

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

2) Revenue Recognition:

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

3) Fixed Assets:

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

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

The cost of fixed assets not ready for their intended used before such days are disclosed under Capital Work-in-Progress.

Advances paid towards the acquisition of Fixed Assets outstanding at each Balance Sheet date are disclosed under Long-Term Loans and Advances.

4) Impairment of Assets:

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

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

5) Expenditure during Construction and Expenditure on New Projects:

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

6) Depreciation:

- i) Depreciation is provided on Straight Line method at the rates specified in Schedule XIV of the Companies Act, 1956.
- ii) Premium on leasehold land and improvement to leasehold premises are being written off over the period of lease.

7) Investments:

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

Investment in Subsidiaries and Joint Ventures are held for long term and valued at cost reduced by diminution of permanent nature therein, if any.

No profit or losses of subsidiaries are accounted for.

8) Inventories:

Items of inventories are measured at lower of cost and net realizable value after providing for obsolescence, if any. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads incurred in bringing them to their respective present location and condition. Cost of raw materials, stores and spares, packing materials, trading and other products are determined on First In First Out basis (FIFO).

Scraps are valued at net realizable value.

9) Provisions, Contingent Liabilities and Contingent Assets:

Provisions involving substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statements.

10) Taxes on Income:

I. Current Tax Provision

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

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

II. Deferred Tax Provision

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

11) Foreign Currency Transactions:

- a) Transactions in foreign currencies are recognized at rate of overseas currency ruling on the date of transactions. Gain / Loss arising on account of rise or fall in overseas currencies vis-à-vis reporting currency between the date of transaction and that of payment is charged to Profit & Loss Account.
- b) Receivables / payables (excluding for fixed assets) in foreign currencies are translated at the exchange rate ruling at the year end date and the resultant gain or loss, is accounted for in the Profit & Loss Account.
- c) Increase / decrease in foreign currency loan on account of exchange fluctuation are debited / credited to Profit and Loss Account.
- d) Impact of exchange fluctuation is separately disclosed in notes to accounts.

12) Employee Benefits:

Defined Contribution Plan

Contribution to provident fund and ESIC is accounted on accrual basis.

Defined Benefit Plan:

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

NOTE TO FINANCIAL STATEMENT FOR THE YEAR ENDED

	31-3-2012	31-3-2011
3. SHARE CAPITAL		
Authorised Share Capital		
1,20,00,000 (P.Y. 1,20,00,000) Equity Shares of Rs. 10/- each	120,000,000	120,000,000
Issued, Subscribed, Fully Paid up Shares		
1,10,00,470 (P.Y.1,10,00,470) Equity Shares of Rs.10/- each	110,004,700	110,004,700
	<u>110,004,700</u>	<u>110,004,700</u>

A. Reconciliation of the number of Share and amount outstanding at the beginning and at the end of the reporting period.

Equity Shares	31.03.2012		31.03.2011	
	No's	Amount	No's	Amount
At the beginning of the period	11,000,470	110,004,700	11,000,470	110,004,700
Add/(Less): Issued / (reduction) during the year	Nil	Nil	Nil	Nil
Outstanding at the year end of the period	11,000,470	110,004,700	11,000,470	110,004,700

B. Terms/rights attached to Equity Shares:

The Company has issued only one class of Equity Shares having a par value of Rs. 10/- per share. Each holder of Equity Shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2012, the amount of per share dividend recognized as distributions to equity shareholders was Rs. 1/- per share of face value of Rs. 10/- each (31 March 2011 Rs.1/- per share of face value of Rs. 10/- each).

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, in proportion to their shareholding.

C. Details of Shareholders Holding more than 5% Shares in the Company:

Sr. No	Name of share holder	31.03.2012		31.03.2011	
		No. of Shares	% holding	No. of Shares	% holding
1	Bhaskar M. Parekh	2,551,610	23.20%	2,551,610	23.20%
2	Dilip M. Parekh	2,615,420	23.78%	2,615,420	23.78%
3	Dipak Kanayalal Shah	610,000	5.55%	570,000	5.18%

D. Share reserved for issue under options and contracts / commitments:

The Company has not made any contacts / commitments to issue shares under option (P.Y. Nil).

4. RESERVES AND SURPLUAS**a) Securities Premium Account**

Balance as per last Financial Statements	13,080,000	13,080,000
Add/(Less) Adjustments during the year	NIL	NIL
Closing Balance	<u>13,080,000</u>	<u>13,080,000</u>

b) General Reserve

Balance as per last Financial Statements	80,656,286	75,656,286
Add : Amount transferred from Surplus in Statement of Profit and Loss	5,000,000	5,000,000
Closing Balance	<u>85,656,286</u>	<u>80,656,286</u>

c) Surplus in Statement of Profit and Loss :

Balance as per last Financial Statements	179,614,991	171,165,832
Add : Profit for the year	21,892,981	26,276,629

NOTE TO FINANCIAL STATEMENT FOR THE YEAR ENDED

	31-3-2012	31-3-2011
Less : Appropriations		
a) Transfer to General Reserve	5,000,000	5,000,000
b) Proposed Final Dividend (Dividend per share Rs.1/-)	11,000,470	11,000,470
c) Tax on Proposed Equity Dividend	1,784,600	18,27,000
Net surplus in the Statement of Profit and Loss	183,722,902	179,614,991
TOTAL (a+b+c)	282,459,188	273,351,277
5. LONG TERM BORROWINGS		
Secured		
Loan against Key man Policy (Life Insurance Corporation)	NIL	27,609,500
Car Loan (ICICI Bank)	NIL	577,806
TOTAL	NIL	28,187,306
6. SHORT TERM BORROWINGS		
Secured		
Working Capital Loan from Bank	51,682,857	4,630,292
Unsecured		
Working Capital Loan (Bill discounting)	21,320,127	11,957,678
TOTAL	73,002,984	16,587,970
6.1 (a) working capital loans 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.		
6.1 (b) the working capital is repayable on demand and carries interest @11.50% to 13.50% p.a.		
6.2 (c) working capital loan (Bill discounting) are guaranteed by personal guarantee of promoter directors		
6.2 (d) the working capital (Bill discounting) is repayable in 90 days and carries interest @11.50% to 13.50% p.a.		
7. CURRENT LIABILITIES		
Trade Payable		
- Micro, Small and Medium Enterprises	NIL	NIL
- Others	23,841,270	39,418,140
TOTAL	23,841,270	39,418,140
7.1 In absence of any intimation received from vendors the status of their registration under "The Micro, Small and Medium Enterprises Development Act, 2006", the Company is unable to comply with the disclosures required to be made under said Act. There are no amount is payable to any Small Scale Industrial undertaking.		
8. OTHER CURRENT LIABILITIES		
Current maturities of Long Term Debts (Vehicle Loans)	577,806	1,110,703
Current maturities of Long Term Debts (Loan against LIC Policy)	27,609,500	NIL
Interest accrued but not due on Borrowings	615,456	324,835
Interest accrued on Trade Payable	319,309	129,653
Unclaimed Dividend	661,737	343,007
Statuary Remittances (Contribution to PF and ESIC, VAT, Service Tax etc.)	4,787,874	2,447,906
Advances from Customers	3,035,186	3,889,538
Other Payables	7,966,698	2,557,885
TOTAL	45,573,566	10,803,527
8.1 Car loans (two loans) aggregating to Rs. 577, 806/-(previous year Rs.1,110,703/-) are secured against the respective vehicles and at the rate of interest @ 8.58% p.a. The Loans are repayable in equal monthly installments of Rs.50,208/- & Rs.50,848/-. Last installments of both the loans are due on Sept-12		

NOTE TO FINANCIAL STATEMENT FOR THE YEAR ENDED
31-3-2012
31-3-2011

8.2 Loan against key man policy from LIC is secured against maturity value and at rate of interest @ 9% p.a. The loan has no repayment terms but will be adjusted from maturity value. The policy is due for maturity on March 2013.

8.3 Unclaimed Dividend do not include any amount, due and outstanding, to be credited to investor Education and protection fund.

9. SHORT TERM PROVISIONS

Provision for Bonus/Leave Salary and Gratuity	2,219,295	2,465,100
Provision for Current Income Tax	5,543,400	6,788,000
Provision for Proposed Dividend	11,000,470	11,000,470
Provision for Tax on Dividend	1,784,600	1,827,000
Other Provision	5,811,503	4,369,654
TOTAL	26,359,268	26,450,224

9.1 The Company had recognized other provision based on substantial degree of estimation for excise duty payable on clearance of goods lying in stock.

10. Fixed Assets									(Rs.)
GROSS BLOCK	Freehold Land	Leasehold Land	Buildings	Plant & Machineries	Furniture & Fixture	Equipments	Vehicles	Total	Previous Year
As on 01-April-11	10,613,540	1,041,581	66,978,899	298,099,686	8,042,943	5,546,664	6,771,841	397,095,154	378,022,076
Additions during the year				9,811,817	43,624	314,473	414,477	10,584,391	20,499,261
Deletions during the year				(6,202,642)		(83,081)		(6,285,723)	(1,426,183)
As on March 31, 2012	10,613,540	1,041,581	66,978,899	301,708,861	8,086,567	5,778,056	7,186,318	401,393,822	397,095,154
DEPRECIATION									
Up to 01-April-11		53,625	23,306,782	229,804,155	5,963,281	3,999,988	1,334,339	264,462,170	249,178,816
For the year		10,725	2,148,574	11,532,350	435,390	314,980	649,145	15,091,164	15,852,833
Adjustment during the year				(5,862,827)		(17,719)		(5,880,546)	(569,379)
Up to March 31, 2012		64,350	25,455,356	235,473,678	6,398,671	4,297,249	1,983,484	273,672,788	264,462,170
Net Block									
As at March 31, 2012	10,613,540	977,231	41,523,543	66,235,183	1,687,896	1,480,807	5,202,834	127,721,034	132,632,984
As at March 31, 2011	10,613,540	987,956	43,672,117	68,295,531	2,079,662	1,546,676	5,437,502	132,632,984	128,843,360

11. NON CURRENT INVESTMENTS
TRADE INVESTMENTS (valued at cost, unless stated otherwise)
Unquoted

11.1 Equity shares of Subsidiary Company fully paid-up

Prima Global FZE

1 Equity shares of AED 100,000/- each amounting to UAE AED 100,000/- (Rs.1,244,324/-) **1,244,324** 1,244,324

11.2 Equity Share of Joint Venture Company fully paid up

Prima Dee-Lite Plastics Pvt. Ltd.

11500 Equity shares of FCFA 10,000/- each amounting to Cameroon FCFA 115,000,000/- (Rs.10,207,570/-) **10,207,570** 10,207,570

Total
11,451,894
11,451,894
OTHR INVESTMENTS

Investment in Equity Share (Quoted)

	Qty.		
Nilkamal Ltd. (F.V.Rs.10/- per share)	2,786	839,593	790,309
Provogue India Ltd. (F.V.Rs.1/- per share)	37,105	5,605,341	7,892,623
Reliance Power Ltd. (FV Rs. 10/- Per Share)	139	39,150	39,150
S B & T International (FV Rs. 10/- Per Share)	370	22,509	22,509
Wear logy Ltd. (FV Rs. 10/- Per Share)	10,070	2,366,899	2,366,899
Total		8,873,492	11,111,490

NOTE TO FINANCIAL STATEMENT FOR THE YEAR ENDED

		31-3-2012	31-3-2011
Investment in Equity Share (Un-Quoted)			
Prozone Capital Shopping Centers Ltd. (Rs. 2/- per share)	37,105	<u>2,287,282</u>	<u>NIL</u>
		<u>2,287,282</u>	<u>NIL</u>
TOTAL		<u>22,612,668</u>	<u>22,563,384</u>
- Aggregate amount of quoted Investments		8,873,492	11,111,490
- Market Value of quoted Investments		2,905,354	5,090,548
- Aggregate amount of Un-quoted Investments		13,739,176	11,451,894
12. LONG TERM LOANS AND ADVANCES			
(Unsecured and Considered Good)			
Security Deposits with Related Parties		3,000,000	3,000,000
Others Security Deposits		3,322,968	2,992,256
Loans and Advances to Employees		2,484,634	1,075,082
Advances Income Tax (Net)		4,954,311	6,984,677
Loans and Advances to Joint Venture		20,145,000	NIL
Loans and Advances to Subsidiaries		<u>1,346,569</u>	<u>1,117,167</u>
TOTAL		<u>35,253,482</u>	<u>15,169,182</u>
12.1 Security deposits with related parties is interest free and given against occupation of office premises on rent.			
12.2 Loan to employees is interest free as per Company policy.			
12.3 Loan to Joint Venture is given on interest @8% p.a. and repayable in a period of 3 to 5 years.			
12.4 Loan to Subsidiaries are interest free and repayable in a period of 3 to 5 years.			
13. INVENTORIES			
Raw Materials		46,863,989	65,064,107
Raw Materials in Transit		14,013,869	1,617,937
Finished Goods		78,448,994	67,168,534
Store and Packing Material		<u>2,668,571</u>	<u>2,638,375</u>
TOTAL		<u>141,995,423</u>	<u>136,488,953</u>
13.1 Inventories are measured at lower of cost and net realizable value			
14. TRADE RECEIVABLE			
Trade Receivable outstanding for more than six month			
Unsecured, Considered Good		39,626,548	45,550,938
Doubtful Debts		<u>1,365,555</u>	<u>5,403,575</u>
		40,992,103	50,954,513
Less : Provision for Doubtful Debts		<u>1,365,555</u>	<u>5,403,575</u>
		39,626,548	45,550,938
Other Trade Receivable			
Unsecured, Considered Good		109,260,842	76,176,366
TOTAL		<u>148,887,390</u>	<u>121,727,304</u>
14.1 Trade receivables are due in respect of goods sold in the normal course of business and the normal credit period allowed by the Company is taken in to consideration for computing due dates.			

NOTE TO FINANCIAL STATEMENT FOR THE YEAR ENDED

	31-3-2012	31-3-2011
15. CASH AND CASH EQUIVALENTS		
Cash on Hand	421,267	285,606
- Balance with bank		
(i) Current Account	8,945,251	7,318,753
(ii) EEFC Account	623,079	3,118
- Other Bank Balance		
(i) Deposit Account / Margin Money	10,217,724	13,037,927
(ii) In earmarked accounts - Unclaimed Dividend	661,737	343,007
TOTAL	20,869,058	20,988,411
16. SHORT TERM LOANS AND ADVANCES		
Balance with govt. authorities		
- Cenvat Credit receivable	2,229,386	4,124,540
Inter Corporate Deposits		
- Unsecured, Considered Good	30,000,000	25,000,000
Loans and Advances to Employees (Refer Note No.12.2)	1,538,400	2,095,151
Other Advances	4,916,964	3,246,054
TOTAL	38,684,750	34,465,745
17. OTHER CURRENT ASSETS		
Pre-paid Expenses	1,118,720	1,829,962
Advance to Creditors	20,488,243	14,405,456
Claim and others	2,238,997	2,882,301
TOTAL	23,845,960	19,117,719
18. REVENUE FROM OPERATIONS		
Sales (Net)		
- Export Sales	107,005,308	87,045,961
- Local Sales	494,350,809	501,578,984
TOTAL	601,356,117	588,624,945
19. OTHER INCOME		
Interest Income		
- from Bank	805,906	678,234
- from Inter Corporate Deposit	6,283,231	2,770,833
- from Loans and Advances to Joint Venture	620,356	1,600,436
- Others	413,869	4,958
	8,123,362	5,054,461
Dividend Income		
- from Joint Venture	NIL	9,928,914
- from Others	44,802	75,205
	44,802	10,004,119
OTHER NON-OPERATING INCOME		
Profit on Sale of Fixed Assets	1,224,264	(183,274)
Profit on Sale of Long Term Investment	NIL	1,829,146
Miscellaneous Income	253,719	32,575
TOTAL	1,477,983	1,678,447
	9,646,147	16,737,027

NOTE TO FINANCIAL STATEMENT FOR THE YEAR ENDED

	31-3-2012	31-3-2011
20. COST OF MATERIAL CONSUMED		
Raw Material Consumed		
Opening Stock	66,682,044	677,77,365
Add : Purchases	385,308,520	368,979,265
	451,990,564	436,756,630
Less : Closing Stock	60,877,858	66,682,044
TOTAL	391,112,706	370,074,586
21. CHANGE IN INVENTORIES OF FINISHED GOODS		
Inventories at the Beginning of the Year		
Finished Goods	67,168,534	82,785,602
Inventories at the End of the Year		
Finished Goods	78,448,994	67,168,534
TOTAL	(11,280,460)	15,617,068
22. EMPLOYEE BENEFITS EXPENSES		
Salary, Wages and Bonus	27,127,211	24,516,120
Leave Salary	1,825,564	1,687,576
Contribute to Provident Fund	1,834,481	1,690,616
Gratuity Expenses	676,407	831,503
Staff Welfare	1,393,957	1,265,429
TOTAL	32,857,620	29,991,244
23. FINANCE COST		
Interest Expenses		
- on Borrowings	7,166,223	4,652,489
- Interest on Income Tax	175,000	NIL
- Others Borrowings Cost	2,029,098	2,272,748
TOTAL	9,370,321	6,925,237
24. DEPRECIATION EXPENSES		
Depreciation	15,091,164	15,852,833
TOTAL	15,091,164	15,852,833
25. OTHER EXPENSES		
Manufacturing Expenses		
Labour Charges	5,606,735	5,962,593
Store, Spare and Packing Expenses	7,602,152	7,185,271
Power and Fuel	19,874,369	17,185,361
Repairing to Building	302,341	977,011
Repairing to Machinery	2,960,675	3,203,970
Insurance	784,058	744,123
Excise Duty on Finished Goods	5,026,460	3,825,512
Freight Inward	5,696,433	5,861,004
Factory Expenses	1,054,132	595,438
Other Expenses	2,596,594	2,341,283
	51,503,949	47,881,566

NOTE TO FINANCIAL STATEMENT FOR THE YEAR ENDED

	31-3-2012	31-3-2011
Selling and Distribution Expenses		
Business Promotion	440,448	606,092
Brokerage and Commission	280,857	588,260
Freight, Forwarding and other	21,115,278	20,234,152
Sales Discount and others	25,099,474	20,239,805
	46,936,057	41,668,309
Establishment Expenses		
Profession Fees	1,335,314	1,666,739
Rent	5,167,456	4,233,250
Insurance	644,646	582,180
Travelling Expenses	2,765,811	2,610,492
Telephone Expenses	1,261,979	1,413,465
Octroi	878,439	1,917,447
General Expenses	4,444,293	4,406,663
Director Salary	3,640,000	3,535,000
Printing and Stationery	1,182,772	745,891
Repairs to Others	421,135	421,474
Payment to Auditors		
- Audit Fees	145,000	140,000
- Tax Audit	45,000	40,000
- Others Services	25,515	27,500
Exchange (Gain) / Loss	3,158,237	(92,657)
Postage and Telegram	599,395	491,409
Bad Trade and other receivable W/off	485,000	NIL
Provision for Doubtful Trade	NIL	1,131,534
Director's Sitting Fees	82,500	67,500
Conveyance Expenses	857,192	616,990
Share Transfer Expenses	99,074	81,284
Vehicle Expenses	1,428,780	1,377,808
	28,667,538	25,413,969
TOTAL	127,107,544	114,963,844

NOTE NO. 26**NOTES TO ACCOUNTS****1. Contingent Liabilities not provided for:**

Rs.

		31.3.2012	31.3.2011
a)	Guarantees given by the Company's Bankers	2,596,205	2,996,305
b)	Letter of Credit opened by Bankers and outstanding at the year end.	27,696,265	8,428,177

- Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance payment) Rs.3, 522,400/- (previous year of Rs.5, 512,084/-)
- In the opinion of the management, the Current Assets, Loans and Advances are expected to realize at least amount at which they are stated, if realized in the ordinary course of business and provision of all known liabilities have been adequately made in accounts.
- In accordance with Accounting Standard 17 "Segment Reporting", segment information has been given in the Consolidated Financial Statement and therefore no separate disclosure on segment information is given in these financial statements
- Information on Joint Ventures:**
 - Contingent Liability in respect of the Jointly Controlled Entities: NIL

NOTE TO FINANCIAL STATEMENT FOR THE YEAR ENDED

- b) Capital Commitment in respect of the Jointly Controlled Entities of Rs. 223,373/- (Previous Year of Rs. Nil).
- c) The proportionate share of assets, liabilities, income & expenditure as on December 31, 2011 based on audited accounts of Prima Dee-Lite Plastics Pvt. Ltd. (50% Joint Venture) are stated as under:

Rs.

	Particulars	2011-12	2010-11
A)	ASSETS		
	Tangible Assets (net)	79,002,509	16,512,819
	Inventories	12,664,057	9,801,468
	Trade Receivable	4,082,336	4,163,186
	Short Term Loans and Advances	16,229,823	3,347,272
	Cash and Bank Balances	23,567,340	218,936
B)	LIABILITIES		
	Long Term Borrowings	72,390,972	2,635,613
	Trade Payable	12,740,257	1,024,088
	Current Liabilities	5,475,676	6,397,636
C)	INCOME		
	Revenue from Operation (Net)	99,577,707	71,594,881
	Other Income	46,510	20,993
D)	EXPENDITURE		
	Cost of Material and Components Consumed	61,336,728	38,047,747
	Operating Costs and Other Expenses	6,818,244	6,811,850
	(Increase) / Decrease in Stock of finished goods	(2,034,539)	(236,424)
	Employee Benefits Expenses	4,095,620	3,243,167
	Finance Cost	2,105,495	1,934,348
	Depreciation and Amortisation	4,659,227	4,751,916
	Profit / (Loss) Before tax for the Period	22,643,442	17,063,270

6. Statement pursuant to section 212(8) of the Companies Act,1956 related to Subsidiary Companies.

Sr. No.	Particulars	Name of the Subsidiary Companies PRIMA GLOBAL FZE
1.	Reporting Currency	AED
2.	Issued and Subscribed Share Capital	100,000
3.	Reserves	(23,469)
4.	Total Assets	183,385
5.	Total Liabilities	183,385
6.	Investment	-
7.	Turnover	-
8.	Profit/(Loss) before taxation	(19,285)
9.	Provision for tax & deferred tax	-
10.	Profit/(Loss) after taxation	(19,285)
11.	Proposed dividend	-
12.	Country	Ras Al Khaimah (UAE)

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

NOTE TO FINANCIAL STATEMENT FOR THE YEAR ENDED

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

Rs. In Lacs

Timing Differences on account of		As on 31 st March, 2012	As on 31 st March, 2011
Deferred Tax Assets			
1.	Unabsorbed Depreciation	110.39	200.39
2.	Disallowance in earlier year u/s. 43 B of the Income Tax Act.	11.97	13.61
3.	Provisional for Doubtful Debts/Loans	4.43	17.95
4.	Provision for Employee benefit (AS-15)	14.38	12.64
5.	MAT Credit	61.07	NIL
	Total	202.24	244.59
Deferred Tax Liabilities			
1.	Difference between book Depreciation and Depreciation under Income Tax Act. 1961	185.82	191.62
	Net deferred tax Assets	16.42	52.97

8. Disclosure in respect of derivative instruments:

- a) Derivatives contracts entered by the Company and outstanding as at year end : (in Rs.)

Particulars	Currency	2011-12	2010-11
Receivables	USD	5,065,500	NIL

- b) All derivative and financial instruments acquired by the Company are for hedging purpose only.

- c) Foreign currency exposure that are not hedged by derivate instruments as at year end. (in Rs.)

Particulars	Currency	2011-12	2010-11
Receivables	USD	10,202,216	5,377,731
Payables	USD	17,666,709	36,313,612
Loan Given	EURO	20,145,000	NIL
Loan Given	AED	1,346,569	1,117,167

9. Related Party Disclosure.

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

- (A) Name of the Related Parties and Descriptions of Relatives.

Joint Venture Company

Prima Dee-Lite Plastics Pvt. Ltd.

Subsidiary Company

Prima Global FZE, UAE

Key Management Personnel

Mr. Bhaskar M. Parekh (Chairman); Mr. Dilip M. Parekh (Managing Director); Mr. Pratik B. Parekh; Mr. Paras B. Parekh
Entities over which the key management personnel and or their relatives are able to exercise significant influence.

Firms (Where the Director has substantial interest)

M/s. Classic Plastics, M/s. Sanya Plastics and M/s. National Plastics and Allied Industries

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

	2011-2012	2010-2011
Key Management Personnel		
Remuneration to Directors	3,755,200	3,647,800
Remuneration to Relatives	1,400,000	1,400,000
Other Entities		
Purchase of Services	2,072,175	4,722,100
Purchase of Raw Materials	892,107	2,829,871

NOTE TO FINANCIAL STATEMENT FOR THE YEAR ENDED

Payment of Rent	2,732,400	2,484,000
Reimbursement of Expenses	33,695	49,649
Sale of Raw Material	1,571,933	2,813,544
Subsidiary Company.		
Investment equity of Prima Global FZE, UAE	1,244,324	1,244,324
Unsecured loan paid to Prima Dee-Lite Plastics Pvt. Ltd. (no repayment schedule)	20,145,000	NIL
Unsecured loan paid to Prima Glonal FZE,UAE (with no interest & no repayment schedule)	1,346,569	1,117,167

Balances receivable / payable at the end of the year.

Name of Subsidiary/ JV Companies	Amount Outstanding		Maximum Balance outstanding during the Year		Investment by subsidiary in Shares of the Company (no. of shares)
	2011-12	2010-11	2011-12	2010-11	Nil
Prima Dee-Lite Plastics Pvt. Ltd.	20,145,000	Nil	20,145,000	18,130,749	Nil
Prima Global FZE	1,346,569	1,117,167	1,346,569	1,117,167	Nil

(Rs.)

	2011-2012	2010-2011
Other Entities		
Rent Deposit (Dr.)	3,000,000	3,000,000
Joint Venture Company.	20,145,000	
Unsecured loan paid to Prima Dee-Lite Plastics Pvt. Ltd. Cameroon		NIL
Subsidiary Company.	1,346,569	1,117,167
Unsecured loan paid to Prima Global FZE, UAE		

10. Disclosures under Accounting Standard 15 on Employee benefits:

Defined benefit plan disclosures:

		2011-12 Gratuity	2010-11 Gratuity
1	Components to employer Expenses:		
	a) Current Service Cost	504,648	420,472
	b) Interest Cost	304,446	238,954
	c) Expected return of Plan Assets	(237,997)	(189,898)
	d) Actuarial (Gain) / Loss	(9,363)	285,837
	e) Total Expenses recognised in the Profit and Loss Account	561,734	755,365
2	Net Liability recognised in Balance Sheet		
	a) Present Value of Obligation	(4,433,541)	(3,805,581)
	b) Fair Value of Plan Assets	3,411,025	2,407,294
	c) Liability recognised in the Balance Sheet	(1,022,516)	(1,398,287)
3	Change in Defined Benefit Obligation (DBO) during the year		
	a) Present Value of Obligation as at beginning of the year	3,805,581	2,986,924
	b) Current Service Cost	504,648	420,472
	c) Interest Cost	304,446	238,954
	d) Actuarial (Gain) / Loss	(9,363)	285,837
	e) Benefits paid	(171,771)	(126,606)
	f) Present Value of Obligation as at the Close of the year	4,433,541	3,805,581
4	Changes in the Fair Value of Plan Assets		
	a) Present Value of Plan Assets as at beginning of the year	2,407,294	1,902,071
	b) Contribution to the Fund	937,505	441,931
	c) Expected return of Plan Assets	237,997	189,898

NOTE TO FINANCIAL STATEMENT FOR THE YEAR ENDED

	d) Actuarial (Gain) / Loss	(171,771)	(126,606)
	e) Fair Value of Plan Assets as at the Close of the year	3,411,025	2,407,294
5	Actuarial Assumptions		
	a) Discount Rate (per annum)	8%	8%
	b) Expected Rate of Return on Assets (per annum)	8%	8%
	c) Salary Escalation Rate	5%	5%
6	Percentage of each Category of Plan Assets to total Fair Value of Plan Assets		
	Insurer Managed Funds	100%	100%

11. Amounts remitted in foreign currency during the year on account of dividend

	2011-2012	2010-2011
Amount of dividend remitted in foreign currency	NIL	NIL
Amount of dividend remitted to NRI in Indian Rupees	207,937	212,737
Total number of non-resident shareholders	210	214
Total number of share held by NRI	207,937	212,737

12. Earning per Share (EPS).

	2011-2012	2010-2011
Net Profit after tax as per statement of Profit & Loss attributable to Equity Shareholders.	21,892,974	26,276,629
Weighted Average number of equity shares used as denominator for calculating EPS	11,000,470	11,000,470
EPS- Basic/Diluted (in Rs.)	1.99	2.39
Face Value per equity shares (in Rs.)	10	10

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

14.. a) Net Revenue from Operations:

(Rs.)

	Particulars	2011-12	2010-11
i)	Finished Good		
	-Moulded Plastics Articles	479,465,061	483,147,186
	-Aluminum Composite Panel	46,324,278	64,286,101
ii)	Traded Goods		
	-Moulded Plastics Articles and Related Material	75,566,778	41,191,658
	Total	601,356,117	588,624,945

b) Purchase of Traded Goods:

(Rs.)

Particulars	2011-12	2010-11
Traded Goods	19,166,317	18,872,001

c) Details of Closing Stock

(Rs.)

	Particulars	2011-12	2010-11
i)	Finished Goods		
	-Moulded Plastics Articles	59,946,189	50,250,110
	-Aluminum Composite Panel	17,357,152	16,141,184

NOTE TO FINANCIAL STATEMENT FOR THE YEAR ENDED

	Particulars	2011-12	2010-11
ii)	Traded Goods		
	-Moulded Plastics Articles	1,145,653	7,77,240
	Total	78,448,994	67,168,534

d) Details of Raw Material Consumed:

(Rs.)

Particulars	2011-12	2010-11
Polypropylene	364,433,757	335,436,989
Aluminium Coil	18,847,201	25,834,579
Others	7,831,748	8,803,018
Total	391,112,706	370,074,586

e) Details of Imported and Indigenous Raw Material Consumed:

Particulars	2011-12		2010-11	
	Rs.	%	Rs.	%
Imported	29,491,456	7.54	61,904,284	16.73
Indigenous	361,621,250	92.46	308,170,302	83.27
Total	391,112,706	100.00	370,074,586	100.00

f) Value of Import on CIF basis

(Rs.)

	2011-2012	2010-2011
Raw Material	24,402,013	50,330,465
Capital Goods	9,424,628	2,670,206

g) Expenditure in Foreign Currency

(Rs.)

	2011-2012	2010-2011
Traveling Expenses	299,760	574,941
Others	230,327	51,631

h) Earnings in Foreign Exchange.

(Rs.)

	2011-2012	2010-2011
Export of Finished Goods on FOB basis	97,460,862	77,849,953
Export of Capital Goods	1,283,250	NIL

15. The financial statement for the year ended 31st March 2011 had been prepared as per the then applicable, pre-revised Schedule VI to the Companies Act, 1956. Consequent to the notification under the Companies Act, 1956, the financial statements for the year ended 31st March 2012 are prepared under revised Schedule VI. Accordingly, the previous year figures have been reclassified to conform to this year's classification.

For Prima Plastics Limited

Bhaskar M. Parekh
Chairman

Dilip M. Parekh
Managing Director

Mumbai,
May 28, 2012

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

1. We have audited the attached Consolidated Balance Sheet of PRIMA PLASTICS LIMITED ("the Company"), its subsidiaries and jointly controlled entities (the Company, its subsidiaries and jointly controlled entities constitute "the Group") as at 31 March, 2012, the Consolidated Profit and Loss Account and the Consolidated Cash Flow Statement of the Group for the year ended on that date, both annexed thereto. The Consolidated Financial Statements include the jointly controlled entities accounted in accordance with Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006. These financial statements are the responsibility of the Company's Management and have been prepared on the basis of the separate financial statements and other financial information regarding components. Our responsibility is to express an opinion on these Consolidated Financial Statements based on our audit.
2. We conducted our audit in accordance with the auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatements. An audit includes examining, on a test basis, evidence supporting the amounts and the disclosures in the financial statements. An audit also includes assessing the accounting principles used and the significant estimates made by the Management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a Reasonable basis for our opinion.
3. We did not audit the financial statements of subsidiary and jointly controlled entities, whose financial statements reflect total assets of Rs. 1307.99 Lacs as at 31st March, 2012, total revenues of Rs. 970.59 Lacs and net cash outflows amounting to Rs. 6.64 Lacs for the year ended on that date as considered in the Consolidated Financial Statements are unaudited and certified by the Management and our opinion in so far as it relates to the amounts included in respect of these jointly controlled entities is based solely on such management certification.
4. We report that the Consolidated Financial Statements have been prepared by the Company in accordance with the requirements of Accounting Standard 21 (Consolidated Financial Statements) and Accounting Standard 27 (Financial Reporting of Interests in Joint Ventures) as notified under the Companies (Accounting Standards) Rules, 2006.
5. Based on our audit and on consideration of the separate audit reports on individual financial statements of the Company, its aforesaid subsidiaries, associates and jointly controlled entities and subject to our comments in relation to financial statements of jointly controlled entities in paragraph 4 above and to the best of our information and according to the explanations given to us, in our opinion, the Consolidated Financial Statements give a true and fair view in conformity with the accounting principles generally accepted in India:
 - i. in the case of the Consolidated Balance Sheet, of the state of affairs of the Group as at 31st March, 2012;
 - ii. in the case of the Consolidated Profit and Loss Account, of the profit of the Group for the year ended on that date and
 - iii. in the case of the Consolidated Cash Flow Statement, of the cash flows of the Group for the year ended on that date.

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

Kirit N. Mehta
Partner
Mn. No.15759

Mumbai,
May 28, 2012

CONSOLIDATED BALANCE SHEET AS AT MARCH 31, 2012

	Notes	As At 31-03-2012 Rs.	As At 31-03-2011 Rs.
I EQUITY AND LIABILITIES:			
1 Shareholders' Fund			
(a) Share Capital	3	110,004,700	110,004,700
(b) Reserves and Surplus	4	316,608,082	291,444,683
		<u>426,612,782</u>	<u>401,449,383</u>
2 Non-Current Liabilities			
(a) Long Term Borrowings	5	45,547,782	28,187,306
		<u>45,547,782</u>	<u>28,187,306</u>
3 Current Liabilities			
(a) Short Term Borrowings	6	73,002,984	19,329,904
(b) Trade Payables	7	34,944,112	39,600,817
(c) Other Current Liabilities	8	52,009,970	19,483,889
(d) Short Term Provisions	9	26,359,268	26,450,224
		<u>186,316,334</u>	<u>104,864,834</u>
Total		<u>658,476,898</u>	<u>534,501,523</u>
II. ASSETS			
1 Non Aurrent Assets			
(a) Fixed Assets			
(i) Tangible Assets	10	203,567,112	148,214,717
(ii) Intangible Assets (Good Will)		Nil	35,324
(iii) Capital Work-in-Progress		1,607,401	1,649,462
(b) Non Current Investments	11	11,160,774	11,111,490
(c) Long Term Loans and Advances	12	14,522,270	14,575,467
		<u>230,857,557</u>	<u>175,586,460</u>
2 Current assets			
(a) Current Investments			
(b) Inventories	13	167,750,979	150,206,543
(c) Trade Receivables	14	154,516,289	128,533,955
(d) Cash and Bank Balances	15	22,192,149	22,976,194
(e) Short Term Loans and Advances	16	47,015,390	35,394,401
(f) Other Current Assets	17	36,144,534	21,803,970
		<u>427,619,341</u>	<u>358,915,063</u>
Total		<u>658,476,898</u>	<u>534,501,523</u>

See Accompanying Notes forming part of the Financial Statements

As per our Report of even date attached

For and on behalf of the Board

For G. P. Kapadia & Co.
Chartered Accountants

Bhaskar M. Parekh
Chairman

Kirit N. Mehta
Partner
Membership No.15759

Dilip M. Parekh
Managing Director

Mumbai,
May 28, 2012

**CONSOLIDATED STATEMENT OF PROFIT AND LOSS
FOR THE YEAR ENDED 31 MARCH, 2012**

		For the year ended 31-03-2012 Rs.	For the year ended 31-03-2011 Rs.
I	INCOME		
	Revenue From Operations (net)	18 698,415,250	669,545,293
II	Other Income	19 9,083,500	5,226,475
III	Total Revenue	707,498,750	674,771,768
IV	EXPENDITURE		
	- Cost of Raw Material and Components Consumed	20 450,834,517	415,304,707
	- Purchase of Stock-in-Trade	19,166,317	18,872,001
	- Change in Inventories of Finished Goods and Work in Progress	21 (14,621,939)	13,948,369
	- Employee Benefits Expenses	22 37,227,879	33,539,746
	- Finance Costs	23 12,049,862	7,116,759
	- Depreciation and Amortization Expense	24 21,142,734	20,339,354
	- Other Expenses	25 135,939,866	122,508,256
		661,739,236	631,629,192
V	Profit Before Exceptional and Extraordinary Items and Tax (III - IV)	45,759,514	43,142,576
VI	Exceptional Items	Nil	Nil
VII	Profit Before Extraordinary Items and Tax (V - VI)	45,759,514	43,142,576
VIII	Extraordinary Items	Nil	Nil
IX	Profit Before Tax (VII - VIII)	45,759,514	43,142,576
X	Tax Expenses		
	- Current Tax	8,288,514	14,582,308
XI	Profit from the period from Continuing Operation (IX-X)	37,471,000	28,560,268
XII	Profit from Discontinuing Operations	Nil	Nil
XIII	Tax Expense of Discounting Operations	Nil	Nil
XIV	Profit from Discontinuing Operations (XII-XIII)	Nil	Nil
XV	Profit/(Loss) for the period (XI+XIV)	37,471,000	28,560,268
XVI	Earning Per Equity Share (equity share of Rs.10/- each)		
	Basic	3.41	2.60
	Diluted	3.41	2.60
	See Accompanying Notes forming part of the Financial Statements		

As per our Report of even date attached

For and on behalf of the Board

For G. P. Kapadia & Co.
Chartered Accountants

Bhaskar M. Parekh
Chairman

Kirit N. Mehta
Partner
Membership No.15759

Dilip M. Parekh
Managing Director

Mumbai,
May 28, 2012

CONSOLIDATED CASH FLOW FOR THE YEAR ENDED MARCH 31, 2012

	For the year ended 31-03- 2012 Rs.	For the year ended 31-03- 2011 Rs.
A. Cash Flow from Operating Activities		
Net Profit Before Extraordinary Items and Tax	45,759,514	43,142,576
<u>Adjustments:</u>		
Depreciation	21,142,734	20,339,354
Interest	9,804,203	4,688,396
Mis. Expenses Written Off	100,604	71,964
(Profit) / Loss on Sales of Assets	(1,224,264)	178,546
(Profit) / Loss on Sales of Investments	NIL	(1,829,146)
Dividend	(44,802)	(75,205)
Interest Income	(7,503,006)	(3,454,025)
Other Income	(311,428)	(46,645)
Operating Profit before Working Capital Changes	67,723,555	63,015,815
<u>Changes in Working capital</u>		
<u>Adjustments for (Increase)/Decrease in Operating Assets:</u>		
Trade Receivables	(25,982,334)	2,758,783
Inventories	(17,544,436)	13,439,856
Short Term Loan and Advances	(11,620,989)	(31,539,139)
Long Term Loan and Advances	53,197	(3,799,432)
Other Current Assets	(14,441,168)	356,651
<u>Adjustments for (Increase) / Decrease in Operating Liabilities</u>		
Trade Payable	(4,656,705)	(25,544,081)
Other Current Liabilities	32,526,081	8,243,527
Short Term Provision	(90,956)	796,559
Cash Generated from Operations	25,966,245	27,728,539
Income Tax Paid	(8,288,514)	(14,582,308)
Net Cash Inflow / (Outflow) from Operating Activities (A)	17,677,731	13,146,231
B. Cash Flow from Investment Activities		
Purchase of Fixed Assets	(76,900,306)	(21,105,477)
Sale of Fixed Assets	1,629,441	678,258
Capital Work-in-progress	42,061	1,611,530
Sale of Investments	NIL	1,903,567
Purchase of Investments	(49,284)	NIL
Interest, Dividend and Other Income	7,859,236	5,405,021
Goodwill on Consolidation	35,324	(35,324)
Net Cash Inflow from Investment Activities (B)	(67,383,528)	(11,542,425)
C. Cash Flow from Financing Activities		
Proceeds from Long Term Borrowings	17,360,476	26,498,797
Proceeds from Short Term Borrowings	44,310,631	(7,097,987)
Net Increase / (Decrease) in Working Capital Borrowings	9,362,449	1,713,390
Interest Paid	(9,804,203)	(4,688,396)
Dividend	(11,000,470)	(11,000,470)
Tax on Dividend	(1,784,600)	(2,822,989)
Net Cash Inflow/(Outflow) from Financing Activities (C)	48,444,283	2,602,345
Change in Translation Reserve Arising on Consolidated	477,469	(297,350)
Net Increase/(Decrease) in Cash and Cash Equivalents (A+B+C+D)	(784,045)	3,908,801
Cash and Cash Equivalents as at March 31, 2012	22,192,149	22,976,194
Cash and Cash Equivalents as at March 31, 2011	22,976,194	19,067,393

Notes :

- a) Cash Flow Statement has been prepared under the indirect method as set out in Accounting Standard - 3 notified under the Companies (Accounting Standard) Rules, 2006.
- b) Cash and Cash equivalents represent cash and bank balances.

As per our Report of even date attached

For and on behalf of the Board

For G. P. Kapadia & Co.
Chartered Accountants

Bhaskar M. Parekh
Chairman

Kirit N. Mehta
Partner
Membership No.15759
Mumbai,
May 28, 2012

Dilip M. Parekh
Managing Director

NOTE TO FINANCIAL STATEMENT FOR THE YEAR ENDED MARCH 31, 2012**NOTE NO.1****COMPANY INFORMATION**

PRIMA PLASTICS LIMITED ("the parent Company") is a public Company, resident in India and incorporated under the provisions of the Companies Act, 1956. The Company is engaged in the business of manufacturing of Plastic Moulded Articles and Aluminium Composite Panel.

NOTE NO.2**Report for Consolidation:****1) Basis of preparation of Financial Statements:**

- (i) The financial statements of the Subsidiary Company and Joint Venture Company used in the consolidation are drawn up to the same reporting date as that of the Company i.e. year ended 31st March 2012.
- (ii) The financial statements of the Company and the Joint Venture Company have been prepared under historical cost convention on an accrual basis and comply with Accounting Standards. The financial statements of the foreign Subsidiary Company have been prepared in accordance with the local laws and the applicable accounting standards / generally accepted accounting principles.

2) Principles of Consolidation:

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

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

Name of the Company	Country of Incorporation	% of Ownership held as at 31 st March 2012	% of Ownership held as at 31 st March, 2011
Prima Global FZE	UAE	100%	100%

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

Name of the Company	Country of Incorporation	% of Ownership held as at 31 st March 2012	% of Ownership held as at 31 st March, 2011
Prima Dee-Lite Plastics Pvt. Ltd.	Cameroon (West Africa)	50%	50%

3) Depreciation:

- i) By in Indian Company Depreciation is provided on Straight Line method at the rates specified in Schedule XIV of the Companies Act, 1956.
- ii) By in Joint Venture Company's Depreciation is provided on Written Down method at the rates and in the manner specified as per local law.
- iii) Premium on leasehold land and improvement to leasehold premises are being written off over the period of lease.

4) Foreign Currency Translation:

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

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

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

5) Other significant accounting policies

These are set out under "Significant Accounting Policies" as given in the Standalone Financial Statements. (Refer Note No.2 Pg. No. 27)

NOTE TO FINANCIAL STATEMENT FOR THE YEAR ENDED

	31-3-2012	31-3-2011
3. SHARE CAPITAL		
Authorised Share Capital		
1,20,00,000 (P.Y. 1,20,00,000) Equity Shares of Rs. 10/- each	<u>120,000,000</u>	<u>120,000,000</u>
Issued, Subscribed, Fully Paid up Shares		
1,10,00,470 (P.Y.1,10,00,470) Equity Shares of Rs.10/- each	<u>110,004,700</u>	<u>110,004,700</u>
	<u>110,004,700</u>	<u>110,004,700</u>

A. Reconciliation of the number of Share and amount outstanding at the beginning and at the end of the reporting period.

Equity Shares	31.03.2012		31.03.2011	
	No's	Amount	No's	Amount
At the beginning of the period	11,000,470	110,004,700	11,000,470	110,004,700
Add/(Less): Issued/(reduction) during the year	Nil	Nil	Nil	Nil
Outstanding at the year end of the period	11,000,470	110,004,700	11,000,470	110,004,700

B. Terms/rights attached to Equity Shares

The Company has only one class of Equity Shares having a par value of Rs. 10/- per share. Each holder of Equity Shares is entitled to one vote per share. The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting.

During the year ended 31 March 2012, the amount of per share dividend recognized as distributions to equity shareholders was Rs1/- per share of face value of Rs. 10/- each (31 March 2011 Rs.1/- per share of face value of Rs. 10/- each).

In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company, in proportion to their shareholding.

C. Details of Shareholders Holding more than 5% Shares in the Company:

Sr. No	Name of share holder	31.03.2012		31.03.2011	
		No. of Shares	% holding	No. of Shares	% holding
1	Bhaskar M. Parekh	2,551,610	23.20%	2,551,610	23.20%
2	Dilip M. Parekh	2,615,420	23.78%	2,615,420	23.78%
3	Dipak Kanayalal Shah	610,000	5.55%	570,000	5.18%

D. Share reserved for issue under options and contracts / commitments.

The Company has not made any contacts / commitments to issue shares under option (P.Y. Nil).

4. RESERVES AND SURPLUS

a) Securities Premium Account

Balance as per last financial statements	13,080,000	13,080,000
Add/(Less) Adjustments during the year	<u>NIL</u>	<u>NIL</u>
Closing Balance	<u>13,080,000</u>	<u>13,080,000</u>

b) General Reserve

Balance as per last financial statements	82,360,835	76,016,318
Add : Amount transferred from Surplus in Statement of Profit and Loss	<u>5,000,000</u>	<u>6,344,517</u>
Closing Balance	<u>87,360,835</u>	<u>82,360,835</u>

c) Translation Reserve

Balance as per last Financial Statements	(1,297,307)	(1,003,003)
Less : Elimination on Consolidation	<u>477,469</u>	<u>(294,304)</u>
Closing Balance	<u>(819,838)</u>	<u>(1,297,307)</u>

NOTE TO FINANCIAL STATEMENT FOR THE YEAR ENDED

	31-3-2012	31-3-2011
d) Surplus in Statement of Profit and Loss :		
Balance as per last Financial Statements	197,301,155	188,908,863
Add : Profit for the year	37,471,000	28,560,268
Less : Appropriations		
a) Transfer to General Reserve	5,000,000	6,344,517
b) Proposed Final Dividend (Dividend per share Rs.1/-)	11,000,470	11,000,470
c) Tax on Proposed Equity Dividend	1,784,600	2,822,989
Net surplus in the Statement of Profit and Loss	216,987,085	197,301,155
TOTAL (a+b+c+d)	316,608,082	291,444,683
5. LONG TERM BORROWINGS		
Secured		
Loan against Key Man Policy (Life Insurance Corporation)	NIL	27,609,500
Car Loan (ICICI Bank)	NIL	577,806
Unsecured		
Term Loan	45,547,782	NIL
TOTAL	45,547,782	28,187,306
5.1 Interest on Term Loan @ 8%. The repayable in equal monthly instalments of Rs. 1,884,000/-, last instalment is due on May 2014.		
6. SHORT TERM BORROWINGS		
Secured		
Working Capital Loan from Bank	51,682,857	7,372,226
Unsecured		
Working Capital Loan (Bill Discounting)	21,320,127	11,957,678
TOTAL	73,002,984	19,329,904
6.1 (a) working capital loans 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.		
6.1 (b) the working capital is repayable on demand and carries interest @11.50% to 13.50% p.a.		
6.2 (c) working capital loan (Bill discounting) are guaranteed by personal guarantee of promoter directors.		
6.2 (d) the working capital (Bill discounting) is repayable in 90 days and carries interest @11.50% to 13.50% p.a.		
7. CURRENT LIABILITIES		
Trade Payable		
- Micro, Small and Medium Enterprises	NIL	NIL
- Others	34,944,112	39,600,817
TOTAL	34,944,112	39,600,817
7.1 In absence of any intimation received from vendors the status of their registration under "The Micro, Small and Medium Enterprises Development Act, 2006", the Company is unable to comply with the disclosures required to be made under said Act. There are no amount is payable to any Small Scale Industrial undertaking.		

NOTE TO FINANCIAL STATEMENT FOR THE YEAR ENDED

	31-3-2012	31-3-2011
8. OTHER CURRENT LIABILITIES		
Current maturities of Long Term Debts (Vehicle Loans)	577,806	1,110,703
Current maturities of Long Term Debts (Loan against LIC Policy)	27,609,500	NIL
Interest accrued but not due on Borrowings	615,456	324,835
Interest accrued on Trade Payable	319,309	129,653
Unclaimed Dividend	661,737	343,007
Statuary Remittances (Contribution to PF and ESIC, VAT, Service Tax etc.)	8,006,498	9,428,470
Advances from Customers	5,105,473	4,917,626
Other Payables	9,114,191	3,229,595
TOTAL	52,009,970	19,483,889

8.1 Car loans (two loans) aggregating to Rs. 577, 806/- (previous year Rs.1,110,703/-) are secured against the respective vehicles and at the rate of interest @ 8.58% p.a. The Loans are repayable in equal monthly installments of Rs. 50,208/- & Rs. 50,848/-. Last installments of both the loans are due on Sept-12

8.2 Loan against key man policy from LIC is secured against maturity value and at rate of interest @ 9% p.a. The loan has no repayment terms but will be adjusted from maturity value. The policy is due for maturity on March 2013.

8.3 Unclaimed Dividend do not include any amount, due and outstanding, to be credited to investor Education and protection fund.

9. SHORT TERM PROVISIONS

Provision for Bonus/Leave Salary and Gratuity	2,219,295	2,465,100
Provision for Current Income Tax	5,543,400	6,788,000
Provision for Proposed Dividend	11,000,470	11,000,470
Provision for Tax on Dividend	1,784,600	1,827,000
Other Provision	5,811,503	4,369,654
TOTAL	26,359,268	26,450,224

9.1 The Company had recognized other provision based on substantial degree of estimation for excise duty payable on clearance of goods lying in stock.

10. Fixed Assets									(Rs.)
GROSS BLOCK	Freehold Land	Leasehold Land	Buildings	Plant & Machineries	Furniture & Fixture	Equipments	Vehicles	Total	Previous Year
As on 01-April-11	11,453,212	1,041,581	77,417,332	330,402,343	8,144,186	5,792,301	7,313,972	441,564,927	421,899,935
Additions during the year	3,714,878		33,658,131	38,138,510	58,065	314,473	1,016,249	76,900,306	21,105,477
Deletions during the year				(6,202,642)		(83,081)		(6,285,723)	(1,440,485)
As on March 31, 2012	15,168,090	1,041,581	111,075,463	362,338,211	8,202,251	6,023,693	8,330,221	512,179,510	441,564,927
DEPRECIATION									
Up to 01-April-11		53,625	25,722,929	255,468,432	6,015,003	4,245,625	1,844,596	293,350,210	273,594,537
For the year		10,725	3,299,560	16,362,621	443,018	314,980	711,830	21,142,734	20,339,354
Adjustment during the year				(5,862,827)		(17,719)		(5,880,546)	(583,681)
Up to March 31, 2012		64,350	29,022,489	265,968,226	6,458,021	4,542,886	2,556,426	308,612,398	29,335,0210
Net Block									
As at March 31, 2012	15,168,090	977,231	82,052,974	96,369,985	1,744,230	1,480,807	5,773,795	203,567,112	148,214,717
As at March 31, 2011	11,453,212	987,956	51,694,403	74,933,911	2,129,183	1,546,676	5,469,376	148,214,717	148,305,398

NOTE TO FINANCIAL STATEMENT FOR THE YEAR ENDED

		31-3-2012	31-3-2011
11. NON CURRENT INVESTMENTS			
OTHR INVESTMENTS			
Investment in Equity Share (Quoted)	Qty.		
Nilkamal Ltd. (F.V.Rs.10/- per share)	2,786	839,593	790,309
Provogue India Ltd. (F.V.Rs.1/- per share)	37,105	5,605,341	7,892,623
Reliance Power Ltd. (FV Rs. 10/- Per Share)	139	39,150	39,150
S B & T International (FV Rs. 10/- Per Share)	370	22,509	22,509
Wear logy Ltd. (FV Rs. 10/- Per Share)	10,070	2,366,899	2,366,899
TOTAL		8,873,492	11,111,490
Investment in Equity Share (Un-Quoted)			
Prozone Capital Shopping Centers Ltd. (Rs. 2/- per share)	37,105	2,287,282	NIL
TOTAL		2,287,282	NIL
		11,160,774	11,111,490
- Aggregate amount of quoted Investments		8,873,492	1,111,490
- Market Value of quoted Investments		2,905,354	5,090,548
- Aggregate amount of Un-quoted Investments		2,287,282	NIL
12. LONG TERM LOANS AND ADVANCES			
(Unsecured and Considered Good)			
Security Deposits with Related Parties		3,000,000	3,000,000
Others Security Deposits		3,512,979	3,093,888
Loans and Advances to Employees		2,509,311	1,102,765
Advances Income Tax (Net)		5,499,980	7,378,814
TOTAL		14,522,270	14,575,467
12.1 Security deposits with related parties is interest free and given against occupation of office premises on rent.			
12.2 Loan to employees is interest free as per Company policy.			
13. INVENTORIES			
Raw Materials		65,041,328	74,544,959
Raw Materials in Transit		14,013,869	1,617,937
Finished Goods		86,027,211	71,405,272
Store and Packing Material		2,668,571	2,638,375
TOTAL		167,750,979	150,206,543
13.1 Inventories are measured at lower of cost and net realizable value			
14. TRADE RECEIVABLE			
Trade Receivable outstanding for more than six month			
Unsecured, Considered Good		39,544,020	45,550,938
Doubtful Debts		1,448,083	5,403,575
		40,992,103	50,954,513
Less : Provision for Doubtful Debts		1,448,083	5,403,575
		39,544,020	45,550,938
Other Trade Receivable			
Unsecured, Considered Good		114,972,269	82,983,017
TOTAL		154,516,289	128,533,955

Trade receivables are due in respect of goods sold in the normal course of business and the normal credit period allowed by the Company is taken in to consideration for computing due dates.

NOTE TO FINANCIAL STATEMENT FOR THE YEAR ENDED

	31-3-2012	31-3-2011
15. CASH AND CASH EQUIVALENTS		
Cash on Hand	649,488	1,062,878
- Balance with Bank		
(i) Current Account	10,040,121	8,529,264
(ii) EEFC Account	623,079	3,118
- Other Bank Balance		
(i) Deposit Account / Margin Money	10,217,724	13,037,927
(ii) In earmarked accounts - Unpaid Dividend	661,737	343,007
TOTAL	22,192,149	22,976,194
16. SHORT TERM LOANS AND ADVANCES		
Balance with govt. authorities		
- Cenvat Credit receivable	10,045,756	4,124,540
Inter Corporate Deposits		
- Unsecured, Considered Good	30,000,000	25,000,000
Loans and Advances to Employees (Refer Note No.12.2)	1,538,400	2,095,151
Other Advances	5,431,234	4,174,710
TOTAL	47,015,390	35,394,401
17. OTHER CURRENT ASSETS		
Unamortized Expenses – Preliminary Expenses	1,435,176	NIL
Pre-paid Expenses	2,358,199	2,468,270
Advance to Creditors	29,579,418	15,416,246
Claim and others	2,771,741	3,919,454
TOTAL	36,144,534	21,803,970
18. REVENUE FROM OPERATIONS		
Sales (Net)		
- Export Sales	107,005,308	87,045,961
- Local Sales	591,409,942	582,499,332
TOTAL	698,415,250	669,545,293
19. OTHER INCOME		
Interest Income		
- from Bank	805,906	678,234
- from Inter corporate deposit	6,283,231	2,770,833
- Others	413,869	4,958
	7,503,006	3,454,025
Dividend Income		
- from Others	44,802	75,205
	44,802	75,205
OTHER NON-OPERATING INCOME		
Profit / (Loss) on Sale of Fixed Assets	1,224,264	(178,546)
Profit on Sale of Long Term Investment	NIL	1,829,146
Miscellaneous Income	311,428	46,645
	1,535,692	1,697,245
TOTAL	9,083,500	5,226,475
20. COST OF MATERIAL CONSUMED		
Raw Material Consumed		
Opening Stock	76,162,896	75,694,212
Add : Purchases	453,726,818	415,773,391
	529,889,714	491,467,603
Less : Closing Stock	79,055,197	76,162,896
TOTAL	450,834,517	415,304,707

NOTE TO FINANCIAL STATEMENT FOR THE YEAR ENDED

	31-3-2012	31-3-2011
21. CHANGE IN INVENTORIES OF FINISHED GOODS		
Inventories at the Beginning of the Year		
Finished Goods	71,405,272	85,353,641
Inventories at the End of the Year		
Finished Goods	86,027,211	71,405,272
TOTAL	(14,621,939)	13,948,369
22. EMPLOYEE BENEFITS EXPENSES		
Salary, Wages and Bonus	31,086,049	27,699,545
Leave Salary	1,825,564	1,687,576
Contribute to Provident Fund and Others	2,170,459	2,005,670
Gratuity Expenses	676,407	831,503
Staff Welfare	1,469,400	1,315,452
TOTAL	37,227,879	33,539,746
23. FINANCE COST		
Interest Expenses		
- on Borrowings	9,629,203	4,688,396
- Interest on Income Tax	175,000	NIL
- Others Borrowings Cost	2,245,659	2,428,363
TOTAL	12,049,862	7,116,759
24. DEPRECIATION EXPENSES		
Depreciation	21,142,734	20,339,354
TOTAL	21,142,734	20,339,354
25. OTHER EXPENSES		
Manufacturing Expenses		
Labour Charges	5,606,735	5,962,593
Store, Spare and Packing Expenses	8,097,527	7,463,504
Power and Fuel	23,859,295	20,771,111
Repairing to Building	302,341	977,011
Repairing to Machinery	3,722,424	4,268,156
Insurance	1,238,286	1,048,469
Excise Duty on Finished Goods	5,026,460	3,825,512
Freight Inward	5,764,769	5,861,004
Factory Expenses	1,470,763	825,048
Other Expenses	2,721,085	2,520,251
	57,809,685	53,522,659
Selling and Distribution Expenses		
Business Promotion	440,448	606,092
Brokerage and Commission	280,857	588,260
Freight, Forwarding and Other	21,183,614	20,234,152
Sales Discount and Others	25,337,108	20,364,964
	47,242,027	41,793,468
Establishment Expenses		
Profession Fees	1,415,178	1,745,931
Rent	5,659,697	4,592,068
Insurance	662,451	596,116
Travelling Expenses	2,974,380	2,811,080

NOTE TO FINANCIAL STATEMENT FOR THE YEAR ENDED

	31-3-2012	31-3-2011
Telephone Expenses	1,385,480	1,489,934
Octroi	878,439	1,917,447
General Expenses	5,812,586	4,969,529
Director Salary	3,640,000	3,535,000
Printing and Stationery	1,258,175	814,236
Repairs to Others	603,553	547,999
Payment to Auditors		
- Audit Fees	185,811	177,548
- Tax Audit	45,000	45,000
- Others Services	25,515	27,500
Exchange (Gain) / Loss	2,383,598	(92,657)
Postage and Telegram	601,547	513,511
Bad Trade and Other Receivable W/off	485,000	NIL
Provision for Doubtful Trade	80,992	1,131,534
Amortization of Preliminary Expenses	100,604	71,964
Director's Seating Fees	82,500	67,500
Conveyance Expenses	904,686	643,632
Share Transfer Expenses	99,074	81,284
Vehicle Expenses	1,603,888	1,505,973
	30,888,154	27,192,129
TOTAL	135,939,866	122,508,256

NOTE NO. 26

NOTES TO ACCOUNTS

1. Contingent Liabilities not provided for:

Rs.

	31.3.2012	31.3.2011
a) Guarantees given by the Company's Bankers	2,596,205	2,996,305
b) Letter of Credit opened by Bankers and outstanding at the year end.	27,696,265	8,428,177

- Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advance payment) Rs. 3,745,773/- (previous year of Rs. 5, 512,084/-)
- In the opinion of the management, the Current Assets, Loans and Advances are expected to realize at least amount at which they are stated, if realized in the ordinary course of business and provision of all known liabilities have been adequately made in accounts.
- Segment have been identified in line with the Accounting Standard on segment reporting (AS-17) taken into account of Company Organisation structure as well as differential risks and returns of these segment.

Segment Information for the year ended March 31, 2012

Rs. In Lac

Particulars	Year Ended Audited 31-03-2012	Year Ended Audited 31-03-2011
A - Segment revenue		
Plastic Moulded Furniture	6,542.94	6,061.11
Aluminum Composite Panel	464.71	646.48
Others	NIL	NIL
Revenue from operations	7,007.65	6,707.59
B- Segment results		
Profit (+) / Loss (-) before Interest and Tax		
Plastic Moulded Furniture	612.08	447.81
Aluminum Composite Panel	(101.32)	14.66
Total	510.76	462.47
Less : Financial Expenses	120.50	71.17
Add : Un-allocable Income	67.34	40.13
Profit before tax	457.60	431.43

NOTE TO FINANCIAL STATEMENT FOR THE YEAR ENDED

C- Other Information		
Segment Assets		
Plastic Moulded Furniture	5,133.46	3,860.02
Aluminum Composite Panel	1,286.96	1,286.96
Unallocated Corporate Assets	150.00	198.04
Total Assets	6,570.42	5,345.02
Segment Liabilities		
Plastic Moulded Furniture	995.68	493.29
Aluminum Composite Panel	127.77	182.22
Unallocated Corporate Liabilities	1,195.19	655.01
Total Liabilities	2,318.64	1,330.52
Capital Expenditure		
Plastic Moulded Furniture	777.78	222.50
Aluminum Composite Panel	NIL	0.29
Unallocated Capital Expenditure	7.30	4.76
Total	785.08	227.55
Depreciation		
Plastic Moulded Furniture	177.97	168.87
Aluminum Composite Panel	20.66	20.66
Unallocated Depreciation	12.80	13.86
Total	211.43	203.39

5. Related Party Disclosure.

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

(A) Name of the Related Parties and Descriptions of Relatives.

Joint Venture Company

Prima Dee-Lite Plastics Pvt. Ltd.

Subsidiary Company

Prima Global FZE, UAE

Key Management Personnel

Mr. Bhaskar M. Parekh (Chairman); Mr. Dilip M. Parekh (Managing Director); Mr. Pratik B. Parekh; Mr. Paras B. Parekh
Entities over which the key management personnel and or their relatives are able to exercise significant influence.

Firms (Where the Director has substantial interest)

M/s. Classic Plastics, M/s. Sanya Plastics and M/s. National Plastics and Allied Industries

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

(Rs.)

	2011-2012	2010-2011
Key Management Personnel		
Remuneration to Directors	3,755,200	3,647,800
Remuneration to Relatives	1,400,000	1,400,000
Other Entities.		
Purchase of Services	2,072,175	4,722,100
Purchase of Raw Materials	6,616,292	7,542,240
Purchase of Fixed Assets	1,278,206	NIL
Payment of Rent	2,732,400	2,484,000
Reimbursement of Expenses	33,695	49,649
Sale of Raw Material	1,571,933	2,813,544

NOTE TO FINANCIAL STATEMENT FOR THE YEAR ENDED

Balances receivable / payable at the end of the year.

	2011-2012	2010-2011
Other Entities.		
Rent Deposit (Dr.)	3,000,000	3,000,000

6. Earning per Share (EPS).

(Rs.)

	2011-2012	2010-2011
Net Profit after tax as per statement of Profit & Loss attributable to Equity Shareholders.	37,470,995	28,560,268
Weighted Average number of equity shares used as denominator for calculating EPS	11,000,470	11,000,470
EPS- Basic/Diluted (in Rs.)	3.41	2.60
Nominal Value of Shares (in Rs.)	10	10

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

8. a. Value of Import on CIF basis.

(Rs.)

	2011-2012	2010-2011
Raw material	80,224,928	92,664,283
Capital goods	31,669,198	3,193,111
Traveling Expenses	299,760	574,941
Others	499,310	503,745

b. Earnings in Foreign Exchange.

(Rs.)

	2011-2012	2010-2011
Export of Finished Goods on FOB basis	97,460,862	77,849,953
Export of Capital Goods	1,283,250	NIL

For Prima Plastics Limited

Bhaskar M. Parekh
Chairman

Dilip M. Parekh
Managing Director

Mumbai,
May 28, 2012

PRIMA PLASTICS LIMITED**Regd. Office:** 98/4, Prima House, Daman Industrial Estate, Kadaiya, Nani Daman, Daman (U.T.), Pin - 396 210.**ATTENDANCE SLIP**

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL

Joint shareholders may obtain additional Slip at the venue of the meeting

DP Id*		Master Folio No.	
Client Id*		No. of Shares	
Name of the Shareholder(s)			

I hereby record my presence on the 18th Annual General Meeting of the Company held on Saturday, September 08, 2012 at 11.30 a.m. at Hotel Sandy Resorts, Devka Beach, Nani Daman, Daman (U.T.), Pin - 396 210.

Signature of Shareholder / Proxy**PRIMA PLASTICS LIMITED****Regd. Office:** 98/4, Prima House, Daman Industrial Estate, Kadaiya, Nani Daman, Daman (U.T.), Pin - 396 210.**PROXY FORM**

DP Id*		Master Folio No.	
Client Id*		No. of Shares	

I/We _____ of _____ being
a member/members of PRIMA PLASTICS LIMITED hereby appoint _____
of _____ or failing him _____ of
_____ as my/our Proxy to attend and vote for me/us on my/our behalf at the
18th Annual General Meeting of the Company to be held on Saturday, September 08, 2012 at 11.30 a.m. at Hotel Sandy Resorts, Devka
Beach, Nani Daman, Daman (U.T.), Pin - 396 210.

Dated this _____ day of _____ 2012.

Signature _____

Revenue
Stamp

Note: 1. Shareholders / Proxy holders are requested to bring the Attendance Slips with them duly completed when they come to the meeting and hand them over at the gate, affixing their signatures on them



New Arrivals





Corporate office

PRIMA PLASTICS LTD.

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

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

E-mail : investor@primaplastics.com

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