

# **PRIMA INDUSTRIES LTD**



**24<sup>TH</sup> ANNUAL REPORT 2017-18**

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**IMPORTANT COMMUNICATION TO MEMBERS**

Sending notices and documents to shareholders

As a part of "Green Initiative" in Corporate Governance, and to facilitate e-voting system, the Ministry of Corporate Affairs has allowed sending communication to the shareholders through electronic mode. Accordingly, we propose to send documents like notices convening general meetings, Annual Reports, etc to the email addresses of the shareholders. For this purpose, shareholders holding shares in physical form are requested to register their email addresses and any changes therein from time to time with the Share Transfer Agents of the Company M/s. Venture Capital And Corporate Investments Pvt. Limited at their postal / email address given below under corporate information. Please give the details in the attached format for registering your email ID. Those holding shares in demat form are requested to register their email IDs with their Depository Participants.

CIN: L15142KL1994PLC008368

## CORPORATE INFORMATION

### BOARD OF DIRECTORS

Shri. S K Gupta	:	Chairman & Managing Director
Smt. Swati Gupta	:	Deputy Managing Director
Shri. Ladhu Singh	:	Whole Time Director
Miss.Vanshika Agarwala	:	Independent Director
Mrs Padmaja Nagraj	:	Independent Director

### AUDITORS

M/s. J.Krishnan & Associates, Chartered Accountant, Ernakulam

### BANKERS

ICICI Bank  
Indian Overseas Bank

### REGISTERED OFFICE

\*Door No: V/679-C  
Industrial Development Area  
Muppathadam P O, Edayar  
Cochin – 683 110

### SHARE TRANSFER AGENTS

M/s. Venture Capital and Corporate Investments Pvt Ltd.  
(Category - 1, Registrars) 12-10-167,  
Bharatnagar, Hyderabad - 500 018,  
Tel: 040-23818475, Fax: 040-2386024,  
E-mail: info@vccilindia.com.

### PLANT LOCATION

New Industrial Development Area  
Menon Para Road, Kanjikode,  
Palakkad – 678 621

**NOTICE OF THE ANNUAL GENERAL MEETING**

NOTICE is hereby given that the Twenty fourth (24th) Annual General Meeting of Prima Industries Limited will be held on Monday, 19th November, 2018 at 12.30 PM at the Regd Office of the Company at "Door No: V/679-C, Industrial Development Area, Muppalthadam P O, Edayar, Cochin – 683 110 to transact the following business:

**ORDINARY BUSINESS**

1. To receive, consider and adopt the financial statements of the Company for the year ended 31st March, 2018 including the audited Balance Sheet as on 31st March, 2018 and the statement of Profit and Loss for the year ended on that date and the Reports of the Directors and Auditors thereon.

2. To ratify appointment M/s. J.Krishnan & Associates, Chartered Accountant, (Firm Registration No. 001523S) as Statutory Auditors.

"**RESOLVED THAT** pursuant to provisions of Section 139, 142 and other applicable provisions of the Companies Act, 2013, if any, read with the Companies (Audit & Auditors) Rules, 2014, including any statutory enactment or modification thereof for the time being in force and pursuant to the resolution passed by the members of the Company at its 23<sup>rd</sup> Annual General Meeting held on 18<sup>th</sup> September, 2017 in respect of the appointment of M/s. J. Krishnan & Associate, Chartered Accountant, (Firm Registration No. 001523S) till the conclusion of the 28th Annual General Meeting of the Company hereby ratifies the appointment of M/s. J. Krishnan & Associate, Chartered Accountant, (Firm Registration No. 001523S) as the Statutory Auditors of the Company, to hold office from the conclusion of the 24th Annual General Meeting till the conclusion of the 25th Annual General Meeting of the Company.

RESOLVED FURTHER THAT the Board of Directors or the Audit Committee thereof, be and are hereby authorized to decide and finalize the terms and conditions of appointment, including remuneration of the Statutory Auditors."

**SPECIAL BUSINESS**

3. To consider and, if thought fit, to pass, with or without modification, the following resolution as an Ordinary Resolution to appoint a Director in place of Mr Ladhu Singh ( P.L.Singh (DIN 02320113), who retires by rotation and being eligible , offers himself for re-appointment.

"RESOLVED THAT pursuant to the provisions of Sections 196, 197, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof), read with Schedule V to the Companies Act, 2013 and pursuant to Article 107 and any other applicable Article of the Articles of Association of the Company, the consent of the Company be and is hereby accorded to the re-appointment of Mr Ladhu Singh ( P.L.Singh (DIN 02320113) as a director who is to retire by rotation and being eligible offers himself for re-appointment , as a whole time Director of the Company."

4. To approve the material related party transactions with Associate Companies.

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

"RESOLVED FURTHER THAT pursuant to the provisions of revised Clause 49 of the Listing Agreement (effective from October 1, 2014), the members of the Company be and is hereby ratify the contracts/arrangements/transactions entered in to by the Board for the FY 2017-18 with the related parties and as decided by the Board of Directors.

"RESOLVED FURTHER THAT the Board of Directors of the Company be and are hereby authorised to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution."

By order of the Board  
For Prima Industries Limited

S.K. Gupta,  
Chairman & MD

Place : Ernakulam  
Date : 15.09.2018

#### NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF / ITSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxy form has been provided in the Annual Report. A person can act as proxy on behalf of members not exceeding 50 (fifty) and holding in the aggregate not more than 10 (ten) percent of the total share capital of the Company carrying voting rights. A member holding more than 10 (ten) percent of the total share capital of the Company carrying voting rights may appoint a single person as Proxy and same person shall not act as Proxy for any other person or member. The instrument appointing the Proxy, duly completed and signed, must be deposited at the Registered Office of the Company not less than 48 hours before the commencement of the Meeting. A Proxy does not have the right to speak at the meeting and can vote only on a poll.
2. The Explanatory Statement pursuant to Section 102(1) of the Companies Act, 2013 (the Act) with respect to item nos. 3 to 5 of the Notice is annexed hereto and forms part of this Notice.
3. The Register of Members of the Company shall remain closed from the **13<sup>th</sup> November, 2018 to the 19<sup>th</sup> November, 2018 (both days inclusive)**.
4. In case you are holding the Company's shares in dematerialized form, please contact your depository participant and give suitable instructions to update your bank details in your demat account and to notify any changes with respect to their addresses email id, ECS mandate. In case you are holding Company's shares in physical form, please inform Company's RTA M/s. Venture Capital and Corporate Investments Pvt Ltd. (Category - 1, Registrars) 12-10-167, Bharatnagar, Hyderabad - 500 018, Tel: 040-23818475, Fax: 040-2386024, E-mail: info@vccilindia.com by enclosing a photocopy of blank cancelled cheque of your bank account.
5. All communications in respect of share transfers and change in the address of the members may be communicated to the STA of the Company.
6. Members holding shares in the same name under different Ledger Folios are requested to apply for consolidation of such Folios and send the relevant share certificates to the Share Transfer Agent/Company.

7. Corporate members intending to send their authorised representatives to attend the meeting are requested to send to the Company a certified copy of the Board resolution authorising their representative to attend and vote on their behalf at the meeting.
8. Relevant documents referred to in the accompanying Notice are open for inspection by the members at the Registered office of the Company on all working days, between 11.00 A.M. to 1.00 P.M. upto the date of the meeting.
9. Members/Proxies are requested to bring the attendance slip filled in for attending the Meeting. Members seeking clarifications on the Annual Report are requested to send in written queries to the Company at least one week before the date of the Meeting. This would enable the Company to compile the information and provide the replies at the Meeting.
10. Members who hold shares in physical form can nominate a person in respect of all the shares held by them singly or jointly. Members who hold shares in single name are advised, in their own interest to avail of the nomination facility. Members holding shares in dematerialized form may contact their respective depository participant(s) for recording nomination in respect of their shares.
11. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company / STA.
12. Electronic copy of the Annual Report for 2017-18 which includes Notice of the 24th Annual General Meeting, Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Annual Report for 2017-18 is being sent in the permitted mode.

#### **E-VOTING**

The business as set out in the Notice may be transacted through electronic voting system and the Company is providing facility for voting by electronic means. Pursuant to the provisions of Section 108 of the Companies Act, 2013, read with the Companies (Management and Administration) Rules, 2014, the Company is pleased to offer e-voting facility as an alternate to its members to cast their votes electronically on all resolutions set forth in the Notice convening the 24th Annual General Meeting. The Company has engaged the services of M/s. NSDL and STA of the Company to provide the e-voting facility. The Members whose names appear in the Register of Members / List of Beneficial Owners as on 12th November 2018 (cut-off date), are entitled to vote on the resolutions set forth in this Notice.

The e-voting period will commence on Friday 16th November, 2018 (09:00 hrs) and will end on Sunday 18th November, 2018 (18:00 hrs). During this period, shareholders of the Company holding shares either in physical form or in dematerialized form, as on the cutoff date may cast their vote electronically. The e-voting module shall be disabled by NSDL for voting thereafter. Members will not be able to cast their votes electronically beyond the date & time mentioned above.

The members desiring to vote through electronic mode may refer to the detailed procedure & instructions on e-voting, given below.

E-voting facility:

**How do I vote electronically using NSDL E-Voting system?**

The way to vote electronically on NSDL E-voting system consists of "Two Steps" which are mentioned below:

**Step 1: Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com>**

**Step 2: Cast your vote electronically on NSDL E-Voting system.**

Details on Step 1 is mentioned below:

**How to Log-into NSDL e-Voting website?**

1. Visit the e-Voting website of NSDL. Open web browser by typing the following URL:<https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
3. A new screen will open. You will have to enter your User ID, your Password and a Verification Code as shown on the screen

*Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-voting and you can proceed to Step 2 i.e. Cast your vote electronically.*

4. Your User ID details are given below:

Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical	Your User ID is:
a) For Members who hold shares in demat account with NSDL.	8 Character DP ID followed by 8 Digit Client ID  For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
b) For Members who hold shares in demat account with CDSL.	16 Digit Beneficiary ID  For example if your Beneficiary ID is 12***** then your user ID is 12*****
c) For Members holding shares in Physical Form.	EVEN Number followed by Folio Number registered with the company  For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***

5. Your password details are given below:
  - a) If you are already registered for e-voting, then you can use your existing password to login and cast your vote.
  - b) If you are using NSDL E-voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password' you need enter the 'initial password' and the system will force you to change your password.
  - c) How to retrieve your 'initial password'
    - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User id and your 'initial password'
    - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
6. *If you are unable to retrieve or have not received the "initial Password" or have forgotten your password:*
  - a) *Click on "Forgot User Details/Password?" (If you are holding shares in your demat account with NSDL or CDSL) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).*
  - b) *Physical User Reset Password?" (If you are holding shares in physical mode) option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com).*
  - c) *If you are still unable to get the password by aforesaid two options, you can send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in) mentioning your demat account number/folio number, your PAN, your name and your registered address.*
7. *After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.*
8. *Now, you will have to click on "Logging" button.*
9. *After you click on the "Logging" button, Home page of e-voting will open.*

**Details of Step 2 is given below:**

**How to cast your vote electronically on NSDL E-voting system**

1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
3. Select "EVEN" of company for which you wish to cast your vote.
4. Now you are ready for e-Voting as the Voting page opens.
5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
6. Upon confirmation, the message "Vote cast successfully" will be displayed.
7. You can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.

**General Guidelines for Shareholders**

1. Institutional shareholder (i.e other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/Authority letter etc. with attested specimen signature of the duly authorized signatory (ies) who are authorized to vote, to the Scrutinizer by email to [vkande@gmail.com](mailto:vkande@gmail.com) with a copy marked to [evoting@nsdl.com](mailto:evoting@nsdl.com)
2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in



- the correct password. In such an event, you will need to go through the "Forgot User Details/Password?" or "Physical User Reset Password?" option available on [www.evoting.nsdl.com](http://www.evoting.nsdl.com) to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of [www.evoting.nsdl.com](http://www.evoting.nsdl.com) or call on toll free no.:1800-222-990 or send a request at [evoting@nsdl.co.in](mailto:evoting@nsdl.co.in)
- xx. For any grievances connected with facility for e-voting members may contact:  
Mr. Bibin Sajan,  
Chartered Accountant,  
M/s. Vijayakumar & Easwaran (Chartered Accountants),  
Amrita Trade Towers, 6<sup>th</sup> Floor, S.A. Road,  
Pallimukku, Kochi – 682 016
13. Pursuant to Section 107 of the Act read with Rule 20 the Companies (Management and Administration) Rules, 2014, there will not be any voting by show of hands on any of the agenda items at the Meeting and the Company will conduct polling at the Meeting.
14. The Company has appointed Mr Bipin Sajan, Chartered Accountant to act as Scrutinizer to conduct and scrutinize the electronic voting process and poll at the Annual General Meeting in a fair and transparent manner.
15. The Scrutinizer shall submit his / her report, to the Chairman / Managing Director, on the votes cast in favour or against, if any, within a period of two working days from the date of conclusion of the e-voting period.
16. The results declared along with the Consolidated Scrutinizer's report shall be placed on the website of the Company [www.primaindustries.in](http://www.primaindustries.in). The results shall simultaneously be communicated to the Stock Exchanges.
17. Please refer attendance slip for route map giving directions to the venue of the Meeting.
18. Members holding shares in physical form and desirous of making a nomination in respect of their shareholding in the Company, as permitted under Section 72 of the Act, are requested to submit details to the Registrar and Transfer Agents of the Company, in the prescribed Form SH. 13 for this purpose.
19. As required by Regulation 36(3) of the Listing Regulations, the particulars of Directors who are proposed to be appointed are given below:

Agenda item	3
Name	Mr Ladhu Singh ( P.L. Singh) (DIN 02320113)
Age	68
Qualification	BA
Brief Profile including expertise	Mr Ladhu Singh ( P.L.Singh (DIN 02320113) has over 45 years' experience across different industries like Solvent Extraction & Refining, Cattle Feed Manufacturing etc. He Hails from Jaipur and had worked across India. He is having in-depth experience in different manufacturing industries.
Directorships in other listed Companies in India	Prima Agro Limited
Committee Memberships	Audit Committee, Stake Holders Relationship holders committee, CSR Committee, Nomination & Remuneration Committee of Prima Agro Ltd and Prima Industries Ltd
Relation with other Directors and KMP	N .A
Share Holding in Prima Industries Ltd	Nil
Attendance in the meetings in the last Financial Year	As disclosed in the Corporate governance section.

**EXPLANATORY STATEMENT**

The following Explanatory Statement pursuant to Section 102 (1) of the Act, sets out all material facts relating to the business mentioned in item nos. 3 to 4 in the accompanying Notice of the Annual General Meeting.

Item No. 3 Mr Ladhu Singh ( PL.Singh (DIN 02320113) was appointed as Director with effect from 28th April, 2016 at the 22<sup>nd</sup> Annual General Meeting of the Company held on 22nd August, 2016. The Board of Directors of the Company at its meeting held on 31st July, 2018, subject to the approval of the members of the Company, approved the re-appointment of Mr Ladhu Singh ( PL.Singh (DIN 02320113) as Director of the Company A brief profile of Mr Ladhu Singh ( PL.Singh (DIN 02320113) is provided in the notes to the Notice of the Annual General Meeting. Mr Ladhu Singh ( PL.Singh (DIN 02320113) is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as Director of the Company. Mr Ladhu Singh (PL.Singh (DIN 02320113), who is to retire by rotation and being eligible, offers himself for re-appointment.

The Board of Directors is of the opinion that Mr Ladhu Singh's knowledge and experience will be of immense value to the Company. The Board, therefore, recommends the approval of the resolution set out at Item No. 3 of the Notice convening the Meeting. None of the Directors or Key Managerial Personnel of the Company or their relatives are concerned or interested, financially or otherwise, in this resolution.

Item No 4. Material related party transactions with Associate Companies.

As per the provision of section 188(1) of the 2013 Act that govern the Related Party Transactions require a Company to obtain prior of shareholders by way of a special Resolution. Further, third proviso to section 188 (3) also provide that any contract or arrangement entered in u/s 188(1) may be ratified by the Board or, as the case may be, by the shareholders. The company had entered in to some related party transactions and agreements for the financial year 2017-18 and therefore the above said resolution for approval and ratification are put up to the share holders.

By order of the Board  
For Prima Industries Limited

S.K. Gupta,  
Chairman & MD

Place : Ernakulam  
Date : 15.9.2018

**DIRECTORS' REPORT**

To

**The Members of Prima Industries Limited**

Your Directors have pleasure in presenting the 24<sup>th</sup> Annual Report on the business and operations of the Company together with the Audited Statement of Accounts for the year ended 31st March 2018. The 24th Annual General Meeting of the Company was due on or before 30th September, 2018 but due to the extreme flood condition in Kerala during August 2018, your Company sought 3 months time to conduct the 24th AGM, from the Registrar of Companies, Kerala.

**Introduction**

India has emerged as the fastest growing major economy in the world as per the Central Statistics Organisation (CSO) and International Monetary Fund (IMF) and it is expected to be one of the top three economic powers of the world over the next 10-15 years, backed by its strong democracy and partnerships. India's GDP is estimated to have increased 6.6 per cent in

2017-18 and is expected to grow 7.3 per cent in 2018-19. India has retained its position as the third largest start up base in the world with over 4,750 technology startups, with about 1,400 new start-up being founded in 2016, according to a report by NASSCOM. India's foreign exchange reserves were US\$ 422.53 billion in the week up to March 23, 2018, according to data from the RBI. India's revenue receipts are estimated to touch Rs 28-30 trillion (US\$ 436-467 billion) by 2019, owing to Government of India's measures to strengthen infrastructure and reforms like demonetisation and Goods and Services Tax (GST). India's gross domestic product (GDP) is expected to reach US\$ 6 trillion by FY27 and achieve upper-middle income status on the back of digitisation, globalisation, favourable demographics, and reforms.

India is also focusing on renewable sources to generate energy. It is planning to achieve 40 per cent of its energy from non-fossil sources by 2030 which is currently 30 per cent and also have plans to increase its renewable energy capacity from 57 GW to 175 GW by 2022.

India is expected to be the third largest consumer economy as its consumption may triple to US\$ 4 trillion by 2025, owing to shift in consumer behaviour and expenditure pattern, according to a Boston Consulting Group (BCG) report; and is estimated to surpass USA to become the second largest economy in terms of purchasing power parity (PPP) by the year 2040, according to a report by Price water house Coopers.

Mr. Narendra Modi, Prime Minister of India, has launched the Make in India initiative with an aim to boost the manufacturing sector of Indian economy. This initiative is expected to increase the purchasing power of an average Indian consumer, which would further boost demand, and hence spur development, in addition to benefitting investors. Initiatives like Make in India and Digital India will play a vital role in driving the Indian economy. Hope that Govt of India's initiatives in labour reforms, anti-corruption move, governance reforms like Aadhar, Unique Identity Number etc will accelerate the development of the economy.

#### 1. Financial Highlights (Standalone) (Rupees in Lakhs)

Particulars		For the Year Ended 31-3-2018	For the Year Ended 31-3-2017
Net Sales./Income from Business Operations	-	2757.79	841.71
Other Income	-	16.85	3.37
Total Income	-	2774.65	845.08
Less Interest	-	0.00	0.00
Profit before Depreciation	-	197.55	174.35
Less Depreciation	-	70.78	70.55
Profit after depreciation and Interest	-	126.77	103.80
Less Current Income Tax	-	0.00	0.00
Less Previous year adjustment of Income Tax ,	-	0.00	0.00
Less Deferred Tax	-	(4.33)	(6.46)
Net Profit after Tax (from continuing Operations	-	131.09	110.03
Dividend (including Interim if any and final)	-	0.00	0.00

Other Comprehensive Income	-	11.59	16.93
Total Comprehensive Income for the period	-	142.69	127.18
Amount transferred to General Reserve	-	0.00	0.00
Balance carried to Balance Sheet	-	142.69	127.18
Earning per share (Basic)	-	1.21	1.02
Earning per Share (Diluted)	-	1.21	1.02

## 2. State of Company's Affairs and Future Outlook.

Your Company is a complex unit with Solvent Extraction Division, Oil Refining Division and Animal Feed Division, which are situated at Kanjikode, Palakad. It can process all types of oil cakes and other oil-bearing materials such as rice bran and oil seeds. This unique adaptability enables the unit to avail of the advantages of seasonal variations in the prices of various raw materials. This plant has the capacity to extract oil from any oil-bearing material such as Mustard, Cottonseed, Rapeseed, and Sunflower Cake etc.

Its Animal Feed Division functions towards backward integration as major portion of de-oiled cake produced in its Refinery would be consumed for its Animal Feed Unit. Hygienically prepared and packed Cattle Feed in pellets form is being produced in this plant with modern technology and skill. This plant has a capacity of 250MT production per day. This unit, as presently structured, is poised to produce a variety of Animal Feeds. The Company has installed the most modern plant with computerized controls. By adopting sophisticated techniques and evolving recipes with appropriate ingredients to meet the nutritional and energy requirements of cattle, poultry and goats, Prima has been able to supply cattle feeds of high quality to the domestic market.

The present capacity utilization of Prima's manufacturing facilities are around 50 to 60 % of the installed capacities, Bulk of the capacity utilization is for conversion contracts for well established companies like Kerala Feeds , KSE etc . Their products are manufactured according to their own specifications.

## 3. Change in the Nature of Business.

There is no material changes and commitments, affecting the financial position of the company which have occurred between the end of the financial year of the company to which the financial statements relate and the date of the report.

## 4. Changes in Share Capital

There were no changes in the share Capital during the year. Also report that:

- The Company has not bought back any of its securities during the year under review.
- The Company has not issued any Sweat Equity Shares during the year under review.
- No Bonus Shares were issued during the year under review.
- The Company has not provided any STOCK OPTION Scheme to the employees.
- The Company has not issued any Equity shares with Differential Rights.
- The Company had extended the redemption period of Preference shares due for redemption from 3 years to 13 years after obtaining the written consent from the Preference shareholder, holding 100 % Preference shares of the Company.

## 5. CAPITAL EXPENDITURE

Your Company had incurred an amount of Rs.20.56 Lakhs Spend on Capital Expenditure and Additions to Fixed Assets during the FY 2017-18 as detailed below:

Item		(Amount in Lakhs)
Land	-	2.05 Lakhs
Buildings	-	18.45 Lakhs
Plant & Equipments	-	0.06 Lakhs

#### 6. DEPOSITS

Your Company has not invited any deposit from public and shareholders in accordance with the provisions of Section 73 and 74 of the Companies Act, 2013.

#### 7. DEPOSITORY SYSTEM

As the members are aware, the Company's shares are compulsorily tradable in electronic form. As on March 31, 2018, 62.66% of the Company's total paid up capital are in dematerialized form. In view of the numerous advantages offered by the Depository system as well as to avoid frauds, members holding shares in physical mode are advised to avail of the facility of dematerialization from either of the depositories.

#### 8. TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND

This Company has not declared any dividend during the past or during the current period and the provisions related to transfer of unclaimed or unpaid dividend or shares on which dividend remains unpaid or unclaimed to the aforesaid fund is not applicable to this Company.

#### 9. SUBSIDIARY/ASSOCIATE/JOINT VENTURE COMPANIES

Your Company has no subsidiaries, joint ventures or associate companies.

#### 10. Particulars of Loan, Guarantees and Investments under section 186 of the Companies Act, 2013.

Your company has not given directly or indirectly any loan to any person or other body corporate or has given any guarantee or provide security in connection with a loan to any other body corporate or person; and has not acquired by way of subscription, purchase or otherwise, the securities of any other body corporate, exceeding sixty per cent of its paid-up share capital, free reserves and securities premium account or one hundred per cent of its free reserves and securities premium account, whichever is more during the financial year 2017-18.

#### 11. Particulars of Contracts or Arrangement with Related Parties under section 188(1) of the Companies Act, 2013.

The Related Party Transactions that were entered during the financial year under review were in the ordinary course of business. There were no materially significant Related Party Transactions entered into by the Company during the year under review other than reported in the accounts. The Company has a process in place to periodically review and monitor Related Party Transactions. All the related party transactions were in the ordinary course of business and at arm's length. The Audit Committee has approved all related party transactions for the FY 2017-18 and estimated transactions for FY 2018-19. There were no material transactions with related parties during the year other than as shown in the Financial Statements.

#### 12. Dividend

With a view to conserve the resources of the Company the Directors are not recommending any dividend for the year under review.

#### 13. Amounts Transferred to Reserves.

No amount is transferred to General Reserve.

**14. Extract of Annual Return**

The extract of the Annual Return as provided under sub-section (3) of Section 92 in Form MGT 9, for the Financial Year 2017-18 has been enclosed with this report.

**15. Board Meetings**

During the Financial year 2017-18, five times meetings of the Board of Directors of the Company were held. The detail of the Board meetings and the attendance of the Directors are provided in the Corporate Governance Report.

**16. Explanation to Auditor's Remarks.****a) Statutory Audit Report.**

Your Auditors had submitted an unqualified Audit Report for the Financial Year 2017-18 except a mentioning about few related party transactions in the form of loans which are well within the limit specified in section 186 of the Companies Act, 2013. The comments/observations of Auditors are explained in the Notes to the Accounts, forming part of the Balance Sheet as at 31st March, 2018 which are self explanatory and, therefore; do not call for any further comment under Section 134(5) of the Companies Act, 2013.

**b) Secretarial Audit Report**

The Secretarial Auditors also had submitted an unqualified Audit Report for the Financial Year 2017-18. However they pointed out that:-

(i) the Company being a listed company is required to appoint Company Secretary and Chief Financial Officer as per Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Also, Section 138 of the Act read with the Companies (Accounts) Rules, 2014, mandates appointment of Internal Auditor. The Company has been advised to comply with the provisions and the company is in the process of complying with the provisions of the Act.

(ii) it is noted that dematerialization of promoter shareholding is less than 100% and the company is in the process of such conversion.

(iii) The contents of the website including Board Composition and Code of Conduct, materiality policies are being updated as per LODR provisions.

**17. Material Changes Affecting the Financial Position of the Company.**

During the reporting year there were no material changes or events occurred affecting the financial position of the Company.

**18. Conservation of energy, technology absorption, foreign exchange earnings and outgo**

The information of Conservation of Energy as required under Section 134(3)(m) of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014 is not applicable to the business segments which your Company operates.

During the year, your Company has not earned any Foreign Exchange and there is no outgoings in Foreign Exchange.

**19. Development and implementation of a risk management policy**

The Board of Directors has adopted a Risk Management Policy which sets out the framework for the management of risks faced by the Company in the conduct of its business to ensure that all business risks are identified, managed and monitored.

**20. Details of Directors and Key Managerial Personnel**

Mr Ladh Singh ( PL.Singh (DIN 02320113) Director is retiring by rotation and there for a resolution for his re- appointment is proposed in the notice for this Annual General Meeting with the required explanatory statements and requested the members to take note of the same.

**21. Details of significant & material orders passed by the regulators or courts or tribunal.**

No orders were passed by the authorities which impacts the going concern status and company's operations in future.

**22. Statement in Respect of Adequacy of Internal Financial Control with Reference to the Financial Statements.**

Your Company is having adequate internal financial controls with reference to the Financial Statements. There was no Internal Auditor as there is having adequate internal financial controls. The Statutory Auditors also suggested appointment of Internal Auditor to comply with the Listing Norms. Your Company is considering appointing one Internal Auditor.

**23. Receipt of any commission by MD / WTD from a Company or for receipt of commission / remuneration from it holding or subsidiary**

Your CMD , or Whole time Director is not in receipt any commission from any Holding or Subsidiary Company of your Company other than remuneration from your Company.

**24. Declaration by Independent Director**

The Company has received the necessary declaration from each Independent Director in accordance with Section 149(7) of the Companies Act, 2013, that he meets the criteria of independence as laid out in sub section (6) of Section 149 of the Companies Act, 2013 and Clause 49 of the Listing Agreement.

**25. Re-appointment of Independent Auditor.**

Pursuant to the resolution passed by the members of the Company at its 23rd Annual General Meeting held on 18th September, 2017 in respect of the appointment of M/s. J. Krishnan & Associates, Chartered Accountant, (Firm Registration No. 001523S) till the conclusion of the 28th Annual General Meeting of the Company, your Board proposed a resolution in the AGM Notice for ratifying the appointment of M/s. J. Krishnan & Associates., Chartered Accountant, (Firm Registration No. 001523S) as the Statutory Auditors of the Company, to hold office from the conclusion of the 24th Annual General Meeting till the conclusion of the 25th Annual General Meeting of the Company. They are eligible for appointment and have given a written certificate as per Section 141 of the Companies Act, 2013 read with Companies (Audit and Auditors) Rules 2014

**26. Secretarial Audit Report**

Your Board had appointed Mr. CS N Balasubramanian, Partner, M/s. BVR Associates, Company Secretaries (ACS/FCS No. F6439, CP. No. 4996) to carry out Secretarial Audit under the provisions of Section 204 of the Companies Act, 2013 for the financial year 2017-18. The report of the Secretarial Auditor is annexed to this report.

**27. Corporate Social Responsibility (CSR) Policy**

As per the Companies Act, 2013, companies having net worth of 500 crore or more, or turnover of 1000 crore or more or net profit of 5 crore or more during any financial year are required to constitute a Corporate Social Responsibility (CSR) Committee of the Board of Directors comprising three or more directors, at least one of whom should be an independent director and such company shall spend at least 2% of the average net profits of the company's three immediately preceding financial years.

Any of the above criteria become applicable to your company for the reporting year.

**28. Audit Committee**

During the year your Company had its Audit Committee with the following independent directors as members.

Miss Vanshika Agarwala	-	Chairman
Mr. Ladhu Singh	-	Member
Mrs. Padmaja Nagraj	-	Member

The Audit Committee had convened its meetings 5(Five) times during the period under report.

**29. Statement Indicating the Manner in which Formal Annual Evaluation has been made by the Board of its own Performance, its Directors, and that of its Committees.**

The overall effectiveness of the Board shall be measured on the basis of the ratings obtained by each Director and accordingly the Board shall decide the Appointments, Re-appointments and Removal of the non-performing Directors of the Company. The Board review the various strategies of the Company and accordingly set the performance objectives for directors, consistent with the varying nature and requirements of Company's business. The Board as a whole shall discuss and analyze its own performance during the year together with suggestions for improvement thereon, pursuant to the performance objectives.

**30. Selection of new directors and board membership criteria**

The Nomination and Remuneration Committee works with the Board to determine the appropriate characteristics, qualification, skills and experience for the Board as a whole and its individual members with the objective of having a Board with diverse backgrounds and experience.

As per the provisions of Section 178(3) of the Companies Act, 2013, the Nomination and Remuneration Committee has formulated a "Policy on Remuneration of Director, Key Managerial Personnel, Personal & Senior Employees".

**31. Familiarization programme for Independent Directors**

The Company proactively keep its Independent Directors informed of the activities of the Company, its management and operations and provides an overall industry perspective as well as issues being faced by the Industry.

**32. Listing Agreement Compliance**

Your company has complied with the requirements of the Listing Agreement and necessary disclosures have been made in this regard in the Corporate Governance Report.

A certificate from the statutory auditors of the Company confirming the compliance of conditions of corporate governance under clause 49 of the Listing Agreement is also attached to this report.

**33. Disclosure on Establishment of a Vigil Mechanism**

In terms of the provisions of Sec 177(9) & (10) of the Companies Act, 2013 and pursuant to the provisions of Clause 49 of the Listing Agreement, a Vigil Mechanism for Stakeholders, Employees and Directors of the Company has been established by the Company.

**34. Corporate Governance**

Your company obtained a certificate from Practicing Company Secretary regarding compliance with clause 49 of the Listing Agreement and is annexed the certificate with this Board's Report.

This certificate will also be sent to the Stock Exchanges, where the shares of the Company are listed, along with the annual report to be filed by the company.

Declaration by CEO/CFO that the Board Members and Senior Management Personnel have complied with the Code of Conduct, [Clause 49 II E (2) of LA] as annexed is also forming part of this report.

**35. Managerial Remuneration**

Your Company does not have any employee in respect of whom information required pursuant to Section 197 (12) of the Companies Act, 2013 read with Rule 5(1) of The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. None of the employees employed throughout the financial year and in receipt of remuneration of Rs.60 lacs or more, employees employed for part of the year and in receipt of 5 lac or more per month, pursuant to Rule 5(2) The Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.



**36. Disclosures under Sexual Harassment of Women at Workplace (Prevention, Prohibition & Redressal) Act, 2013.**

Your Company believes in providing a safe and harassment free workplace for every individual working in the company premises through various interventions and practices. The Company endeavors to create and provide an environment that is free from discrimination and harassment including sexual harassment. In this light, the company has framed a well defined policy on Prevention of Sexual Harassment for an employee.

There were no cases reported in the history of your company till date.

**37. Fraud Reporting (Required by Companies Amendment Bill, 2014)**

There were no cases of fraud reported to the Audit Committee / Board in the company till date.

**38. Cost Auditors.**

Your Company does not qualify for the eligibility norms of Companies (Cost Records and audit) Rules, 2014 regarding appointment of Cost Auditor for conducting cost audit. Accordingly, Cost Audit was not conducted for the Financial Year 2017-18. However, the company is maintaining adequate cost records as stated under the said rules.

**39. Management Discussion and Analysis Report**

As required under Clause 49 of the Listing Agreement with Stock Exchanges, the Management Discussion and Analysis Report is enclosed as a part of this report .

**40. Director's Responsibility Statement**

In accordance with the provisions of Section 134(5) of the Companies Act 2013, your directors confirm that:

- (a) These are the company's first annual financial statements prepared in accordance with Indian Accounting Standards (Ind AS). The Company has adopted all applicable standards and the adoption was carried out in accordance with Ind AS 101 – 'First Time Adoption of Indian Accounting Standards'. An explanation of how the transition to Ind AS has affected the reported financial position, financial performance and cash flows of the Company are provided in Note No. 25 – "First Time Adoption" to the Financial Statements.
- (b) in the preparation of the annual accounts for the financial year ended 31st March, 2018, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (c) the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at 31st March, 2018 and of the profit/loss of the Company for that period;
- (d) the directors had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act 2013 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (e) the directors had prepared the annual accounts on a going concern basis;
- (f) the directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.
- (g) the directors had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively.

(h) Transition to Ind AS:

The Standalone financial statements are prepared in accordance with Indian Accounting Standards (Ind AS) notified under the Companies (Indian Accounting Standards) Rules, 2015 as amended, read with relevant rules issued there under in terms of the SEBI LODR, as modified by Circular No CIR/CFD/FAC/62/2016 dated July 5, 2016 except for post-employment defined benefit plans (gratuity) not being computed in the manner specified under paragraph 50 of the Ind AS 19 "Employee Benefits".

For periods up to and including the year ended March 31, 2017, the Company prepared its financial statements in accordance with the then applicable Accounting Standards in India ('previous GAAP'). The adoption of Ind AS was carried out in accordance with Ind AS 101, considering April 01, 2016 as the transition date. Pursuant to adoption of Ind AS, the differences in the carrying amounts of assets and liabilities on the transition date under the previous GAAP and the balances on adoption of Ind AS have been recognized directly in equity. The financial statements for the year ended March 31, 2017 and the Balance Sheet as at the transition date and as at March 31, 2017 have been presented under Ind AS for comparative purposes. Accounting policies have been applied consistently to all periods presented in these Standalone Financial Results.

In preparing the opening Ind AS statement of financial position, adjustments are carried out to the amounts reported in financial statements prepared in accordance with previous GAAP. An explanation of how the transition from previous GAAP to Ind AS has affected our financial performance, cash flows and financial position is set out in Note No.25 to the Financial Statements.

**41. Statutory Disclosures:**

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

1. Deposit from the public falling within the ambit of Section 73 of the Act and rules made thereof.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (including sweat equity shares) to employees of the Company under any scheme save and except ESOS referred to in this Report.
4. Neither the Managing Director(s) nor the Whole-time Director(s) of the Company receive any remuneration or commission from any of its subsidiaries.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company's operations in future.

**42 Significant and material orders passed by the regulators or courts or tribunals impacting the going concerns status and company's operations in future**

The Company has not received any significant or material orders passed by any Regulatory Authority, Court or Tribunal which shall impact the going concern status and Company's operations in future.

**43. Industrial Relations**

The Company maintained healthy, cordial and harmonious industrial relations at all levels. Despite severe competition, the enthusiasm and unstinting efforts of the employees have enabled the Company to remain at the forefront of the Industry. It has taken various steps to improve productivity across organization.

Your Company continued to receive co-operation and unstinted support from the distributors, retailers, stockiest, suppliers and others associated with the Company as its trading partners. The Directors wish to place on record their

appreciation for the same and your Company will continue in its endeavor to build and nurture strong links with trade, based on mutuality, respect and co-operation with each other and consistent with consumer interest.

#### **44. Internal Control Systems and their Adequacy**

The Company has a proper and adequate internal control system to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and those transactions are authorised, recorded and reported correctly. The internal control is exercised through documented policies, guidelines and procedures. This is periodically reviewed by the audit committee to ensure effectiveness of the internal control system. The internal control is designed to ensure that the financial and other records are reliable for preparing financial statements and other data, and for maintaining accountability of persons.

#### **45. Financial and operational performance**

The financial statements have been prepared in compliance with the requirements of the Companies Act, 2013 and Generally Accepted Accounting Principles in India. Please refer Directors' Report in this respect

#### **46. Human Resources/Industrial Relations**

The Company's HR philosophy is to establish and build a high performing organization, where each individual is motivated to perform to the fullest capacity; to contribute to developing and achieving individual excellence and departmental objectives and continuously improve performance to realize the full potential of our personnel. The Company is giving direct employment to about 100 employees.

#### **47. Appreciation**

It is our strong belief that caring for our business constituents has ensured our success in the past and will do so in future. The Board acknowledges with gratitude the co-operation and assistance provided to your company by its bankers, financial institutions, and government as well as Non-Government agencies. The Board wishes to place on record its appreciation to the contribution made by employees of the company during the year under review. The Company has achieved impressive growth through the competence, hard work, solidarity, cooperation and support of employees at all levels. Your Directors thanks the customers, clients, vendors and other business associates for their continued support in the Company's growth.

The Board also takes this opportunity to express its deep gratitude for the continued co-operation and support received from its valued shareholders.

For and on behalf of the Board  
Sd/-  
S.K. Gupta  
Chairman & MD

Place: Cochin  
Date: 15.9.2018

## **Annexure to the Directors' Report**

### **A. CONSERVATION OF ENERGY**

The Company continues its efforts to improve methods for energy conservation and utilization by

- (1) More usage of electricity purchased from KSEB.
- (2) Improved efficiency of own generation by usage of diesel generator only for emergencies and as stand by.
- (3) Intensified vigil on wastage/leakage control.

**B. CONSUMPTION PER UNIT OF PRODUCTION**

The company manufactures only Animal Feed and power and fuel consumption per unit of production was as follows.

Particulars		For the Year 2017 -18	For the Year 2016-17
<b>Actual Production</b>			
Cattle feed	-	28323.790 MT	35888.500 MT
Refining of Oil	-	20.000 MT	200.770 MT
Solvent Extraction	-	22412.428 MT	17038.798 MT
Total Power and Fuel Charges	-	Rs.86,84,011.00	Rs.9973554.00
Consumption Per MT	-	Rs. 171.10	Rs.187.73

**C. TECHNOLOGY ABSORPTION**

Disclosure of particulars with respect to technology absorption:-

**RESEARCH & DEVELOPMENT****1. SPECIFIC AREAS IN WHICH R&D CARRIED OUT BY THE COMPANY.**

- Quality Up gradation
- Productivity enhancement
- Quality Control Management

**2. BENEFITS DERIVED AS A RESULT OF THE ABOVE R&D**

- Increase in production and capacity utilization.
- Repeat order from customers due to consistency in quality.

**3. FUTURE PLAN OF ACTION**

- To acquire Cost-efficiency in manufacturing operations through better methods and techniques of production.
- To Increase range of production and storage facility.
- To develop of new markets.
- To install a new 4MT boiler to be used as stand by.

**4. EXPENDITURE IN R&D**

Specific expenditure of recurring or capital nature is not involved in Technology absorption, adoption and innovation.

**5. EFFORTS**

To develop products of International Quality and Standards and implementation of total Quality Assurance System.

**6. BENEFITS**

- Quality of products can be improved.
- Scoring high points in evaluation by reputed buyers.

**D. FOREIGN EXCHANGE EARNINGS AND OUTGO**

2017-18	-	Nil
2016-17	-	Nil
Expenditure		
2017-18	-	Nil
2016-17	-	NIL

For and on behalf of the Board of Directors

Sd/-

S.K.GUPTA

Chairman & Managing Director.

**Overview Management Reviews Management Reports Financial Statements****COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

The company aims at not only its own growth but also maximization of benefits to the shareholders, employees, customers, government and also the general public at large. For this purpose the company continuously strives to improve its level of overall efficiency through good corporate governance, which envisages transparency, professionalism and accountability in all its operations. We, Prima Industries Limited, are committed to good corporate governance and its adherence to the best practices of true spirits at all times. Our corporate Governance philosophy rests on five basic tenets viz., Board's accountability, value creation, strategic guidance, transparency and equitable treatment to all stakeholders.

**(A) BOARD OF DIRECTORS**

Composition of the Board and category of Directors

As on 31st March, 2018, the Company's Board consists of Five Directors having considerable professional experience in their respective fields. Out of them, Two are Independent Directors and two are Non-Executive Directors. There are three Woman Directors in the board and one Whole time Director. The Composition of the Board is in Conformity with clause 49 of Listing Agreements with Stock Exchanges and as per Companies Act, 2013 which is effective as on 31st March, 2016.

**(B) Role of Board of Directors**

Your Company's Board of Directors plays primary role in ensuring good governance, smooth functioning of the Company and in the creating of shareholder value. The Board's role, functions, responsibility and accountability are clearly defined. As part of its function, your Board periodically reviews all the relevant information which is required to be placed before it pursuant to Clause 49 of the Listing Agreement and in particular reviews and approves corporate strategies, business plans, annual budgets, projects and capital expenditure. Your Board not only monitors the Company's overall corporate performance it also set standards of corporate behavior, ensures transparency in corporate dealing and compliance with the laws and regulations.

Agenda of the Board Meeting and Notes on Agenda are circulated to the Directors as far as possible well in advance of each Board Meeting. At the Board meeting elaborate presentations are made to the Board. The members discusses each agenda item freely in detail.

Five Numbers of Board Meetings were held on 28.04.2017, 31.05.2017, 31.07.2017, 14.11.2017 & 14.02.2018 during the year.

**OTHER COMMITTEES AT BOARD LEVEL****(A) Independent Audit Committee**

The Audit Committee at the Board level of your Company acts as a link between the Independent Auditors, the Management and the Board of Directors. The Audit committee interacts with the Independent Auditors, Secretarial Auditors and Cost Auditors and reviews and recommends their appointment and remuneration. The Audit Committee is provided with all necessary assistance and information for enabling them to carry out its function effectively.

In general the Audit Committee reviews the Audit and internal control procedures, accounting policies and the Company's financial reporting process and ensure that the financial statements are correct, sufficient and credible and exercises the powers as recommended from time to time by SEBI, Stock Exchanges and/or under the Companies Act, 2013. Further your Audit Committee also reviews the following information mandatorily:

1. Management discussion and analysis of financial conditions and results of operations;
2. Statement of significant related party transactions submitted by the management;
3. Management letters/letters of internal control weaknesses if any issued by the statutory auditors;
4. Internal Audit report relating to internal control weaknesses, if any and implementation of action points arising there from and
5. The appointment, removal and terms of remuneration of the Internal Auditors
6. Quarterly and annual financial statements and
7. Risk assessment and minimization procedures

The Audit Committee comprises of, Miss. Vanshika Agarwala, Mr. Ladhu Singh and Mrs. Padmaja Nagraj. Two are independent Directors of the Company and are financially literate and having accounting and related Administrative and Financial Management Expertise. Mr. Ladhu Singh acts as the Secretary to the Audit Committee. The Chairman of the Audit Committee is Miss. Vanshika Agarwala.

During the year under review the Audit Committee met 5 times on 27.04.2017, 30.05.2017, 29.07.2017, 13.11.2017 & 12.02.2018 to deliberate on various matters.

#### **(B) Stakeholders Relationship Committee**

In compliance with the provisions of Listing agreement and Section 178 of Companies Act, 2013, your company re-constituted this committee as "Stakeholders Relationship Committee". This committee of the Board of your Company looks into various issues relating to shareholders/investors including transfer and transmission of shares held by shareholders in physical format as well as in demat form and tracks investor complaints and suggest measures for improvement from time to time.

The Committee comprises of Miss. Vanshika Agarwala, Mr. Ladhu Singh and Mrs. Padmaja Nagraj as members. During the year under review the committee met on one time 05.03.2018 to deal with various matters referred above. Mr. Ladhu Singh, being Compliance Officer acts as Secretary to the Committee to discharge the function of the Committee and to place a report at each Board meeting on matters dealt by the committee each quarter. During the year no Number of Complaints were received out of which all complaints were disposed off to the satisfaction of the Shareholders.

As on 31st March, 2018 no complaints remained unattended/pending more than thirty days.  
The company has no share transfers/transmission pending as on 31st March, 2018

#### **(C) Corporate Social Responsibility Committee (CSR Committee)**

The CSR Committee of your Company comprises of Miss. Vanshika Agarwala, Mr. Ladhu Singh and Mrs. Padmaja Nagraj as members. The committee was reconstituted on 30.05.2017 with the induction of the above Independent Directors as per requirement of Companies Act, 2013 read with Rules. The Committee met on 12.2.2018 and reviewed the CSR activities undertaken during the year.

#### **(D) Nomination and Remuneration Committee**

In compliance of Section 178 of Companies Act, 2013 the Board renamed the Remuneration committee as "Nomination and Remuneration Committee. Your Board has re-constituted the Nomination and Remuneration Committee which now comprises of Miss. Vanshika Agarwala, Mr. Ladhu Singh and Mrs. Padmaja Nagraj as Members.

The terms of reference of the committee inter alia include:

Succession planning for Board of Directors and Senior Management Employees, Identifying and selection of candidates for appointment of Directors/Independent Directors based on certain laid down criteria's, Identifying potential individuals for appointment of Key Managerial personnel and other senior managerial position. Review the performance of the Board of Directors and Senior Management personnel including Key managerial personnel based on certain criteria approved by the Board. While reviewing the performance, the committee ensures that the remuneration is reasonable and sufficient to attract, retain and motivate the best managerial talents, remuneration commensurate with the performance of individual and group and also maintains a balance between fixed and incentive pay reflecting both short and long term objectives of the company.

The Committee met on 28.01.2017 and reviewed the performance of the Directors both Non- Executive and Executive Directors and also the senior managerial personnel including Key Managerial personnel during the year.

#### **(E) Risk Management Committee**

Evaluation of Business Risk and managing the risk has always been an ongoing process in your Company. The Company has set up a risk management framework to identify, monitor and minimize risk and also to identify business opportunities.

The Audit Committee also functions as the Risk Management Committee.

#### **REMUNERATION OF NON- EXECUTIVE / EXECUTIVE DIRECTORS**

All decisions relating to the remuneration of the Directors were taken by the Board of Directors of the Company and on the recommendations from the Nomination and Remuneration Committee and the Audit Committee and in accordance with the Share holders' approval wherever necessary.

Details for remuneration paid / to be paid to the Directors for the year under review are as under:

##### **(i) Name of the Director: Mr S.K. Gupta**

Salary, benefits, bonus etc paid during the year 2017-18	-	Nil
Commission Due/paid/payable for 2017-18	-	Nil
Sitting fees (for Board and its committees)	-	Nil

##### **(ii) Name of the Director: Mrs Swati Gupta**

Salary, benefits, bonus etc paid during the year 2017-18	-	Nil
Commission Due/paid/payable for 2017-18	-	Nil
Sitting fees (for Board and its committees)	-	Nil

##### **(iii) Name of the Director: Mr Ladhu Singh**

Salary, benefits, bonus etc paid during the year 2017-18	-	Rs. 750000/-
Commission Due/paid/payable for 2017-18	-	Nil
Sitting fees (for Board and its committees)	-	Nil

#### **CODE OF CONDUCT AND CEO/CFO CERTIFICATION**

The Company has adopted a code of conduct for all Board members and senior management of the company. The term senior management means personnel of the company who are members of its core management team excluding Board of Directors. Normally this would comprise all members of management one level below the executive directors, including all functional heads.

The code has been circulated to all members of the Board and senior management and the compliance of the same has been affirmed by them.

Mr. S.K.Gupta, Chairman & Managing Director and Mr. Ladhu Singh, Director of the Company have certified to the Board that:

(a) They have reviewed the Financial Statements and the Cash Flow statement for the year ended 31st March,2018 and that to the best of their knowledge and belief that:

i. these statements do not contain any materially untrue statement or omit any material facts or contain statements that might be misleading; and

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 their knowledge and belief no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.

(c) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of the internal control systems of the company pertaining to the financial report and they have disclosed to the auditors and the Audit Committee deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.

(d) They 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 during the year and that the same have been disclosed in the notes to the financial statements; and

iii) Instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or any employee having a significant role in the Company's internal control system over financial reporting.

We hereby confirm that:

"The company has obtained from all the members of the Board and senior management, affirmation that they have complied with the code of conduct for directors and senior management in respect of the financial year 2017-18"

S.K. Gupta  
Chairman & Managing Director

Mr.Ladhu Singh  
Director

Name and Designation of the Compliance Officer(s): Mr. Ladhu Singh has taken over as Compliance Officer w.e.from 30-1-2016. He has been appointed under Section 203 of the Companies Act, 2013 as a Key Managerial Personnel and Compliance officer. He takes care of all legal compliance of the company from time to time.

## 7. General Body Meetings

The Annual General Meetings for the last three years were held as follows:

Year	Location	Date	Time	No. of special resolutions passed
2014-15	Door No,V/679-C, IDA,Muppathadadam P.O. Edayar, Cochin – 683 110	07.09.15	10. AM	1
2015-16	Door No,V/679-C, IDA,Muppathadadam P.O. Edayar, Cochin – 683 110	22-8- 16	11.A.M	4
2016-17	Door No,V/679-C, IDA,Muppathadadam P.O. Edayar, Cochin – 683 110	18.09.17	11.A.M	4



Whether any Special Resolution passed in the previous 3 AGMs	:-	Yes
Whether special resolutions were passed through postal ballots	:-	No
Are votes proposed to be conducted through postal ballots this year	:-	No

#### 8. Disclosures:

1. Disclosures on materially significant related party transactions i.e., transactions of the company of material nature, with its promoter, the directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of company at large:

All transactions with related parties were in the ordinary course of business and at arm's length. The company has not entered into any transaction of a material nature with any of the related parties which are in conflict with the interest of the company.

The details of related party transactions are disclosed in Note No. 29 attached to and forming part of the accounts.

2. Details of non-compliance by the company, penalties, strictures imposed on the company by Stock Exchange, SEBI or any statutory authority, on any matter related to capital markets, during the last three years. None

3. Compliance with Accounting Standards In the preparation of financial statements there is no deviation from the prescribed Accounting Standards.

4. Compliance Certificate from the auditors of the company confirming compliance with the mandatory requirements under clause 49 of the listing agreement is annexed to this report. This certificate has also been forwarded to the Stock Exchanges where the shares of company are listed.

5. Adoption of non mandatory requirements under clause 49 and as applicable under Companies Act, 2013

The company complies with the following non-mandatory requirements under clause 49 with reference to Companies Act, 2013 relating to Audit Committee.

##### (a) Remuneration Committee

The Board has constituted a remuneration committee consisting of three directors all of whom are non executive directors, the chairman of the committee being an independent director. The remuneration committee recommends/reviews remuneration of the Directors.

##### (b) Whistle blower policy

The company has put in place a mechanism of reporting illegal or unethical behavior. Employees are free to report violations of laws, rules, regulations or unethical conduct to their immediate supervisor/notified persons.

The reports received from any employee will be reviewed by the audit committee. It is affirmed that no person has been denied access to the audit committee in this respect.

The Directors and senior management are to maintain confidentiality of such reporting and ensure that the whistle blowers are not subjected to any discriminatory practice.

**(c) Risk Management**

Your Company has a comprehensive risk management policy. Your Company has laid down procedures to inform Board members about the risk assessment and minimization procedures. These procedures are periodically reviewed to ensure that executive management controls the risks through properly defined framework.

The Audit Committee, has been designated by the Board for reviewing the adequacy of the risk management framework of the Company, the key risks associated with the businesses of the Company and the measures are taken in place to minimize the same and thereafter the details are presented to and discussed at the Board meeting. The risk management issues are discussed in the Management Discussion and Analysis Report.

**9. Means of Communication**

Quarterly results:

The quarterly results of the company are published in Janayugam, Malayalam daily and in Financial Express, English Daily.

**A detailed report on Managerial Discussion and Analysis is enclosed herewith as part of Annual Report.**

**10. General Shareholder Information:**

1. Annual General Meeting Date	:	19th November, 2018 at 12.30 p.m.
Venue	:	Door No.V/679-C, Industrial Development Area, Muppathadam P.O., Edayar, Cochin – 683 110
2. Financial Year	:	April 2017 to March 2018
3. Book closure date	:	13th November 2018 to 19th November, 2018 (both days inclusive),
4. Dividend recommended for the year	:	NIL
5. Listing on stock exchange	:	Bombay and National Stock Exchanges
6. Stock Code	:	BOMBAY:531246
7. Market price Data (Face value of Rs. 10) (BSE)	:	High: Rs16.9 Low: Rs 4.75.

Total No of shares dealt during the Year 2017-18

Month	Month's High Price	Month's Low Price
April-2017	7.32	6.55
May-2017	6.47	4.83
June-2017	5.07	4.75
July-2017	-	-
August-2017	5.22	4.98
September-2017	7.31	5.48
October – 2017	11.22	7.67
November-2017	11.35	10.79
December-2017	11.69	11.1
January-2018	17.1	12.27
February-2018	17.1	15.45
March-2018	16.9	16

Register and transfer Agent: Venture Capital and Corporate Investments Pvt. Ltd  
(Category- I Registrars)  
12-10-167, Bharatnagar,  
Hyderabad – 500 018  
Ph: 040-23818475, Fax: 040-23868024  
Email:info@vccilindia.com

8. Performance in comparison to broad-based indices: NA

9. Share transfer system: During the year the share transfers which were received in physical forms and for which documents were valid and complete in all respects, were processed and the share certificates were returned within the prescribed time from the date of receipt through the Company's RTA.

10. Distribution of shareholding as on 31st March 2018

**11. Dematerialisation of shares and liquidity:** The Company has arranged agreements with National Securities Depositories Limited (NSDL) and Central Depository Services Limited (CDSL) for Dematerialisation of shares through Venture Capital and Corporate Investments Pvt. Ltd. The Company's shares are regularly traded on the Bombay Stock Exchange Ltd, in electronic form. Under the Depository System, the International Securities Identification Number (ISIN) allotted to the Company Shares is INE723N01012.

**12. Outstanding GDR/ADR/Warrants or any convertible instruments, conversion instruments, conversion date and impact on equity: NIL**

**13. Plant locations:** New Industrial Development Area  
Menon Para Road, Kanjikode, Palakkad – 678 621

**14. Address for correspondence:** The Secretarial Department  
Prima Industries Ltd  
Door No. V/679-C, Industrial Development Area  
Muppathadam .PO., Edayar, Cochin – 683 110  
Ph: 0484-2551533/2551534  
Email:prima@vsnl.in  
CIN: L15142KL1994PLC008368

**15. Registrar and Share Transfer Agents:** Venture Capital and Corporate Investments Pvt. Ltd  
(Category- I Registrars)12-10-167, Bharatnagar,  
Hyderabad – 500 018  
Ph: 040-23818475, Fax:040-23868024  
Email:info@vccilindia.com

PRIMA INDUSTRIES LIMITED				
Distribution Details On Face Value FOR THE PERIOD 31-3-2018 INE723N01012				
Nominal Value	Holders		Amount	
	Number	% To Total	In Rs	% To Total
Upto - 5000	471	50.86	1833670	1.7
5001 - 10000	288	31.1	2519370	2.33
10001 - 20000	68	7.34	1161630	1.08
20001 - 30000	32	3.46	846160	0.78
30001 - 40000	7	0.76	260050	0.24
40001 - 50000	19	2.05	932000	0.86
50001 - 100000	16	1.73	1296460	1.2
100001 and above	25	2.7	99069660	91.8
Total	926	100	107919000	100

Shareholding Pattern as on 31st March, 2018:

Category Code	Category of Shareholder	Number of Share Holders	Total Number of Shares	Number of Shares held in Dematerialized Form	Percentage to total shares
(I)	(II)	(III)	(IV)	(V)	(VI)
<b>A</b>	<b>Promoter and Promoter Group</b>				
<b>(1)</b>	<b>Indian</b>				
(a)	Individuals/Hindu Undivided Family	55	1584672	1503470	14.68
(b)	Central Government /State Government (s)	1	1100000	0	10.19
(c)	Bodies Corporate	5	4972528	4972528	46.08
(d)	Financial Institutions / Banks	0	0	0	-
(e)	Any other(PAC)	0	0	0	-
(f)	Others	0	0	0	0.00%
	<b>Sub-Total (A)(1)</b>	<b>61</b>	<b>7657200</b>	<b>6475998</b>	<b>70.95</b>
<b>(2)</b>	<b>Foreign</b>				
(a)	Individuals (Non Resident Individuals/ Foreign Individuals)	13	49000	0	0.45

(b)	Bodies Corporate	0	0	0	-
(c)	Institutions	0	0	0	-
(d)	Qualified Foreign Investor	0	0	0	-
(e)	Any Other	0	0	0	-
	<b>Sub-Total (A)(2)</b>	13	49000	0	0.45
	<b>Total Shareholding of Promoter and Promoter Group A = (A)(1) + (A)(2)</b>	<b>74</b>	<b>7706200</b>	<b>6475998</b>	<b>71.41</b>
<b>B</b>	<b>Public Shareholding</b>				
<b>(1)</b>	<b>Institutions</b>				
(a)	Mutual Funds/UTI	0	0	0	-
(b)	Venture Capital Funds	0	0	0	-
(c)	Alternate investment funds	0	0	0	-
(d)	Foreign Venture Capital Investors	0	0	0	-
(e)	Foreign Portfolio investors-Individual	0	0	0	-
(f)	Foreign Portfolio investors-Corporate	0	0	0	-
(g)	Financial Institutions/Banks	0	0	0	-
(h)	Insurance Companies	0	0	0	-
(i)	Provident funds/pension funds	0	0	0	-
(j)	Any other	0	0	0	-
(k)	Foreign Institutional investors	0	0	0	-
(l)	Qualified Foreign investor	0	0	0	-
(m)	Qualified Foreign investor-Corporate	0	0	0	-
(n)	Foreign Bodies Corp	0	0	0	-
(o)	Foreign Nation	0	0	0	-
	<b>Sub-Total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>-</b>
B1C	<b>Central Government/State Government (s)</b>	0	0	0	0
	<b>Sub-Total (B) (2)</b>	0	0	0	0
<b>(2)</b>	<b>Non-institutions</b>				
(a)	Bodies Corporate	9	52250	18350	0.48

(b)	Individuals				
	i Individual Shareholders holding nominal share capital upto Rs. 2 Lakh	822	768587	210687	7.12
	ii Individual Shareholders holding nominal share capital in excess of Rs. 2 Lakh	9	2231268	23868	20.7
(c)	Qualified Foreign Investor-Corporate	0	0	0	-
(d)	CLEARING MEMBER	2	1895	1895	0.02
(e)	TRUST	0	0	0	-
(f)	Non Resident Individuals	10	31700	31700	0.29
B2k	EPF Authority	0	0	0	0
	<b>Sub-Total (B)(3)</b>	<b>852</b>	<b>3085700</b>	<b>286500</b>	<b>28.59</b>
	<b>Total Public Shareholding</b>				
	<b>B = (B)(1) + (B)(2) + (B)(3)</b>	<b>852</b>	<b>3085700</b>	<b>286500</b>	<b>28.59</b>
	<b>Total (A) + (B)</b>	<b>926</b>	<b>10791900</b>	<b>6762498</b>	<b>100.00</b>

#### AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Prima Industries Limited

1. We have examined the compliance of conditions of Corporate Governance by Prima Industries Limited for the year ended 31st March, 2018 as stipulated in Clause 49 of the Listing Agreement of the said Company with the Stock Exchanges.

2. The Compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination has been limited to a review of the procedures and implementation thereof adopted by the Company for ensuring compliance with the conditions of Corporate Governance as stipulated in the said Clause. 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 Clause 49 of the above mentioned Listing Agreement.

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

For J. KRISHNAN & ASSOCIATES  
Chartered Accountants  
FRN 001523S  
Sd/-  
CA Nishanth Sebastian Jose,  
Partner  
Membership No. 218068

Place: Kochi  
Date: 30-05-2018

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

I hereby declare that all the Board members and senior management personnel have affirmed compliance with Prima Industries Ltd code of conduct for the year ended 31st March 2018.

Place: Kochi  
Date: 15.9.2018

S.K. Gupta  
Chairman cum Managing Director

**CHIEF EXECUTIVE OFFICER (CEO) AND  
CHIEF FINANCIAL OFFICER (CFO) CERTIFICATION**

We, S.K.Gupta, Chairman cum Managing Director & CEO and Swati Gupta, Deputy Managing Director (Whole Time Director) & CFO of Prima Industries Ltd, to the best of our knowledge and belief, certify that:

We have reviewed the financial statements and the cash flow statement for the year under review and to the best of our knowledge and belief:

- these statements do not contain any materially untrue statement or omit any material facts or contain statements that might be misleading;
- these statements together present a true and fair view of the company's affair and are in compliance with existing accounting standards, applicable laws and regulations.

To the best of our knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative of the company's code of conduct.

We are responsible for establishing and maintain internal controls for financial reporting and have evaluated the effectiveness of internal control systems of the company pertaining to financial reporting and disclosed to the auditors and audit committee, the deficiencies in the design and operation of such internal controls and the steps taken to rectify these deficiencies.

We have indicated to the auditors and the audit committee that:

- there are no significant changes in internal control over financial reporting during the year.
- there are no significant changes in accounting policies during the year.
- there are no frauds of which we are aware, that involves management or other employees who have a significant role in the company's internal control system.

S.K. Gupta  
Chairman cum Managing Director & CEO

Swati Gupta  
Deputy Managing Director & CFO

Place: Kochi  
Date: 15.9.2018

**INDEPENDENT AUDITORS' REPORT****To the Members of Prima Industries Limited  
Report on the Standalone Financial Statements**

We have audited the accompanying financial statements of Prima Industries Limited ('the Company'), which comprise the Balance Sheet as at 31st March, 2018, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended, and a summary of significant accounting policies and other explanatory information.

**Management's responsibility for the financial statements**

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance including other comprehensive income, cash flows and changes in equity of the Company in accordance with the Indian Accounting Standards (Ind AS) prescribed under section 133 of the Act, read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, and other accounting principles generally accepted in India. This responsibility also includes the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit.

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

Our responsibility is to express an opinion on these standalone financial statements based on our audit. We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

We conducted our audit in accordance with the Standards on Auditing specified under Section 143(10) of the Act. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

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

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



**Opinion**

In our opinion and to the best of our information and according to the explanations given to us the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2018, and its profit, total comprehensive income, the changes in equity and its cash flows for the year ended on that date.

**Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2016 ('the Order'), issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in Annexure B, a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

**As required by Section 143 (3) of the Act, we report that:**

- 1 We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- 2 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.
- 3 The company does not have any branches and so provisions of section 143(8) are not applicable to the company.
- 4 The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, Statement of changes in Equity, and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- 5 In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act.
- 6 On the basis of the written representations received from the directors as on 31st March, 2018 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2018 from being appointed as a director in terms of Section 164 (2) of the Act.
- 7 With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in 'Annexure A'. Our report expresses an unmodified opinion on the adequacy and operating effectiveness of the Company's internal financial controls over financial reporting.
- 8 With respect to other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
  - a. The Company has disclosed in Note 32 to the Financial Statements, the impact of pending litigations on its financial statements.
  - b. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
  - c. There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

**For J. Krishnan & Associates**  
Chartered Accountants  
Firm Reg. No. 001523S

**Nishanth Sebastian Jose**  
Partner  
218068

Place: Kochi  
Date: 30/5/2018

**ANNEXURE 'A' TO THE INDEPENDENT AUDITOR'S REPORT OF EVEN DATE ON THE STANDALONE FINANCIAL STATEMENTS OF PRIMA INDUSTRIES LIMITED**  
**Report on the Internal Financial Controls under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 ("the Act")**

We have audited the internal financial controls over financial reporting of Prima Industries Limited ("the Company") as of 31st March, 2018 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

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

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Companies Act, 2013.

**Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting (the "Guidance Note") and the Standards on Auditing, issued by ICAI and deemed to be prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the Institute of Chartered Accountants of India. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

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

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

**Meaning of Internal Financial Controls Over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with

generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

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

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2018 based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For J. Krishnan & Associates**  
Chartered Accountants  
Firm Reg. No. 001523S

**Nishanth Sebastian Jose**  
Partner  
218068

Place: Kochi  
Date : 30/5/2018

#### **ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT**

**With reference to the Annexure 'B' referred to in the Independent Auditor's Report to the members of the Company on the financial statements for the year ended 31 March 2018**

- (i)
- a. The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b. As explained to us, the fixed assets have been physically verified in a phased periodical manner, by the management, which in our opinion is reasonable having regard to the size of the company and nature of its assets. No material discrepancies were noticed on such verification.
  - c. As per the information and explanations provided to us, title deeds of immovable properties are held in the name of the company.
- (ii) As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. In our opinion and on the basis of examination of the records, no material discrepancies were noticed on physical verification of inventory by the management as compared to the book records.
- (iii) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties listed in the register maintained section 189 of the Companies Act.
- a. The terms and conditions of such loans are, in our opinion, prima facie not prejudicial to the interest of the Company.

- b. The company has stipulated the schedule of repayment of principal and payment of interest. The receipt of the principal amount and the interest are regular.
- c. There are no overdue amounts of loan or interest.
- (iv) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not provided any loans, guarantees, securities to parties covered under section 185 and 186. Also, none of the investments by the Company attract the provisions of section 186 of the Act.
- (v) The Company has not accepted any deposit from public within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed there under.
- (vi) The Central Government has prescribed maintenance of cost records under sub-section (1) of section 148 of the Companies Act 2013 in respect of certain products manufactured by the company. We have broadly reviewed the accounts and records of the company in this connection and are of the opinion that prima facie, the prescribed accounts and records are not applicable to the company.
- (vii) (a) According to the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the information's and explanations given to us there were no statutory dues on the last day of the financial year outstanding for a period of more than six months from the date they became payable.
- (vii) (b) According to the information & explanations given to us, there is no amounts payable in respect of income tax, wealth tax, Service tax, Sales tax, Customs duty & Excise duty which have not been deposited on account of any disputes.
- (viii) The company has not taken any loan or borrowing from financial institutions, banks or government. The company has not issued any debenture till date.
- (ix) Based on our audit procedures and on the information given by the management, we report that the Company has not raised any moneys by way of initial or further public offer or any term loans during the year.
- (x) Based on the audit procedures performed and the information and explanation given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.
- (xi) In our opinion and according to the information and explanation given to us, the managerial remuneration paid/provided is in accordance with the requisite approvals mandated by the provisions of section 197 read with schedule V of Act.
- (xii) The Company is not a Nidhi Company. Therefore, the provisions of clause 3 (Xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanation given to us all transactions with related parties are in compliance with section 177 and 188 of Act, where applicable, and the details of such transactions have been disclosed in the Financial Statements as required by the applicable accounting standards.
- (xiv) Based on the audit procedures performed and the information and explanations given to us by the management, we report that the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debetures during the year under review.
- (xv) Based on the audit procedures performed and the information and explanation given to us, we report that the Company has not entered in to any non cash transactions with directors or persons connected with them during the year.
- (xvi) The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

**For J. Krishnan & Associates**  
**Chartered Accountants**  
 Firm Reg. No. 001523S

**Nishanth Sebastian Jose**  
 Partner  
 218068

Place: Kochi  
 Date :30/5/2018

**Prima Industries Limited**  
**CIN : L15142KL1994PLC008368**  
**Balance Sheet as at March 31, 2018**

Particulars	Note	As at March 31, 2018	As at March 31, 2017	As at April 1, 2016
<b>I. Assets</b>				
<b>1 Non-current assets</b>				
- Property, Plant & Equipment	4	79,763,467.25	84,786,909.69	91,692,621.67
- Capital work-in progress	5	-	781,826.00	-
Financial Assets				
Investments	6A	31,840,866.41	20,479,745.00	12,200,000.00
Loans	6B	1,845,388.00	1,945,871.00	1,845,871.00
- Deferred tax assets (net)	7	142,890.46	112,489.24	53,995.28
<b>2 Current Assets</b>				
- Inventories	8	3,158,442.92	2,957,014.95	2,891,842.00
Financial Assets				
Investments				
Trade receivables	9A	6,252,271.22	6,395,088.25	2,770,244.25
Cash and cash equivalents	9B	6,410,299.11	4,597,138.93	1,564,650.01
Loans	9C	1,230.00	262,000.00	307,336.00
- Tax Assets (Net)		4,293,626.00	3,021,649.00	2,777,929.00
- Other current assets	10	1,059,007.46	789,787.90	11,781,687.12
<b>TOTAL</b>		<b>134,767,488.83</b>	<b>126,129,519.95</b>	<b>127,886,176.33</b>
<b>II. Equity &amp; Liabilities</b>				
<b>1 Equity</b>				
- Equity share capital	11	229,973,530.00	229,973,530.00	229,973,530.00
- Other equity	12	(124,670,499.57)	(138,939,179.91)	(151,657,366.60)
<b>2 Liabilities</b>				
<b>Non-Current Liabilities</b>				
- Provisions	15	778,261.00	660,199.00	433,037.00
<b>3 Current Liabilities</b>				
Financial Liabilities				
Borrowings	16	121,320.00	121,320.00	291,106.37
Trade payables	17	499,683.00	475,733.00	475,733.00
- Other Current Liabilities	18	27,572,104.44	33,340,857.50	48,021,030.58
- Provisions	15	493,090.00	497,060.00	349,106.00
<b>TOTAL</b>		<b>134,767,488.85</b>	<b>126,129,519.59</b>	<b>127,886,176.35</b>
Summary of significant accounting policies	1,2,3			

The accompanying notes form an integral part of the financial statements

As per our report of even date attached  
**For J Krishnan and Associates**  
Chartered Accountants  
(Firm Registration Number 001523S)

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

**Nishanth Sebastian Jose**  
Partner  
Membership Number 218068

**Sajjan Kumar Gupta**  
Managing Director  
DIN- 01575160

**Swati Gupta**  
Director  
DIN- 00249036

Place: Cochin  
Date : 30/5/2018

**Prima Industries Limited**  
**CIN : L15142KL1994PLC008368**  
**Statement of profit and loss for the period ended March 31, 2018**

Particulars	Note	For period ended March 31,2018	For period ended March 31,2017
<b>I Revenue From Operations</b>	<b>19</b>	<b>275,778,721.00</b>	84,170,695.00
<b>II Other income</b>	<b>20</b>	<b>1,685,444.28</b>	337,329.00
<b>III Total Income</b>		<b>277,464,165.28</b>	<b>84,508,024.00</b>
<b>IV Expenses</b>			
- Cost Of Material Consumed	<b>21</b>	<b>203,610,321.59</b>	21,133,826.06
- Changes in Inventory	<b>22</b>	<b>(126,989.15)</b>	-
- Employee Benefit Expenses	<b>23</b>	<b>9,375,620.00</b>	8,290,698.00
- Depreciation and amortisation expenses	<b>24</b>	<b>7,078,284.43</b>	7,054,550.98
- Other Expenses	<b>25</b>	<b>44,849,772.10</b>	37,648,999.83
<b>Total expenses(IV)</b>		<b>264,787,008.98</b>	<b>74,128,074.87</b>
<b>V Profit/(Loss) before tax (III-IV)</b>		<b>12,677,156.30</b>	10,379,949.13
<b>VI Profit/(Loss) before tax</b>		<b>12,677,156.30</b>	<b>10,379,949.13</b>
<b>VII Tax expense</b>			
- Current income tax	<b>26</b>	-	-
- Deferred Tax	<b>26</b>	<b>(432,390.93)</b>	(645,528.30)
		<b>(432,390.93)</b>	<b>(645,528.30)</b>
<b>VIII Profit/(Loss) for the period from continuing operations(VI + VII)</b>		<b>13,109,547.23</b>	<b>11,025,477.42</b>
<b>IX Other comprehensive income</b>			
- Items that will not be reclassified to Profit or Loss	<b>27</b>	<b>1,561,122.04</b>	2,279,745.00
- Income tax relating to items that will not be reclassified to Profit or Loss	<b>27</b>	<b>(401,988.93)</b>	(587,034.34)
<b>X Total comprehensive income for the period(VIII + IX)</b>		<b>14,268,680.34</b>	<b>12,718,188.09</b>
<b>XI Earnings per Equity shares (of continuing operations) of Rs. 10/- each</b>			
- Basic	<b>14</b>	<b>1.21</b>	1.02
- Diluted	<b>14</b>	<b>1.21</b>	1.02
Summary of significant accounting policies	<b>1,2,3</b>		

The accompanying notes form an integral part of the financial statements

As per our report of even date attached  
**For J Krishnan and Associates**  
Chartered Accountants  
(Firm Registration Number 001523S)

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

**Nishanth Sebastian Jose**  
Partner  
Membership Number 218068

**Sajjan Kumar Gupta**  
Managing Director  
DIN- 01575160

**Swati Gupta**  
Director  
DIN- 00249036

Place: Cochin  
Date : 30/5/2018

**Prima Industries Limited**  
**CIN : L15142KL1994PLC008368**

**Statement of changes in equity for the period ended March 31, 2018**

**A. Equity share capital**

Particulars	Opening balance as at 1 Apr 2016	Changes in equity share capital during the year	Closing balance as at 31 Mar 2017	Changes in equity share capital during the year	Closing balance as at 31 Mar 2018
Equity Shares	107,919,000.00	-	107,919,000.00	-	107,919,000.00
Forfeited Shares Account	10,080,500.00	-	10,080,500.00	-	10,080,500.00
Preference shares	111,974,000.00	-	111,974,000.00	-	111,974,000.00
<b>Total</b>	<b>229,973,500.00</b>	<b>-</b>	<b>229,973,500.00</b>	<b>-</b>	<b>229,973,500.00</b>

**B. Other Equity**

Particulars	Opening balance as at 1 Apr 2016	Changes in accounting policy prior period errors	Retained balance as at 1 Apr 2016	Total comprehensive income for the year	Dividends	Transfer to retained earnings	Tax on other comprehensive income	Closing balance as at 31 Mar 2017
1 Capital Reserve	1,500,000.00	-	1,500,000.00	-	-	-	-	1,500,000.00
2 Other Reserves - Waiver of Loan on One Time Settlement	147,684,000.00	-	147,684,000.00	-	-	-	-	147,684,000.00
3 Retained Earnings	(300,867,367.00)	-	(300,867,367.00)	11,026,477.42	-	-	-	(289,840,889.58)
4 Equity Instruments through other comprehensive income	-	-	-	2,279,745.00	-	-	(587,024.24)	1,692,720.76
<b>Total reserves</b>	<b>(151,687,367.00)</b>	<b>-</b>	<b>(151,687,367.00)</b>	<b>13,306,222.42</b>	<b>-</b>	<b>-</b>	<b>(587,024.24)</b>	<b>(138,938,178.81)</b>

Particulars	Opening balance as at 1 Apr 2017	Changes in accounting policy prior period errors	Retained balance as at 1 Apr 2017	Total comprehensive income for the year	Dividends	Transfer to retained earnings	Tax on other comprehensive income	Closing balance as at 31 Mar 2018
1 Capital Reserve	1,500,000.00	-	1,500,000.00	-	-	-	-	1,500,000.00
2 Other Reserves - Waiver of Loan on One Time Settlement	147,684,000.00	-	147,684,000.00	-	-	-	-	147,684,000.00
3 Retained Earnings	(289,825,919.58)	-	(289,825,919.58)	13,106,547.23	-	-	-	(276,719,372.35)
4 Equity Instruments through other comprehensive income	1,692,720.66	-	1,692,720.66	1,561,122.00	-	-	(401,948.50)	2,851,894.16
<b>Total reserves</b>	<b>(138,639,178.91)</b>	<b>-</b>	<b>(138,639,178.91)</b>	<b>14,670,669.23</b>	<b>-</b>	<b>-</b>	<b>(401,948.50)</b>	<b>(124,670,498.57)</b>

**Prima Industries Limited**  
**CIN : L15142KL1994PLC008368**  
**Statement of Cash Flow for the period ended March 31, 2018**

Particulars	For period ended March 31, 2018	For period ended March 31, 2017
<b>A CASH FLOW FROM OPERATING ACTIVITIES</b>		
<b>Total Comprehensive Income</b>	<b>14,268,680.34</b>	<b>12,718,188.09</b>
Adjustments for :		
Provision for Income-tax	(30,402.00)	(58,493.96)
Depreciation and amortisation	7,078,284.43	7,054,550.98
Interest Income	(149,833.00)	(146,743.00)
Creditors written back	(1,438,074.00)	-
Fair value movement of equity instruments	(1,561,122.04)	(2,279,745.00)
Operating Profit before working capital changes	18,167,533.74	17,287,757.11
Decrease(Increase) in Inventories	(201,427.97)	(65,172.95)
Decrease(Increase) in Sundry Debtors	142,817.03	(3,624,844.00)
Decrease(Increase) in Loans and Advances	361,253.00	(54,664.00)
Decrease(Increase) in other current assets	(269,219.56)	10,991,899.22
Increase(Decrease) in Current Liabilities	(4,310,698.69)	(14,532,220.09)
Increase(Decrease) in Other Non Current Liabilities	118,062.00	227,162.00
Cash from Operations	<b>14,008,319.55</b>	<b>10,229,917.29</b>
Income Tax paid	(1,271,977.00)	(243,720.00)
<b>Cash from Operating Activities</b>	<b>12,736,342.55</b>	<b>9,986,197.29</b>
<b>B CASH FLOW FROM INVESTING ACTIVITIES</b>		
Additions to Fixed Assets, Capital Work-In-Progress	(1,273,016.00)	(930,665.00)
Purchase of non- current investments	(9,799,999.37)	(6,000,000.00)
Interest Income	149,833.00	146,743.00
<b>Net Cash from Investing Activities</b>	<b>(10,923,182.37)</b>	<b>(6,783,922.00)</b>
<b>C CASH FLOW FROM FINANCING ACTIVITIES</b>		
Net Proceeds from Borrowings	-	-
Interest paid	-	-
Net Cash from Financing Activities	-	-
<b>D TOTAL INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS DURING THE YEAR (A+B+C)</b>	<b>1,813,160.18</b>	<b>3,202,275.29</b>
Cash and cash equivalents at the beginning of the year	<b>4,475,818.93</b>	<b>1,273,543.64</b>
Cash and cash equivalents at the end of the year	<b>6,288,979.11</b>	<b>4,475,818.93</b>
<b>Components of cash and cash equivalents</b>		
Cash on hand	187,301.00	138,365.00
Balances with banks in current accounts	6,222,998.11	4,458,773.93
Cash Credit	(121,320.00)	(121,320.00)
<b>Total cash and cash equivalents</b>	<b>6,288,979.11</b>	<b>4,475,818.93</b>

*1 There aren't any significant amount of cash and cash equivalents held by the entity which are not available for use by the Company.*

The accompanying notes form an integral part of the financial statements

As per our report of even date attached  
**For J Krishnan and Associates**  
Chartered Accountants  
(Firm Registration Number 001523S)

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

**Nishanth Sebastian Jose**  
Partner  
Membership Number 218068

**Sajjan Kumar Gupta**  
Managing Director  
DIN- 01575160

**Swati Gupta**  
Director  
DIN- 00249036

Place: Cochin  
Date : 30/5/2018



Prima Industries Limited  
CIN :L15142KL1994PLC008368

### Notes forming part of the Financial Statements

NOTE 4- Property, Plant & Equipment Particulars	Plant & Office					
	Land	Building	Plant & Equipment	Vehicles	Office equipments	Total
<b>Year ended 31 March, 2017</b>						
<b>Gross Carrying Amount</b>						
Gross Cost as at 1 April 2016	8,686,450.00	56,921,468.00	177,180,510.13	333,814.00	25,276,137.84	268,398,379.97
Exchange differences						
Additions		72,909.00	32,580.00		43,350.00	148,839.00
Disposals						
<b>Closing Gross Carrying Amount</b>	<b>8,686,450.00</b>	<b>56,994,377.00</b>	<b>177,213,090.13</b>	<b>333,814.00</b>	<b>25,319,487.84</b>	<b>268,547,218.97</b>
<b>Accumulated Depreciation</b>						
Opening balance as at 1 April 2016		31,087,764.22	120,087,164.65	333,814.00	25,197,015.23	176,705,758.30
Depreciation charge during the year		690,220.19	6,345,344.44		28,946.35	7,054,550.98
Exchange differences						
Disposals						
<b>Closing Accumulated Depreciation</b>	<b>-</b>	<b>31,767,984.41</b>	<b>126,432,509.30</b>	<b>333,814.00</b>	<b>25,226,001.58</b>	<b>183,760,309.28</b>
<b>Net Carrying Amount</b>	<b>8,686,450.00</b>	<b>25,226,392.59</b>	<b>50,780,580.83</b>	<b>-</b>	<b>93,466.26</b>	<b>84,786,908.68</b>
<b>Year ended 31 March, 2018</b>						
<b>Gross Carrying Amount</b>						
Opening Gross carrying amount	8,686,450.00	56,994,377.00	177,213,090.13	333,814.00	25,319,487.84	268,547,218.97
Exchange differences						
Additions	204,540.00	1,062,564.00	1,450.00		4,462.00	1,273,016.00
Disposals						
Transfers		781,826.00				781,826.00
<b>Closing Gross Carrying Amount</b>	<b>8,890,990.00</b>	<b>58,838,767.00</b>	<b>177,214,540.13</b>	<b>333,814.00</b>	<b>25,323,949.84</b>	<b>276,682,060.97</b>
<b>Accumulated Depreciation and Impairment</b>						
Opening accumulated depreciation		31,767,984.41	126,432,509.30	333,814.00	25,226,001.58	183,760,309.28
Depreciation charge during the year		702,097.33	6,343,773.97		32,413.13	7,078,284.43
Impairment loss						
Exchange differences						
Disposals						
<b>Closing Accumulated Depreciation</b>	<b>-</b>	<b>32,470,081.74</b>	<b>132,776,283.26</b>	<b>333,814.00</b>	<b>25,258,414.72</b>	<b>196,838,593.72</b>
<b>Net Carrying Amount</b>	<b>8,890,990.00</b>	<b>26,368,685.26</b>	<b>44,438,256.87</b>	<b>-</b>	<b>65,535.12</b>	<b>79,763,467.25</b>

On the basis of technical evaluation, the Management is of the view that during the financial year 2017-18 there existed neither any internal indication nor any external indication suggesting that any of the assets belonging to the Company are impaired as mentioned in the Ind AS 36 issued by the Institute of Chartered Accountants of India. Based on the above, the Company has not made any provision in its accounts for the year ended 31st March 2018 towards impairment of assets.

**Prima Industries Limited**  
**CIN :L15142KL1994PLC008368**  
**Notes forming part of the Financial Statements**

**NOTE 5- CWIP**

Particulars	As at	As at
	March 31, 2018	March 31, 2017
<b>Tangible Assets</b>		
Civil Work In Progress		
Opening Balance	781,826.00	-
Additions:	-	781,826.00
Sub-total	781,826.00	781,826.00
Less: Transferred to Fixed assets on Capitalization	781,826.00	-
Sub-total	781,826.00	-
<b>Closing balance</b>	<b>-</b>	<b>781,826.00</b>

**NOTE 6 : Non Current Financial Assets****NOTE 6A -Investments**

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
<b>Investment carried at fair value through OCI</b>			
Non-Trade quoted Investments in Mutual fund	31,840,866.41	20,479,745.00	12,200,000.00
	<b>31,840,866.41</b>	<b>20,479,745.00</b>	<b>12,200,000.00</b>

**Details of investment**

Particulars	As at March 31, 2018		As at March 31, 2017	
	No of Units	Value	No of Units	Value
<b>Quoted Non-Trade Investments in Mutual Funds:</b>				
Reliance Banking & PSU Debt Fund - Growth Plan	18.36	230.18	249,864.77	2,945,516.68
Reliance Liquid Fund - Cash Plan - Growth Option	1,859.94	5,012,384.48	786.60	2,001,052.19
Reliance Regular Savings Fund - Debt Plan - Growth Plan Growth Option	1,066,529.66	25,018,230.10	685,568.66	15,533,176.50
Reliance Equity Hybrid Fund - Growth Plan Growth Option	10,842.68	578,297.32	-	-
Reliance Banking Fund - Growth Plan Growth Option	382.11	97,115.94	-	-
Reliance Large Cap Fund - Growth Plan Growth Option	3,818.86	118,451.75	-	-
Reliance Multi Cap Fund - Growth Plan Growth Option	1,059.29	95,000.81	-	-
Reliance Equity Hybrid Fund - Growth Plan Growth Option	2,271.58	121,155.83	-	-

**NOTE 6B -Deposits**

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
<b>Unsecured considered good</b>			
Security Deposits	1,845,388.00	1,945,871.00	1,845,871.00
<b>Total</b>	<b>1,845,388.00</b>	<b>1,945,871.00</b>	<b>1,845,871.00</b>

**NOTE 7 :Deferred tax Assets**

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
<b>Deferred Tax Asset</b>			
Gratuity provision	142,890.46	112,489.24	53,995.28
Carried forward loss	11,546,108.26	587,034.34	-
<b>Deferred Tax Liability</b>			
Fair value change in Equity instrument	(989,023.26)	(587,034.34)	-
Property, Plant & Equipment	(10,557,085.00)	-	-
<b>Net Deferred Tax Asset</b>	<b>142,890.46</b>	<b>112,489.24</b>	<b>53,995.28</b>

**Movement in deferred tax assets**

Particulars	Gratuity provision	Carried forward loss	Fair value change in Equity Instrument	Property, Plant & Equipment
	<b>At 1 April 2016</b>	53,995.28	-	-
Charged/(credited)				
-to profit or loss	58,493.96	587,034.34	-	-
-to other comprehensive income	-	-	(587,034.34)	-
<b>At 31 March 2017</b>	<b>112,489.24</b>	<b>587,034.34</b>	<b>(587,034.34)</b>	<b>-</b>
Charged/(credited)				
-to profit or loss	30,401.22	10,959,073.93	-	(10,557,085.00)
-to other comprehensive income	-	-	(401,988.93)	-
<b>At 31 March 2018</b>	<b>142,890.46</b>	<b>11,546,108.26</b>	<b>(989,023.26)</b>	<b>(10,557,085.00)</b>

Deferred tax assets on losses are only recognised to the extent it is sufficient to offset the deferred tax liabilities as in management judgment there is no probable certainty that there would be future taxable income against which such deferred tax assets can be realized.

## NOTE 8 : Inventories

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
<b>At lower of cost and net realisable value</b>			
Raw Materials	-	147,000.00	129,500.00
Finished goods	126,989.15	-	-
Consumables, Stores & Spare Parts	3,031,453.77	2,810,014.95	2,762,342.00
	<b>3,158,442.92</b>	<b>2,957,014.95</b>	<b>2,891,842.00</b>

- Inventories are valued at lower of cost and net realizable value using First in First Out method.
- Net realisable value is the estimated selling price in the ordinary course of business and cost includes purchase cost and processing expenses (for finished goods).

## NOTE 9: Current Financial Assets

## NOTE 9A :Trade Receivables

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Trade receivables	6,252,271.22	6,395,088.25	2,770,244.25
Receivables from related parties	-	-	-
less: Allowance for doubtful debts	-	-	-
less: Allowance for expected credit loss	-	-	-
	<b>6,252,271.22</b>	<b>6,395,088.25</b>	<b>2,770,244.25</b>
Receivables exceeding six months	-	3,403,613.00	5,000.00
Others	6,252,271.22	2,991,475.25	2,765,244.25
<b>Break up of security details</b>			
<b>Particulars</b>	<b>As at</b>	<b>As at</b>	<b>As at</b>
	<b>March 31, 2018</b>	<b>March 31, 2017</b>	<b>April 1, 2016</b>
Secured, considered good	-	-	-
Unsecured, considered good	6,252,271.22	6,395,088.25	2,770,244.25
Doubtful	-	-	-
<b>Total</b>	<b>6,252,271.22</b>	<b>6,395,088.25</b>	<b>2,770,244.25</b>
less: Allowance for doubtful debts	-	-	-
less: Allowance for expected credit loss	-	-	-
<b>Total trade Receivables</b>	<b>6,252,271.22</b>	<b>6,395,088.25</b>	<b>2,770,244.25</b>

Based on past experience management is of the view that there is no provision relating to credit risk is required to be made.

## NOTE 9B :Cash and cash equivalents

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Balance with Banks			
- In Current Accounts	6,222,998.11	4,458,773.93	1,183,646.01
Cash in Hand	187,301.00	138,365.00	381,004.00
<b>Total</b>	<b>6,410,299.11</b>	<b>4,597,138.93</b>	<b>1,564,650.01</b>

## Balances in current accounts

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
(i) Canara Bank	66,129.00	436,252.00	5,327.00
(ii) ICICI Palakkad	11,183.00	11,248.73	11,593.49
(iii) ICICI Kalamassery	5,389,261.20	3,767,687.20	1,119,604.20
(iv) IOB, Edappally	700,731.89	176,895.31	-
(v) State Bank of India	45,278.50	45,927.50	46,560.00
(vi) State Bank of Travancore	2,374.32	3,673.32	561.32
(vii) IOB, Kanjicode	8,040.20	17,089.87	-
	<b>6,222,998.11</b>	<b>4,458,773.93</b>	<b>1,183,646.01</b>

## NOTE 9C : Short term Loans

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Unsecured Considered Good			
Loan to employees	1,230.00	12,000.00	57,336.00
Security deposits	-	250,000.00	250,000.00
<b>Total</b>	<b>1,230.00</b>	<b>262,000.00</b>	<b>307,336.00</b>

## NOTE 10 : Other Current Assets

Particulars	As at		As at	
	March 31, 2018	March 31, 2017	March 31, 2017	April 1, 2016
Advances to suppliers	-	-	8,024.72	-
Advances for expenses	810,127.46	531,514.00	11,493,523.00	-
Advances & Deposits with Govt	40,304.00	135.18	869.12	-
Prepaid expenses	206,578.00	250,114.00	287,295.00	-
	1,059,007.46	789,787.90	11,781,687.12	-
Less : Provision for doubtful claims	-	-	-	-
	1,059,007.46	789,787.90	11,781,687.12	-

## NOTE 11 : Equity share capital

Particulars	Equity Shares		Preference shares	
	Shares	Amount	Shares	Amount
<b>Authorised :</b>				
As at April 2016	13500000	135000000	11500000	115000000
Increase during the year	-	-	-	-
As at April 2017	13500000	135000000	11500000	115000000
Increase during the year	-	-	-	-
As at April 2018	13500000	135000000	11500000	115000000
<b>Issued, Subscribed &amp; Paid Up :</b>				
As at April 2016	10791900	107919000	11197403	111974030
Increase during the year	-	-	-	-
As at April 2017	10791900	107919000	11197403	111974030
Increase during the year	-	-	-	-
As at April 2018	10791900	107919000	11197403	111974030
<b>Forfeited Shares Account</b>				
As at April 2016	2,016,100	10080500	-	-
Increase during the year	-	-	-	-
As at April 2017	2,016,100	10080500	-	-
Increase during the year	-	-	-	-
As at April 2018	2,016,100	10080500	-	-

## Rights, Preferences and Restrictions attached to equity Shares

- The Company has only one class of shares referred to as Equity Shares having a par value of Rs.10/- per share. Each holder of Equity Shares is entitled to one vote per share.
- The company declares and pays dividend in Indian Rupees. The dividend when proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. For the current year, no dividend is proposed by Board of Directors.
- In the event of liquidation of the company the holders of equity shares shall be entitled to receive any of the remaining assets of the company after distribution of all preferential amounts. However, no such preferential amounts exists currently. The distribution will be in proportion to the number of equity shares held by the shareholders.
- During the year there was no change in the number of shares outstanding at the beginning and at the end of the year.
- The following shareholders hold more than 5% of the shares:

Name	% of holding	As at 31-03-2018		As at 31-03-2017		As at 31-03-2016	
		No of Shares	Amount	No of Shares	Amount	No of Shares	Amount
Sanjay Gupta	13.06	1409866	14098660.00	1409866	14098660.00	1409866	14098660
Ayyappa Roller Flour Mills Ltd	19.77	2134000	21340000.00	2134000	21340000.00	2134000	21340000
Prima Credits Limited	11.76	1269000	12690000.00	1269000	12690000.00	1269000	12690000
Kerala State Industrial Development Corporation Limited	10.19	1100000	11000000.00	1100000	11000000.00	1100000	11000000
Prima Agro Limited	9.45	1019528	10195280.00	1019528	10195280.00	1019528	10195280

## Preference share

- The Company has only one class of Preference Shares (non-convertible cumulative redeemable) having a face value of Rs.10/- per share.
- Details of shares held by each shareholder holding more than 5% shares:

Name	% of holding	As at 31-03-2018		As at 31-03-2017		As at 31-03-2016	
		No of Shares	Amount	No of Shares	Amount	No of Shares	Amount
Ayyappa Roller Flour Mills Ltd	100.00	11197403	111974030.00	11,197,403.00	111,974,030.00	11,197,403.00	111,974,030.00

**NOTE 12 :Reserves & Surplus**

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Capital Reserve (investment subsidy)	1,500,000.00	1,500,000.00	1,500,000.00
Other Reserves – Waiver of Loan on One Time Settlement	147,694,030.00	147,694,030.00	147,694,030.00
Retained earnings	(276,716,373.35)	(289,825,920.58)	(300,851,396.60)
Equity instrument through other comprehensive income	2,851,843.78	1,692,710.66	-
	<b>(124,670,499.57)</b>	<b>(138,939,179.91)</b>	<b>(151,657,366.60)</b>

**NOTE 13 : Analysis of items of other comprehensive income(OCI),net of tax**

Fair value change in equity instruments

Particulars	As at	As at
	March 31, 2018	March 31, 2017
Opening Balance	12,718,188.09	-
Fair value change in equity instruments	14,268,680.34	12,718,188.09
Closing Balance	<b>26,986,868.43</b>	<b>12,718,188.09</b>

**NOTE 14 : Earning per share**

Basic and diluted earning per share

The calculations of profit attributable to equity shareholders and weighted average number of equity shares outstanding for purposes of basic earnings per share calculation are as follows:

i. **Profit (loss) attributable to equity shareholders (basic and diluted)**

Particulars	For period ended	For period ended
	March 31, 2018	March 31, 2017
Profit (loss) for the year, attributable to the equity holders	13,109,547.23	11,025,477.42
	<b>13,109,547.23</b>	<b>11,025,477.42</b>

ii. **Weighted average number of equity shares (basic and diluted)**

Particulars	For period ended	For period ended
	March 31, 2018	March 31, 2017
Opening Balance	10,791,900.00	10,791,900.00
Effect of fresh issue of shares for cash	-	-
Weighted average number of equity shares for the year	10,791,900.00	10,791,900.00
Earning Per Share (EPS) - (Rs.)	<b>1.21</b>	<b>1.02</b>

**NOTE 15 :Provisions**

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
<b>Non-Current Provisions</b>			
<b>Provision for Employee benefits</b>			
Gratuity-defined benefit liability	778,261.00	860,199.00	433,037.00
Total	<b>778,261.00</b>	<b>860,199.00</b>	<b>433,037.00</b>
<b>Current Provisions</b>			
<b>Provision for Employee Benefits</b>			
Gratuity-defined benefit liability	-	-	-
Provision For Exgratia	493,090.00	497,060.00	349,106.00
	<b>493,090.00</b>	<b>497,060.00</b>	<b>349,106.00</b>

The Company has a defined benefit gratuity plan. Gratuity is computed as 15 days salary, for every completed year of service or part thereof in excess of 6 months and is payable on retirement/termination/resignation. The benefit vests on the employees after completion of 5 years of service. The Gratuity liability has not been externally funded. Company makes provision of such gratuity liability in the books of accounts on the basis of company's own valuation.

**NOTE 16: Borrowings**

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
<b>Current Borrowings</b>			
Bank over draft	121,320.00	121,320.00	291,106.37
	<b>121,320.00</b>	<b>121,320.00</b>	<b>291,106.37</b>

The Working Capital Loans are secured by hypothecation of present and future goods, book debts and all other movable assets of the company and second charge on the fixed assets and further guaranteed by the Managing Director.

**NOTE 17 :Trade Payables**

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Payable to Micro Small & Medium Enterprises	-	-	-
Other Trade Payables	499,683.00	475,733.00	475,733.00
	<b>499,683.00</b>	<b>475,733.00</b>	<b>475,733.00</b>

## Disclosure under Micro, Small and Medium Enterprises Development Act:

The Company has not received any intimation from its vendors regarding their status under Micro small and Medium Enterprises Development Act, 2006 and hence disclosures if any, required under the said Act have not been made.

## NOTE 18 : Other Current Liabilities

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Statutory dues	495,585.00	175,270.00	259,914.08
Creditors for expenses	1,247,949.44	884,697.00	1,168,328.00
Creditors for others	5,853,576.00	7,963,508.50	9,487,980.50
Expenses payable	1,553,659.00	1,345,849.00	1,489,851.00
Other Current Liabilities	18,621,335.00	22,971,533.00	35,614,957.00
	<b>27,572,104.44</b>	<b>33,340,857.50</b>	<b>48,021,030.58</b>

## Statutory dues includes:-

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
ESI Damages Payable	-	32,991.00	121,108.00
TDS Payable	35,310.00	36,514.00	16,870.00
GST Payable	349,798.00	-	31,132.00
Interest on TDS Payable	31,132.00	31,132.00	50.08
KVAT Payable	-	-	24,401.00
EPF Payable	47,558.00	50,001.00	55,872.00
EPF damages Payable	-	-	10,481.00
ESI Payable	31,787.00	24,632.00	-
	<b>495,585.00</b>	<b>175,270.00</b>	<b>259,914.08</b>

## Other Current Liabilities include balances to Related parties:-

Particulars	As at	As at	As at
	March 31, 2018	March 31, 2017	April 1, 2016
Ayyappa Roller Flour Mills Ltd	10,648,865.00	18,898,865.00	31,866,045.00
Prima Agro Ltd	7,972,470.00	4,072,668.00	3,748,912.00
	<b>18,621,335.00</b>	<b>22,971,533.00</b>	<b>35,614,957.00</b>

## NOTE 19 :Sale of Products

Particulars	As at	As at
	March 31, 2018	March 31, 2017
Sale of products	256,313,735.00	14,219,498.00
Sale of services	19,464,986.00	69,951,197.00
<b>Total</b>	<b>275,778,721.00</b>	<b>84,170,695.00</b>
Sale of products comprises		
Finished goods		
Coconut Oil - Refined	32,796,584.00	13,958,409.00
Cattle Feed	-	-
Other Products	223,517,151.00	261,088.70
<b>Total sale of Products</b>	<b>256,313,735.00</b>	<b>14,219,497.70</b>
Sale of Services comprises		
Processing Charges	19,464,986.00	69,951,197.00
<b>Total - Sale of services</b>	<b>19,464,986.00</b>	<b>69,951,197.00</b>

## NOTE 20 : Other Income

Particulars	As at	As at
	March 31, 2018	March 31, 2017
Interest Income	149,833.00	146,743.00
Creditors written back	1,438,074.00	-
Other Non Operating Income	97,537.28	190,586.00
<b>Total</b>	<b>1,685,444.28</b>	<b>337,329.00</b>
Other non operating income comprises		
Lab Analysis	-	67,500.00
Weigh bridge receipt	7,450.00	4,500.00
Interest on IT refund	-	52,749.00
Miscellaneous Income	90,087.28	65,837.00
	<b>97,537.28</b>	<b>190,586.00</b>

**NOTE 21 : Cost of Materials Consumed**

Particulars	As at	
	March 31, 2018	March 31, 2017
<b>Raw Materials</b>		
Opening stock	147,000.00	129,500.00
Add: purchases	203,463,321.59	21,151,326.06
	203,610,321.59	21,280,826.06
Less: Closing stock	-	147,000.00
<b>Cost of material consumed</b>	<b>203,610,321.59</b>	<b>21,133,826.06</b>

**NOTE 22 : Changes in Inventory**

Particulars	As at	
	March 31, 2018	March 31, 2017
<b>Stock as on 1<sup>st</sup> April</b>		
Finished Goods	126,989.15	-
<b>Total opening balance</b>	<b>126,989.15</b>	<b>-</b>
<b>Stock as on 31<sup>st</sup> March</b>		
Finished Goods	-	-
<b>Total Closing Balance</b>	<b>-</b>	<b>-</b>
<b>Changes in Inventory</b>	<b>126,989.15</b>	<b>-</b>

**NOTE 23 : Employee Benefit Expenses**

Particulars	As at	
	March 31, 2018	March 31, 2017
Salaries, Wages & Bonus	5,016,579.00	4,351,996.00
Contribution to provident and other funds	518,415.00	472,686.00
Director's Remuneration	750,000.00	-
Gratuity Expense	118,063.00	227,161.00
Ex Gratia	541,950.00	556,969.00
Post employment medical benefits	3,335.00	15,264.00
Staff welfare	2,427,278.00	2,666,622.00
	<b>9,375,620.00</b>	<b>8,290,698.00</b>

**NOTE 24 : Depreciation and amortisation expenses**

Particulars	As at	
	March 31, 2018	March 31, 2017
Depreciation plant, property and equipment	7,078,284.43	7,054,550.98
Amortisation of intangible assets	-	-
	<b>7,078,284.43</b>	<b>7,054,550.98</b>

**NOTE 25 : Other Expenses**

Particulars	As at	
	March 31, 2018	March 31, 2017
Stores and Spares Consumed	23,460,156.35	19,390,403.05
Power and fuel	8,684,011.00	10,106,378.00
Manufacturing expenses	1,309,477.00	1,251,615.00
Repairs and maintenance		
-Plant & Machinery	92,750.00	628,671.52
-Others	1,502,027.00	3,281,097.00
Insurance Premium	265,451.00	276,144.00
Rates and Taxes	1,214,407.80	593,897.00
Auditor's remuneration	100,000.00	80,000.00
Professional and legal charges	246,518.99	356,305.00
Compensation paid to legal heir of deceased managing director	5,555,000.00	-
Travelling & Conveyance	367,993.00	317,374.00
Transportation Charges	323,129.00	116,257.00
Bad debts written off	263,130.25	39,023.00
Other Expenses	1,465,718.71	1,211,835.25
	<b>44,849,772.10</b>	<b>37,648,999.83</b>
<b>Consumables, Stocks and Spares</b>		
Opening stock	2,810,014.95	2,762,342.00
Add: purchases	23,681,597.17	19,438,076.00
	26,491,612.12	22,200,418.00
Less: Closing stock	3,031,453.77	2,810,014.95
	<b>23,460,156.35</b>	<b>19,390,403.05</b>
<b>Payments to the auditors comprises</b>		
-Statutory audit	100,000.00	80,000.00

**NOTE 26 : Tax Expense**

Particulars	As at	
	March 31, 2018	March 31, 2017
Current Tax	-	-
Deferred Tax	(30,402.00)	(58,483.96)
	<b>(30,402.00)</b>	<b>(58,483.96)</b>

## Income tax recognized in other income

Particulars	For the year ended 31/03/2018			For the year ended 31/03/2017		
	Before tax	Tax (expense) benefit	Net of tax	Before tax	Tax (expense) benefit	Net of tax
Fair value change in equity instrument	1,561,122.04	(401,988.93)	<b>1,159,133.11</b>	2,279,745.00	(587,034.34)	<b>1,692,710.66</b>

## Reconciliation of effective tax rate

A reconciliation of the income tax expenses to the amount computed by applying the statutory income tax rate to the profit before income taxes is summarized below:

Particulars	For the year ended 31/03/2018	For the year ended 31/03/2017
Profit from continuing operations before income tax expense	14,238,278.34	12,659,604.13
Tax at the Indian Tax Rate of 25.75%	<b>3,666,336.67</b>	<b>3,239,871.24</b>
Permanent disallowances	21,926.13	23,940.29
Permanent allowances	-	-
Temporary differences	(30,402.00)	(58,493.96)
Tax losses for which no deferred tax was recognised	(3,688,282.80)	(3,283,811.53)
Total income tax expense/(credit)	<b>(30,482.00)</b>	<b>(58,493.96)</b>
Effective tax rate	<b>-0.21%</b>	<b>-0.46%</b>

## NOTE 27 : Other comprehensive income

Particulars	As at March 31, 2018	As at March 31, 2017
Equity instrument through other comprehensive income	1,561,122.04	2,279,745.00
Tax effect of the above	(401,988.93)	(587,034.34)
	<b>1,159,133.11</b>	<b>1,692,710.66</b>

## NOTE 28 : Contingent liabilities and Commitments

Particulars	As at March 31, 2018	As at March 31, 2017
a. Claims against the company not acknowledged as debt:	Nil	Nil
b. Guarantees:		
- Guarantees issued by the bank	Nil	Nil
c. Other money for which the company is contingently liable	Nil	Nil
d. Claims against the Company not acknowledged as debts		
- Sales Tax demand disputed by the Company	Nil	Nil
- Central Sales Tax demand disputed by the Company	Nil	Nil
- KGST demand disputed by the Company	Nil	Nil
- Penalty disputed by the Company	Nil	Nil
e. Estimated amount of contracts remaining to be executed on capital account and not provided for:	Nil	Nil
f. Uncalled liability on shares and other investments partly paid	Nil	Nil
g. Other commitments - Dividend on Cumulative Redeemable Preference Shares.	<b>13,436,883.60</b>	12,317,143.30

In view of the Carried forward loss and financial crunch of the Company it was not possible to propose dividend in respect of 10% cumulative preference shares.

## 29 Activity in foreign currency

Particulars	As at March 31, 2018	As at March 31, 2017
a. Earnings in Foreign Exchange	Nil	Nil
b. CIF Value of Imports	Nil	Nil
c. Expenditure in Foreign Currency	Nil	Nil
d. Dividends remitted in foreign currencies	Nil	Nil

## 30 Disclosure as per Ind As 24 – Related Party Disclosure

Particulars	As at March 31, 2018	As at March 31, 2017
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## Details of Related Parties:

Description of relationship	Names of related parties
a.) Key Management Personnel	1. Mr. Sajjan Kumar Gupta (Managing Director) 2. Mrs. Seati Gupta (Director)
b.) Associates	1. Prima Agro Limited 2. Ayyappa Roller Flour Mills Limited 3. Prima Beverages Pvt Limited 4. Prima Credits Limited 5. Ayyappa Real estate Private Limited



Particulars	As at	
	March 31, 2018	March 31, 2017
<b>Transactions during the year</b>		
<b>Loans taken</b>		
Prima Agro Limited	(500,000.00)	4,622,920.00
Ayyappa Roller Flour Mills Ltd	5,555,000.00	224,000.00
Prima Beverages Pvt Ltd	(1,500,000.00)	24,660.00
<b>Loans Repaid/Given</b>		
Prima Agro Limited	(5,268,757.00)	4,299,164.00
Prima Beverages Pvt Ltd	1,500,000.00	24,660.00
Ayyappa Roller Flour Mills Ltd	13,805,000.00	13,191,180.00
S K Gupta		
<b>Other expenses met/(paid)</b>		
Prima Agro Limited	668,955.00	-
<b>Balances outstanding at the end of the year</b>		
Prima Agro Limited	7,972,470.00	4,072,668.00
Ayyappa Roller Flour Mills Limited	10,648,865.00	18,896,865.00

**NOTE 31 : Financial Instruments and risk management**

- The Company has disclosed all the financial assets and liabilities at amortized cost.
- The Company's board of directors has overall responsibility for the establishment and oversight of the company's risk management framework. The Company's risk management policies are established to identify and analyze the risks faced by the company, to set appropriate risk limits and controls and to monitor risks and adherence to limits. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the company's activities.

**3 Expected credit loss**

In accordance with Ind AS 109, the Company applies Expected Credit Loss (ECL) model for measurement and recognition of impairment loss on the following financial assets and credit risk exposure:

Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance, lease receivables, trade receivables or any contractual right to receive cash or another financial asset that result from transactions that are within the scope of Ind AS 18. Financial guarantee contracts which are not measured as at FVTPL.

Expected credit losses are the weighted average of credit losses with the respective risks of default occurring as the weights. Credit loss is the difference between all contractual cash flows that are due to the Company in accordance with the contract and all the cash flows that the Company expects to receive (i.e. All cash shortfalls) discounted at the original effective interest rate.

While estimating cash flows, Company considers all contractual terms of financial instrument over the expected life of the financial instrument including cash flows from the sale of collateral held that are integral to contractual terms.

The company follows 'simplified approach' for recognition of impairment loss allowance on:

- Trade receivables or contract revenue receivables; and
- Impairment allowance based on lifetime ECL at each reporting date, right from its initial recognition.

No allowance has been made for ECL during the year (Previous year Nil) as the Management is of the opinion that all debtors other than those specifically provided for are realisable in its entirety. This is evidenced by the fact that debtors position of the Company has substantially improved as compared to the previous financial year.

**NOTE 32 : Operating segments****1 Primary Segment Information (By Business Segment)**

The company's primary segments have been identified as

- Cattle Feed Division
- Oil Cake Processing Division

There are no reportable secondary segments.

**NOTE 33 : General**

- Set off has been made to the extent debit balances could be linked with corresponding credit balances
- The amounts in the financial statements are presented in rupees unless otherwise stated
- Personal balances are subject to confirmation
- Previous year figures have been regrouped and reclassified wherever necessary to correspond to the current year's classification/disclosure.

The accompanying notes form an integral part of the financial statements

As per our report of even date attached  
**For J Krishnan and Associates**  
Chartered Accountants  
(Firm Registration Number 001523S)

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

**Nishanth Sebastian Jose**  
Partner  
Membership Number 218068

**Sajjan Kumar Gupta**  
Managing Director  
DIN- 01575160

**Swati Gupta**  
Director  
DIN- 00249036

Place: Cochin  
Date : 30/5/2018

Prima Industries Limited  
CIN : L15142KL1994PLC008368

**Notes forming part of the Financial Statements**

**NOTE 34 : Explanation to transition to Ind AS**

As stated in Note 2 (a), these are the Company's first financial statements prepared in accordance with Ind AS. For the year ended 31 March 2018, the Company had prepared its financial statements in accordance with Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act ('previous GAAP').

The accounting policies set out in Note 3 have been applied in preparing these financial statements for the year ended 31 March 2018 including the comparative information for the year ended 31 March 2017 and the opening Ind AS balance sheet on the date of transition i.e. 1 April 2016.

In preparing its Ind AS balance sheet as at 1 April 2016 and in presenting the comparative information for the year ended 31 March 2017, the Company has adjusted amounts reported previously in financial statements prepared in accordance with previous GAAP. This note explains the principal adjustments made by the Company in restating its financial statements prepared in accordance with previous GAAP, and how the transition from previous GAAP to Ind AS has affected the Company's financial position, financial performance and cash flows.

Optional exemptions availed and mandatory exceptions:

In preparing these financial statements, the Company has applied the below mentioned optional exemptions and mandatory exceptions.

**A Optional exemptions availed**

**1 Property plant and equipment, intangible assets and investment properties**

As per Ind AS 101 an entity may elect to:

i. measure an item of property, plant and equipment at the date of transition at its fair value and use that fair value as its deemed cost at that date

ii. use a previous GAAP revaluation of an item of property, plant and equipment at or before the date of transition as deemed cost at the date of the revaluation, provided the revaluation was, at the date of the revaluation, broadly comparable to:

a. fair value;

b. or cost or depreciated cost under Ind AS adjusted to reflect, for example, changes in a general or specific price index.

The elections under (i) and (ii) above are also available for intangible assets that meets the recognition criteria in Ind AS 38, Intangible Assets, (including reliable measurement of original cost); and criteria in Ind AS 38 for revaluation (including the existence of an active market).

iii. use carrying values of property, plant and equipment, intangible assets and investment properties as on the date of transition to Ind AS (which are measured in accordance with previous GAAP and after making adjustments relating to decommissioning liabilities prescribed under Ind AS 101).

As permitted by Ind AS 101, the Company has elected to continue with the carrying values under previous GAAP for all the items of property, plant and equipment. The same election has been made in respect of intangible assets and investment property also.

**A Mandatory exceptions**

**1 Estimates**

As per Ind AS 101, an entity's estimates in accordance with Ind AS at the date of transition to Ind AS at the end of the comparative period presented in the entity's first Ind AS financial statements, as the case may be, should be consistent with estimates made for the same date in accordance with the previous GAAP unless there is objective evidence that those estimates were in error. However, the estimates should be adjusted to reflect any differences in accounting policies.

As per Ind AS 101, where application of Ind AS requires an entity to make certain estimates that were not required under previous GAAP, those estimates should be made to reflect conditions that existed at the date of transition (for preparing opening Ind AS balance sheet) or at the end of the comparative period (for presenting comparative information as per Ind AS).

The Company's estimates under Ind AS are consistent with the above requirement. Key estimates considered in preparation of the financial statements that were not required under the previous GAAP are listed below:

**2 Classification and measurement of financial assets**

Ind AS 101 requires an entity to assess classification of financial assets on the basis of facts and circumstances existing as on the date of transition. Further, the standard permits measurement of financial assets accounted at amortized cost based on facts and circumstances existing at the date of transition if retrospective application is impracticable.

Accordingly, the Company has determined the classification of financial assets based on facts and circumstances that exist on the date of transition. Measurement of the financial assets accounted at amortized cost has been done retrospectively except where the same is impracticable.

**Reconciliation of Equity**

	Particulars	As at April 1, 2016	
		PreviousGAAP	Adjustments
<b>I. Assets</b>			
<b>1 Non-current assets</b>			
Property, Plant & Equipment	91,692,621.67	-	
Capital work-in progress	-	-	
Financial Assets			
Investments	12,200,000.00	-	
Loans	1,845,871.00	-	
Deferred tax assets (net)	53,995.28	-	
<b>2 Current Assets</b>			
Inventories	2,891,842.00	-	
Financial Assets			
Investments			
Trade receivables	2,770,244.25	-	
Cash and cash equivalents	1,564,650.01	-	
Bank balances other than (iii) above			
Loans	12,089,023.12	(11,781,687.12)	
Others (to be specified)			
Tax Assets (Net)	-	2,777,929.00	
Other current assets	10,206,835.00	1,574,852.12	
<b>TOTAL</b>	<b>135,315,082.33</b>	<b>(7,428,906.00)</b>	
<b>II. Equity &amp; Liabilities</b>			
<b>1 Equity</b>			
Equity share capital	229,973,530.00	-	
Other equity	(151,657,366.60)	-	
<b>2 Liabilities</b>			
<b>Non-Current Liabilities</b>			
Provisions	433,037.00	-	
<b>3 Current Liabilities</b>			
Financial Liabilities			
Borrowings	291,106.37	-	
Trade payables	475,733.00	-	
Other Current Liabilities	55,449,936.58	(7,428,906.00)	
Provisions	349,106.00	-	
<b>TOTAL</b>	<b>135,315,082.35</b>	<b>(7,428,906.00)</b>	

	Particulars	As at 31 March, 2017	
		PreviousGAAP	Adjustments
<b>I. Assets</b>			
<b>1 Non-current assets</b>			
Property, Plant & Equipment	84,786,909.69	-	
Capital work-in progress	781,826.00	-	
<b>Financial Assets</b>			
Investments	18,200,000.00	2,279,745.00	
Loans	1,945,871.00	-	
Deferred tax assets (net)	112,489.24	0.00	
<b>2 Current Assets</b>			
Inventories	2,957,014.95	-	
<b>Financial Assets</b>			
Investments			
Trade receivables	6,395,088.25	-	
Cash and cash equivalents	4,597,138.93	-	
Loans	1,051,787.90	(789,787.90)	
Tax Assets (Net)	-	3,021,649.00	
Other current assets	3,021,649.00	(2,231,861.10)	
<b>TOTAL</b>	<b>123,849,774.95</b>	<b>2,279,745.00</b>	
<b>II. Equity &amp; Liabilities</b>			
<b>1 Equity</b>			
Equity share capital	229,973,530.00	-	
Other equity	(141,218,924.21)	2,279,744.30	
<b>2 Liabilities</b>			
<b>Non-Current Liabilities</b>			
Provisions	660,199.00	-	
<b>3 Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	121,320.00	-	
Trade payables	475,733.00	-	
Other Current Liabilities	33,340,857.50	-	
Provisions	497,060.00	-	
<b>TOTAL</b>	<b>123,849,775.29</b>	<b>2,279,744.29</b>	

\* Previous GAAP figures have been reclassified to conform to IND AS presentation requirements for the purpose of the note.

## Reconciliation of total comprehensive income for the year ended 31-March -2017

	Particulars	For the year 31 March, 2017	
		PreviousGAAP	Adjustments
I	Revenue From Operations	84,170,695.00	-
II	Other income	337,329.00	-
III	<b>Total Income</b>	<b>84,508,024.00</b>	-
IV	<b>Expenses</b>		
	Cost Of Material Consumed	21,133,826.06	-
	Changes In Inventory		-
	Employee Benefit Expenses	8,285,988.00	4,710.00
	Finance costs	10,486.50	(10,486.50)
	Depreciation and ammortisation expenses	7,054,550.98	-
	Other Expenses	37,643,223.33	5,776.50
	<b>Total expenses(IV)</b>	<b>74,128,074.87</b>	<b>(0.00)</b>
V	<b>Profit/(Loss) before, exceptional items and tax (I-II)</b>	<b>10,379,949.13</b>	<b>0.00</b>
VI	<b>Exceptional Items [(expense) / income]</b>		-
VII	<b>Profit/(Loss) before tax</b>	<b>10,379,949.13</b>	<b>0.00</b>
VIII	<b>Tax expense</b>		
	Current income tax		-
	Deffered Tax	(58,493.96)	(587,034.34)
		<b>(58,493.96)</b>	<b>(587,034.34)</b>
IX	<b>Profit/(Loss) for the period from continuing operations(VIII + IX)</b>	<b>10,438,443.09</b>	<b>587,034.34</b>
X	<b>Other comprehensive income</b>		
	(i) Items that will not be reclassified to P/L	-	2,279,745.00
	(ii) Income tax relating to items that will not be reclassified to P/L	-	(587,034.34)
XI	<b>Total comprehensive income for the period(IX + X)</b>	<b>10,438,443.09</b>	<b>2,279,745.00</b>

\* Previous GAAP figures have been reclassified to conform to IND AS presentation requirements for the purpose of the note.

**a) Fair value measurements of Equity instruments through OCI**

Under Ind AS financial instruments are measured at fair value. Under previous GAAP biological assets were measured at cost.

The impact arising from the changes summarized as follows:

Particulars	For the year 31 March, 2017
Statement of other comprehensive income	
Other income	2,279,745.00
Adjustment before income tax	<b>2,279,745.00</b>

**b) Other Comprehensive Income**

Under Ind AS, All items of income and expense recognized in a period should be included in profit and loss account, unless a

standard requires or permits otherwise. Items of income and expenses that are not recognized in profit or loss but are shown in the profit or loss as "other comprehensive income" includes fair value change in financial instruments.

**c) Deffered Tax**

Deffered Tax has been considered on Ind AS transition adjustments.

SEGMENT REPORTING				Annexure 1		
Particulars	Animal Feed Division		Crude Oil Processing Solvent Extraction		Consolidated Total	
	Current Year	Prev Year	Current Year	Prev Year	Current Year	Prev Year
<b>A. Revenue</b>						
External Sale		-	256,313,735	14,219,498	256,313,735	14,219,498
Processing Charges	2,155,742	29,857,745	17,309,244	40,093,452	19,464,986	69,951,197
Others	-	67,500	-	-	-	67,500
Unallocated income		-		-	3,246,566	2,617,074
<b>Total Segment Revenue</b>	<b>2,155,742</b>	<b>29,925,245</b>	<b>273,622,979</b>	<b>54,312,950</b>	<b>279,025,287</b>	<b>86,855,269</b>
<b>B. Result</b>						
Raw material consumed	-	-	203,610,322	21,133,826	203,610,322	21,133,826
Consumables	16,422,110.85	13,573,282.13	7,038,047.51	5,817,120.91	23,460,158	19,390,403
Gunny Sticking	654,781	699,266			654,781	699,266
Electricity	6,078,808	6,961,488	2,605,203	2,992,066	8,684,011	9,973,554
Other overheads	242,220	741,002	113,196	236,707	355,416	977,709
Repairs and Maintenance			628,974	2,727,229	628,974	2,727,229
Advertisement Expenses	37,016	37,016	15,864	15,890	52,880	52,905
Employee benefits expense	6,562,934	5,800,192	2,612,666	2,485,796	9,375,620	8,285,988
Lab expenses	7,180	39,391	3,077	16,882	10,257	56,273
Insurance	185,816	193,301	79,635	82,843	265,451	278,144
Allocated segment expenses	<b>30,190,865</b>	<b>28,064,937</b>	<b>217,187,005</b>	<b>35,508,360</b>	<b>247,297,870</b>	<b>63,573,357</b>
Un-allocated expenses					10,410,655	3,500,167
Operating Profit/(Loss)	(28,035,123)	1,860,308	56,515,974	18,804,590	21,316,563	19,781,745
Less: Interest Expense		-		-		-
Less: Fringe Benefit Tax		-		-		-
Less: Deferred Tax		-		-	(30,402)	(58,494)
Profit from ordinary activities	(28,035,123)	4,035,098	56,515,974	4,771,083	21,346,965	17,492,964
Less : Extra-ordinary loss		-		-		-
<b>Net Profit/(Loss)</b>	<b>(28,035,123)</b>	<b>4,035,098</b>	<b>56,515,974</b>	<b>4,771,083</b>	<b>21,346,965</b>	<b>17,492,964</b>
<b>OTHER INFORMATION:</b>						
<b>C. Assets</b>						
Segment Assets						
Fixed Assets	15,582,732.35	17,783,694	28,902,217	33,026,860	44,464,960	50,810,553
Current Assets, Loans & Advances	30,598	3,041,977	4,147,778	7,361,914	4,178,376	10,403,691
Un-allocated assets					86,124,163	64,915,076
<b>Total Assets</b>	<b>15,593,330</b>	<b>20,825,670</b>	<b>33,049,996</b>	<b>40,388,774</b>	<b>134,767,489</b>	<b>126,129,520</b>
<b>D. Liabilities</b>						
Segment Liabilities	5,217,310	6,446,771	2,735,673	3,238,635	7,952,983	9,685,407
Un-allocated liabilities					126,814,505	116,444,113
	5,217,310	6,446,771	2,735,673	3,238,635	134,767,489	126,129,520
<b>E. Depreciation</b>						
Segment Depreciation	2,221,468.73	2,221,818	4,125,585	4,126,234	6,347,054	6,348,052
Unallocated Depreciation					731,231	706,499
<b>Total Depreciation</b>	<b>2,221,469</b>	<b>2,221,818</b>	<b>4,125,585</b>	<b>4,126,234</b>	<b>7,078,284</b>	<b>7,054,551</b>

PRIMA INDUSTRIES LIMITED  
CIN:L15142KL1994PLC008368

## Annexure to Notes on Financial Statements for the Year ended March 31, 2018

### Note 1 – Reporting Entity

Prima Industries Limited (the 'Company' or 'PIL') is a company domiciled in India. PIL was incorporated as a Public Limited Company on 17<sup>th</sup> November, 1994, under the provisions of Companies Act 2013. The company was promoted primarily for solvent extraction and refining of oil.

### Note 2 – Basis of Preparation

#### a. Statement of Compliance

These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 notified under Section 133 of the Companies Act, 2013 (the 'Act') and the relevant provisions of the Act.

The Company's financial statements up to and for the year ended 31 March 2017 were prepared in accordance with the Companies (Accounting Standards) Rules, 2006, notified under Section 133 of the Act and other relevant provisions of the Act.

As these are the Company's first financial statements prepared in accordance with Indian Accounting Standards (Ind AS), Ind AS 101, First-time Adoption of Indian Accounting Standards has been applied. An explanation of how the transition to Ind AS has affected the previously reported financial position, financial performance and cash flows of the Company is provided in the Notes.

#### b. Functional and presentation currency

These financial statements are presented in Indian Rupees ('INR'), which is also the Company's functional currency. All amounts have been rounded-off to the nearest lakhs, unless otherwise indicated.

#### c. Basis of Measurement

The financial statements have been prepared on the historical cost basis as a going concern on accrual basis except for the following items:

Item	Measurement Basis
Non-Current Investments	Fair value

#### d. Basis Of accounting

- The Accounts of the Company are prepared under the Historical Cost Convention as a going concern on accrual basis except for Scrap, Interest on Income Tax and Rent & Electricity Charges received from Township which are accounted for on cash basis.
- Income from Sale of Newsprint is accounted net of Excise Duty, Cess, Sales Tax and Discounts.

#### e. Use of Estimate and Judgements

In preparing these financial statements, management has made judgements, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognized prospectively.

**Judgements**

Information about judgements made in applying accounting policies that have the most significant effects on the amounts recognized in the financial statements is included in the concerned notes.

**Assumptions and estimation uncertainties**

Information about assumptions and estimation uncertainties that have a significant risk of resulting in a material adjustment in the year ended 31 March 2017 is included in the concerned notes.

**e. Measurement of Fair Values**

A number of the company's accounting policies and disclosures require measurement of fair values, for both financial and non-financial assets and liabilities.

The Company has an established control framework with respect to the measurement of fair values. The Company regularly reviews significant unobservable inputs and valuation adjustments. If third party information is required, the Company assesses the evidence obtained by the third parties to support the conclusions that these valuations meet the requirements of Ind AS, including the level in the fair value hierarchy in which the valuations should be classified.

Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly (i.e. as prices) or indirectly (i.e. derived from prices).
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

When measuring the fair value of an asset or a liability, the Company uses observable market data as far as possible. If the inputs used to measure the fair value of an asset or a liability fall into different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

The Company recognizes transfers between levels of the fair value hierarchy at the end of the reporting period during which the change has occurred.

**Note 3 – Accounting Policies****1. Foreign currency****i. Foreign Currency Transactions**

Transactions in foreign currencies are translated into the functional currency of the Company at the exchange rates at the date of the transaction.

Monetary assets and liabilities denominated in foreign currencies are translated into the functional currency at the exchange rate at the reporting date.

**2. Income tax**

Income tax comprises current and deferred tax. It is recognized in profit or loss except to the extent that it relates to an item recognized directly in equity or in other comprehensive income.

**i. Current Tax**

Current tax comprises the expected tax payable or receivable on the taxable income or loss for the year and any



adjustment to the tax payable or receivable in respect of previous years. The amount of current tax reflects the best estimate of the tax amount expected to be paid or received after considering the uncertainty, if any, related to income taxes. It is measured using tax rates (and tax laws) enacted or substantively enacted by the reporting date.

Current tax assets and current tax liabilities are offset only if there is a legally enforceable right to set off the recognized amounts, and it is intended to realize the asset and settle the liability on a net basis or simultaneously.

## II. Deferred Tax

Deferred tax is recognized in respect of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the corresponding amounts used for taxation purposes. Deferred tax is also recognized in respect of carried forward tax losses and tax credits.

Deferred tax assets are recognized to the extent that it is probable that future taxable profits will be available against which they can be used. The existence of unused tax losses is strong evidence that future taxable profit may not be available. Therefore, in case of a history of recent losses, the Company recognizes a deferred tax asset only to the extent that it has sufficient taxable temporary differences or there is convincing other evidence that sufficient taxable profit will be available against which such deferred tax asset can be realized. Deferred tax assets – unrecognized or recognized, are reviewed at each reporting date and are recognized/ reduced to the extent that it is probable/ no longer probable respectively that the related tax benefit will be realized.

Deferred tax is measured at the tax rates that are expected to apply to the period when the asset is realized or the liability is settled, based on the laws that have been enacted or substantively enacted by the reporting date.

The measurement of deferred tax reflects the tax consequences that would follow from the manner in which the Group expects, at the reporting date, to recover or settle the carrying amount of its assets and liabilities.

Deferred tax assets and liabilities are offset if there is a legally enforceable right to offset current tax liabilities and assets, and they relate to income taxes levied by the same tax authority on the same taxable entity, or on different tax entities, but they intend to settle current tax liabilities and assets on a net basis or their tax assets and liabilities will be realized simultaneously.

## 3. Borrowing Cost

Borrowing costs are interest and other costs (including exchange differences relating to foreign currency borrowings to the extent that they are regarded as an adjustment to interest costs) incurred in connection with the borrowing of funds. Borrowing costs directly attributable to acquisition or construction of an asset which necessarily take a substantial period of time to get ready for their intended use are capitalized as part of the cost of that asset. Other borrowing costs are recognized as an expense in the period in which they are incurred.

## 4. Cash flow statement

Cash flow statements are prepared under Indirect Method whereby profit or loss is adjusted for the effects of transactions of a non-cash nature, any deferrals or accruals of past or future operating cash receipts or payments, and items of income or expense associated with investing or financing cash flows. Cash and cash equivalents comprise of cash in hand, current and other accounts (including fixed deposits) held with banks.

## 5. Events occurring after the balance sheet date

Assets and liabilities are adjusted for events occurring after the reporting period that provides additional evidence to assist the estimation of amounts relating to conditions existing at the end of the reporting period.

## 6. Property, Plant and equipment

### a. Recognition and Measurement

Land is capitalized on the basis of actual cost of acquisition, including establishment charges of land acquisition agency and legal expenses incurred for acquisition. The cost of leasehold land is written-off over the period of lease.

### b. Capitalization of Assets and Charging of Depreciation

- i) Fixed Assets are stated at cost. The cost of acquisition of Fixed Assets is inclusive of freight, duties, taxes, incidental expenses and the cost of installation/erection as applicable.
- ii)
  - a) Depreciation is provided under Straight Line Method, in accordance with the provisions of Schedule II to the Companies Act, 2013.
  - b) In the case of assets added /sold/discarded/transferred depreciation is charged on pro-rata basis.
- iii) Fixed Assets identified for disposal are stated at Net Block Value or Net Realizable value whichever is lower and are shown separately in the financial statements.
- iv) Borrowing cost relating to the acquisition/construction of qualifying assets are capitalized until the time all substantial activities necessary to prepare the qualifying assets for their intended use are complete. The qualifying asset is one that necessarily takes substantial period of time to get ready for its intended use. All other borrowing costs are charged to revenue.
- v) Subsequent Expenditures are capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.
- vi) On transition to Ind AS, the company has elected to continue with the carrying value of all its Property, Plant and Equipment existing as at 1<sup>st</sup> April 2016, measured as per previous GAAP (IGAAP) and used that carrying value as the deemed cost of the Property, Plant and Equipment.
- vii) Reclassification to investment property  
When the use of a property changes from owner-occupied to investment property, the property is reclassified as investment property at its carrying amount on the date of reclassification.

### c. Impairment

Property, plant and equipment are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the cash generating unit (CGU) to which the asset belongs.

If such assets are considered to be impaired, the impairment to be recognized in the Statement of Profit and Loss is measured by the amount by which the carrying value of assets exceeds the estimated recoverable amount of the asset. An impairment loss is reversed in the Statement of Profit and Loss if there has been a change in the estimates used to determine the recoverable amount. The carrying amount of the asset is increased to its revised recoverable amount, provided that this amount not exceed the carrying amount that would have been determined

had no impairment loss been recognized for the asset in prior years.

**7. Intangible Assets :**

Intangible Assets are amortised over the useful life of the respective assets. Subsequent expenditure is capitalized only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure is recognized in profit or loss as incurred.

On transition to Ind AS, the Company has elected to continue with the carrying value of all of its intangible assets recognized as at 1 April 2016, measured as per the previous GAAP, and use that carrying value as the deemed cost of such intangible assets.

Expenditure on research activities is recognized in profit or loss as incurred.

Development expenditure is capitalized as part of the cost of the resulting intangible asset only if the expenditure can be measured reliably, the product or process is technically and commercially feasible, future economic benefits are probable, and the Company intends to and has sufficient resources to complete development and to use or sell the asset. Otherwise, it is recognized in profit or loss as incurred. Subsequent to initial recognition, the asset is measured at cost less accumulated amortization and any accumulated impairment losses

**8. Capital Work in Progress:**

Projects under which Property, Plant and Equipment are not yet ready for their intended use are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

**9. Valuation of investments:**

**i. Financial instruments**

**a. Recognition and initial measurement**

All financial assets and financial liabilities are initially recognized when the Company becomes a party to the contractual provisions of the instrument. A financial asset or financial liability is initially measured at fair value plus, for an item not at fair value through profit and loss (FVTPL), transaction costs that are directly attributable to its acquisition or issue.

**b. Classification and subsequent measurement**

*Financial assets*

On initial recognition, a financial asset is classified as measured at

- amortized cost;
- Fair Value through Other Comprehensive Income (FVOCI) – equity investment; or
- Fair Value Through Profit and Loss (FVTPL)

Financial assets are not reclassified subsequent to their initial recognition, except if and in the period the Company changes its business model for managing financial assets.

A financial asset is measured at amortized cost if it meets both of the following conditions and is not designated as at FVTPL:

- the asset is held within a business model whose objective is to hold assets to collect contractual cash flows; and
- the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

On initial recognition of an equity investment that is not held for trading, the Company may irrevocably elect to present subsequent changes in the investment's fair value in OCI. (designated as FVOCI – equity investment). This election is made on an investment-by-investment basis.

All financial assets not classified as measured at amortized cost or FVOCI as described above are measured at FVTPL. This includes all derivative financial assets. On initial recognition, the Company may irrevocably designate a financial asset that otherwise meets the requirements to be measured at amortized cost or at FVOCI or at FVTPL if doing so eliminates or significantly reduces an accounting mismatch that would

<b>Financial assets at FVTPL</b>	These assets are subsequently measured at fair value. Net gains and losses, including any interest or dividend income, are recognized in profit or loss.
<b>Financial assets at amortized cost</b>	These assets are subsequently measured at amortized cost using the effective interest method. The amortized cost is reduced by impairment losses. Interest income, foreign exchange gains and losses and impairment are recognized in profit or loss. Any gain or loss on de-recognition is recognized in profit or loss.
<b>Equity investments at FVOCI</b>	These assets are subsequently measured at fair value. Dividends are recognized as income in profit or loss. Other net gains and losses are recognized in OCI and are not reclassified to profit or loss.

*Financial liabilities*

Financial liabilities are classified as measured at amortized cost or FVTPL. A financial liability is classified as at FVTPL if it is classified as held-for-trading, or it is a derivative or it is designated as such on initial recognition. Financial liabilities at FVTPL are measured at fair value and net gains and losses, including any interest expense, are recognized in profit or loss. Other financial liabilities are subsequently measured at amortized cost using the effective interest method. Interest expense and foreign exchange gains and losses are recognized in profit or loss. Any gain or loss on de-recognition is also recognized in profit or loss.

**c. De-recognition**

*Financial assets*

The Company de-recognizes a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers the rights to receive the contractual cash flows in a transaction in which substantially all of the risks and rewards of ownership of the financial asset are transferred or in which the company neither transfers nor retains substantially all of the risks and rewards of ownership and does not retain control of the financial asset. If the company enters into transactions whereby it transfers assets recognized on its balance sheet but retains either all or substantially all of the risks and rewards of the transferred assets, the transferred assets are not derecognized.

*Financial liabilities*

The Company de-recognizes a financial liability when its contractual obligations are discharged or cancelled or expire. The Company also de-recognizes a financial liability when its terms are modified and the cash flows under the modified terms are substantially different. In this case, a new financial liability based on the modified terms is recognized at fair value. The difference between the carrying amount of the financial liability extinguished and the new financial liability with modified terms is recognized in profit or loss.

**10. Income from Lease:**

Rental income from investment property is recognized as part of other income in profit or loss on a straight-line basis over the term of the lease except where the rentals are structured to increase in line with expected general inflation.

**11. Valuation of Current Assets:**

- a) Stores, Spares, finished goods and Raw Materials are accounted for at lower of the cost and Net Realizable Value on First in First Out basis.
- b) Net realizable value is the estimated selling price in the ordinary course of business and cost for finished goods includes purchase cost and processing expenses.
- c) As the company carries inventory of finished goods of various grade / quality, and the net realizable value of all such grade / quality are not available, the valuation is done based on the rates as certified by the Managing Director.

**12. Non-current assets held for sale**

Non-current assets comprising assets and liabilities are classified as held for sale if it is highly probable that they will be recovered primarily through sale rather than through continuing use.

Such assets are generally measured at the lower of their carrying amount and fair value less costs to sell. Losses on initial classification as held for sale and subsequent gains and losses on re-measurement are recognized in profit or loss.

Once classified as held-for-sale, intangible assets, property, plant and equipment and investment properties are no longer amortized or depreciated.

**13. Earnings per share (EPS)**

Basic earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares outstanding during the period. Diluted earnings per equity share is computed by dividing the net profit attributable to the equity holders of the Company by the weighted average number of equity shares considered for deriving basic earnings per equity share and also the weighted average number of equity shares that could have been issued upon conversion of all dilutive potential equity shares. The dilutive potential equity shares are adjusted for the proceeds receivable had the equity shares been actually issued at fair value (i.e. the average market value of the outstanding equity shares). Dilutive potential equity shares are deemed converted as of the beginning of the period, unless issued at a later date. Dilutive potential equity shares are determined independently for each period presented.

The number of equity shares and potentially dilutive equity shares are adjusted retrospectively for all periods presented for any share splits and bonus shares issues including for changes effected prior to the approval of the financial statements by the Board of Directors.

**14. Retirement/Terminal Benefits/Bonus/Leave encashment**

- a) Company's liability towards employee benefits such as gratuity, leave encashment, terminal benefits etc. is provided for on the basis of company's own valuation as per Ind AS 19.
- b) Expenditure incurred on short term employee benefits including bonus, production incentive, medical benefits and other perquisites etc. are charged to the Profit and Loss Account at un-discounted amounts in the year in which services are rendered.
- c) Expenditure on employee benefits in the nature of contributions to Provident Fund, Family Pension Scheme, Employees State Insurance, Labour Welfare Fund etc. are charged to the Profit and Loss Account as and when contributions to the respective funds are due.

**15. Provisions, Contingent Liabilities and Contingent Assets**

- a) Provision is recognized in the accounts when there is a present obligation as a result of past events and it is probable that an outflow of resources will be required to settle the obligation and a reliable

estimate can be made. These estimates are reviewed at each reporting date and adjusted to reflect the current best estimates.

- b) Contingent liabilities are disclosed unless the possibility of outflow of resources is remote. Show Cause notices issued by various Government Authorities are not considered as Obligation. When the demand notices are raised against such show cause notices and are disputed by the company, these are classified as disputed obligations.
- c) Contingent Assets are neither recognized nor disclosed in financial statements.

**16. Segment Reporting:**

The accounting policies adopted for segment reporting are in line with the accounting policies of the company.

The company's primary segments (business segments) have been identified as (a) Cattle Feed Division, (b) Oil Cake Processing Division. There are no reportable geographical segments. Segment revenue, segment results, segment assets and segment liabilities include the respective amounts identifiable to each of the segments as also amounts allocated on a reasonable estimate. The expenses, which are not directly attributable to any of the business segment are shown as unallocated expenditure. Assets and liabilities that cannot be allocated between the segments are shown as part of unallocated assets and liabilities respectively.

Investments, advance towards investments and other advances, which are not allocable to segments, are excluded from segment capital employed.

**17. One Time Settlement with Banks:**

The interest waiver obtained on one-time settlement with banks during the year 2011 - 12 and 2012 - 13 have been credited to profit & loss account. The interest waiver obtained in earlier years has been reduced from the brought forward losses and the principal amount waived were credited to the Capital Reserves.

The One Time Settlement amount for the Term Loan includes the value of Cumulative Redeemable Preference Shares allotted to the Bank, against overdue interest upto 31/03/2012 and converting the outstanding Principal amount and converting the present value of savings on account of reduction in rate on a restructuring. The One Time Settlement amount net of the value of the Cumulative Preference shares is considered to be principal amount waiver and the entire interest outstanding as per books is considered to be waived and has been reduced from the brought forward losses.

Sajjan Kumar Gupta  
Managing Director

Swati Gupta  
Director

Ernakulam  
As per our report dated

For J. Krishnan & Associates  
Chartered Accountants

**Form No: MR 3**  
**SECRETARIAL AUDIT REPORT**  
**FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2018**  
**[Pursuant to section 204(1) of the Companies Act, 2013 and**  
**Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]**

To,  
**THE MEMBERS,**  
**PRIMA INDUSTRIES LIMITED**  
**DOOR NO. V-679/C, INDUSTRIAL DEVELOPMENT AREA,**  
**MUPPATHADAM, EDAYAR, COCHIN, KERALA-683110.**  
**CIN: L15142KL1994PLC008368**

We, BVR & Associates Company Secretaries LLP have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **PRIMA INDUSTRIES LIMITED** (CIN: L15142KL1994PLC008368) (hereinafter called the company). The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records produced to us and according to information and explanations given to us by the Company, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2018 complied with the provisions of the Companies Act, 2013 (Act) and the Rules made there under, the Memorandum and Articles of Association of the Company and also applicable provisions of the aforesaid law, standards, guidelines, agreements, etc.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31.03.2018 according to the provisions of:

- 1 The Companies Act, 2013 and the Rules made there under.
- 2 The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under.
- 3 The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.
- 4 The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
  - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and.
  - g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;

5 The Listing Agreements entered into by the Company with Bombay Stock Exchange

As informed to us the following other Laws specifically applicable to the Company as under:

1. The Competition Act, 2002.
2. The Kerala Panchayat Raj Act and Kerala Municipalities Act.
3. The Kerala Shops & Establishment Act, 1960
4. Kerala Industrial Establishments (National & Festival Holidays Act) 1958
5. Sexual Harassment of Women at the work place (prevention, prohibition and redressal) Act, 2013.
6. Food Safety And Standards Act, 2006
7. Indian Boilers Act 1923
8. The Water (Prevention and Control of Pollution) Act, 1974.
9. The Air (Prevention & Control of Pollution) Act, 1981
10. The Environment (Protection) Act, 1986.
11. The Legal Metrology Act.
12. The Standard of Weight & Measures (Enforcement) Act, 1985.

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

- 1) Secretarial Standards issued by the Institute of Company Secretaries of India, to the extent applicable

We report that, during the year under review:

1. The status of the Company during the financial year has been that of a Listed Public Company.
2. The Company has not been a holding or a subsidiary of another Company. The Company is a Listed Public Company.
3. The Board of Directors of the Company has been duly constituted as on the date of the Report. There were changes in the composition of the Board of Directors during the period under review.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda are sent at least seven days in advance, a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting. Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

*The redemption period of Preference Shares have been extended through a consent letter, taken note of in the Board Meeting, since there is only a single preference shareholder.*

4. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, there being independent and compliance with the code of Business Conduct & Ethics for Directors and Management Personnel.
5. The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings/debenture holdings and directorships in other Companies and interests in other entities.
6. The Company has not advanced loans, given guarantees and provided securities to directors and/or persons or firms or Companies in which directors were interested.
7. The amount borrowed by the Company from its directors, members, bank(s)/ financial institution(s) and others were within the borrowing limits of the Company. Such borrowings were made by the Company in compliance with applicable laws.
8. The Company has not defaulted in the repayment of unsecured loans, facilities granted by bank(s)/financial institution(s) and non-banking financial companies. The Company has not issued Debentures or collected Public Deposits.
9. The Company has not created or modified or satisfied charges on the assets of the Company and complied with the



- applicable laws.
10. All registrations under the various state and local laws as applicable to the Company are valid as on the date of report.
  11. The Company has not issued and allotted the securities during the period under scrutiny.
  12. The Company has not declared and paid dividends to its shareholders during the period under scrutiny.
  13. The Company has;
    - a. no unpaid dividends,
    - b. not issued debentures and
    - c. not accepted fixed deposits
- So there is no need for transferring amount to the Investor Education and Protection Fund during the period under scrutiny.
14. As informed by the Management, the Company has paid all its Statutory dues and satisfactory arrangements have been made for arrears of any such dues.
  15. The Company being a listed entity has complied with the provisions of the Listing Agreement.
  16. *The Company being a listed company is required to appoint Company Secretary and Chief Financial Officer as per Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. Also, Section 138 of the Act read with the Companies (Accounts) Rules, 2014, mandates appointment of Internal Auditor. The Company has been advised to comply with the provisions and the company is in the process of complying with the provisions of the Act as certified by the Management.*
  17. As per the information from the management, the Company is in the process of updating the statutory register.
  18. The Company has provided a list of statutes in addition to the laws as mentioned above and it has been observed that there are proper systems in place to ensure compliance of all laws applicable to the company.

We further report that:

1. the Company has complied with the provisions of Corporate Governance Voluntary Guidelines, 2009 issued by the Ministry of Corporate Affairs, Government of India;
2. the Company has followed the Secretarial Standards issued by the Institute of Company Secretaries of India to the extent applicable.
3. the Company has complied with the provisions of Equity listing Agreements and SEBI(Listing Obligations and Disclosure Requirements) entered into with Bombay Stock Exchange. However, *it is noted that dematerialization of promoter shareholding is less than 100% and the company is in the process of such conversion. The contents of the website including Board Composition and Code of Conduct, materiality policies are being updated as per LODR provisions.*
4. the Company was not required to comply with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the Regulations due to non-applicability;
5. the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures; and the Company is in the process of preparing the required documents and records as per the rules and regulations as certified by the management.
6. the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 are not applicable for the Company during the period under scrutiny.
7. the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 with regard to grant of Stock Options and implementation of the Schemes are not applicable for the Company during the period under scrutiny.
8. the provisions of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 are not applicable for the Company during the period under scrutiny.
9. the Company has complied with the provisions of the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;

10. the provisions of Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 are not applicable for the Company during the period under scrutiny.
11. the provisions of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 with regard to buy back of Equity shares are not applicable for the Company during the period under scrutiny.
12. the Company has provided E-voting facility to the members and the Company has entered in to try party agreement between RTA and NSDL as certified by the management.
13. the Company had complied with the Provisions of The Competition Act, 2002 with regard to prohibition of anti-competitive agreements, abuse of dominance and ensuring of competition advocacy. As per the verification, the Company is ensuring fair competition in the market among its competitors.

We Further Report That:

The compliance with regard to the following Acts is pointed out below:

1. The Competition Act, 2002:-Overall Compliance under the Act complied by the Company.
2. The Kerala Panchayat Raj Act and Kerala Municipalities Act:-The Company has complied with the provisions of the Act.
3. The Kerala Shops & Establishment Act, 1960:-Overall Compliance under the Act complied by the Company.
4. Kerala Industrial Establishments (National & Festival Holidays Act) 1958:- The Company has complied with the provisions of the Act.
5. Sexual Harassment of Women at the work place (prevention, prohibition and redressal) Act, 2013:- Overall Compliance under the Act complied by the Company
6. Food safety and Standards Act, 2006:-The Company has complied with the provisions of the Act.
7. Indian Boilers Act 1923:-The Company has complied with the provisions of the Act.
8. The Water (Prevention and Control of Pollution) Act, 1974:-The Company has obtained necessary license under the Act.
9. The Air (Prevention & Control of Pollution) Act, 1981:-The Company has obtained necessary license under the Act.
10. The Environment (Protection) Act, 1986:- The Company has obtained necessary license under the Act.
11. The Legal Metrology Act:-The Company has complied with the provisions of the Act.
12. The Standard of Weight & Measures (Enforcement) Act, 1985:-The Company has complied with the provisions of the Act.

We further report that:

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

This Report is to be read with our letter of even date which is annexed as Annexure -A and forms an integral part of this report.

Cochin  
06/07/2018

**CS N Balasubramanian**  
**Designated Partner**  
**BVR and Associates Company Secretaries LLP**  
**FCS No. F6439**  
**C P No.: 4996**

**Annexure A'**

To,  
The Members  
**PRIMA INDUSTRIES LIMITED**

Our report of even date is to be read along with this letter.

1. Maintenance of Secretarial record is the responsibility of the management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and process as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records.
3. The verification was done on test basis to ensure that correct facts are reflected in Secretarial records. We believe that the process and practices, we followed provide a reasonable basis for our opinion.
4. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the Company.
5. Where ever required, we have obtained the Management representation about the Compliance of laws, rules and regulations and happening of events etc.
6. The Compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedure on test basis.
7. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

Cochin  
06/07/2018

**CS N Balasubramanian**  
**Designated Partner**  
**BVR and Associates Company Secretaries LLP**  
**FCS No. F6439**  
**C P No.: 4996**

**FORM NO. MGT 9  
EXTRACT OF ANNUAL RETURN**

As on financial year ended on 31.03.2018

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

I. REGISTRATION & OTHER DETAILS:		
1	CIN	L15142KL1994PLC008368
2	Registration Date	17.11.1994
3	Name of the Company	PRIMA INDUSTRIES LTD
4	Category/Sub-category of the Company	Public Company Limited by shares
5	Address of the Registered office & contact details	Door No. V/679-C, Industrial Development Area, Muppalthadam P.O., Edayar, Cochin-683110 Ph:0484-2551533/2551534, Email:primo@vsnl.in
6	Whether listed company	Listed in Bombay Stock Exchange
7	Name, Address & contact details of the Registrar & Transfer Agent, if any.	M/s. Venture Capital and Corporate Investments Pvt Ltd. (Category - 1, Registrars) 12-10-167, Bharatnagar, Hyderabad - 500 018, Tel: 040-23818475, Fax: 040-2386024, E-mail: info@vccilindia.com.

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY			
(All the business activities contributing 10% or more of the total turnover of the company shall be stated)			
S. No.	Name and Description of main products / services	NIC Code of the Product/service	% to total turnover of the company
1	Cattle Feed	NIC CODE:2171	20
2	Solvent Extraction	NIC CODE:2113	80

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES					
SN	Name and address of the Company	CIN/ULN	Holding/ Subsidiary/ Associate	% of shares held	Applicable Section
	NIL	NIL	NIL	NIL	NIL

(Equity share capital breakup as percentage of total equity)

(i) **Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year [As on 31-March-2017]				No. of Shares held at the end of the year [As on 31-March-2018]				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. Promoters</b>									
<b>(1) Indian</b>									
a) Individual/ HUF	1503470	1584672	855300	14.68	1503470	1584672	855300	14.68	0
b) Central Govt	0	1100000	1100000	10.19	0	1100000	1100000	10.19	0
c) State Govt(s)	0	0	0	0	0	0	0	0	0
d) Bodies Corp.	4972528	4972528	4972528	46.08	4972528	4972528	4972528	46.08	0
e) Banks / FI	0	0	0	0	0	0	0	0	0
f) Any other	0	0	0	0	0	0	0	0	0
<b>Sub Total (A) (1)</b>	<b>6475998</b>	<b>7657200</b>	<b>7657200</b>	<b>70.95</b>	<b>6475998</b>	<b>7657200</b>	<b>7657200</b>	<b>70.95</b>	<b>0</b>
<b>(2) Foreign</b>									
Foreign	0	0	0	0	0	0	0	0	0

Individuals(Non Resident Foreign Individuals)	0	49000	49000	0.45	0	49000	49000	0.45	0
Government	0	0	0	0	0	0	0	0	0
Institutions	0	0	0	0	0	0	0	0	0
Foreign Portfolio Investors	0	0	0	0	0	0	0	0	0
Any Other	0	0	0	0	0	0	0	0	0
<b>Sub Total (A) (2)</b>	0	49000	49000	0.45	0	49000	49000	0.45	0
<b>TOTAL (A) (1) + (A)(2)</b>	6475998	7706200	7706200	71.41	6475998	7706200	7706200	71.41	
<b>B. Public Shareholding</b>									
<b>1. Institutions</b>									
Institutions	0	0	0	0	0	0	0	0	0
Mutual Funds/UTI	0	0	0	0	0	0	0	0	0
Venture Capital Funds	0	0	0	0	0	0	0	0	0
Alternate Investment Funds	0	0	0	0	0	0	0	0	0
Foreign Venture Capital Funds	0	0	0	0	0	0	0	0	0
Foreign Portfolio Investors – Individual (FPI)	0	0	0	0	0	0	0	0	0
Financial Institutions/Banks	0	0	0	0	0	0	0	0	0
Insurance Companies	0	0	0	0	0	0	0	0	0
Provident Funds / Pension Funds	0	0	0	0	0	0	0	0	0
Any Other	0	0	0	0	0	0	0	0	0
Foreign Institutional Investors Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
Qualified Foreign Investor- Corporate	0	0	0	0	0	0	0	0	0
Foreign Bodies Corp	0	0	0	0	0	0	0	0	0
Foreign Nation Foreign Institutional Investors	0	0	0	0	0	0	0	0	0
Qualified Foreign Investor	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(1):-</b>	0	0	0	0	0	0	0	0	0

Central Gov./State Gov.	0	0	0	0	0	0	0	0	0
<b>Sub-total (B)(2):-</b>	0	0	0	0	0	0	0	0	0
<b>3. Non-Institutions</b>									
(a) Individual ShareHolders holding nominal share capital upto 2Lakh	210765	784465	784465	7.27	210687	768587	768587	7.12	0
(b) Individual ShareHolders holding nominal share capital in excess of 2Lakh	0	2207400	2207400	20.45	23868	2231268	2231268	20.7	0
(c) NBFCs Registered with RBI	0	0	0	0	0	0	0	0	0
(d) Employee Trusts	0	0	0	0	0	0	0	0	0
(e) Overseas Depositories (Holding DRs) (Balancing Figure)	0	0	0	0	0	0	0	0	0
(f) Any Other	0	0	0	0	0	0	0	0	0
(g) Bodies Corporate	1047	53047	53047	.49	18350	52250	52250	.48	0
(h) Clearing Member	3788	3788	3788	0.04	1895	1895	1895	0	0
(i) Trust	0	0	0	0	0	0	0	0	0
(j) Non Resident Individuals	0	0	0	0	31700	31700	31700	.29	0
<b>Sub-total (B)(3):-</b>	252600	3085700	3085700	28.5	286500	3085700	3085700	29	0
<b>Total Public (B) (1)+(B) (2)+(B)(3)</b>	252600	3085700	3085700	28.5	286500	3085700	3085700	29	0
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>									
<b>Grand Total (A+B+C)</b>	4909598	10791900	10791900	100	6762498	10791900	10791900	100	0

**(ii) Shareholding of Promoter**

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in shareholding during the year
		No. of Shares	% of total Shares of the company	% of Shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of Shares Pledged / encumbered to total shares	
1	R K AGARWAL	101	0		101	0		
2	SARITA JINDAL	20101	0.19		20101	0.19		

3	RAMLA SHAMSUDEEN	1000	0.01		1000	0.01		
4	DEVANANDAN VELEKATHU P	1000	0.01		1000	0.01		
5	T R AJITH KUMAR	1000	0.01		1000	0.01		
6	MUSADDIQUE SHAIKH	1000	0.01		1000	0.01		
7	B BHARATH HEGDE	1000	0.01		1000	0.01		
8	AYYAPPATH RAJGOPAL KARUNAN	1000	0.01		1000	0.01		
9	MOHAMMED GHOUSE MOHIUDDIN	1000	0.01		1000	0.01		
10	MARTIN CLEMENT D SOUZA IRENE SHIRLEY ANITA D SOUZA	1000	0.01		1000	0.01		
11	SAMUEL P ISAAC	1000	0.01		1000	0.01		
12	K V SHAMSUDHEEN SAMIYYA SHAMSUDHEEN	1000	0.01		1000	0.01		
13	C ABDUL RAHMAN SAINABA ABDUL RAHMAN	1000	0.01		1000	0.01		
14	PARAKKADAVATH UMMAR	1000	0.01		1000	0.01		
15	KARMALI JOSEPH STANLEY ELANMA STANLEY	1000	0.01		1000	0.01		
16	ABDUL AHMAD	1000	0.01		1000	0.01		
17	KHAJA MOINUDDIN	1000	0.01		1000	0.01		
18	NARENDRA KUMAR SAIKA	1000	0.01		1000	0.01		
19	M G OOMMEN	1000	0.01		1000	0.01		
20	VALIYAVEETILE M MATHEW	1000	0.01		1000	0.01		
21	M ABDUL RAHIM MAJUJI RAHIM	1000	0.01		1000	0.01		
22	VIRENDRA KUMAR GUPTA DAYAWATI GUPTA	1000	0.01		1000	0.01		
23	SHARMISHTHA RAJINKANT SHAH RAJINKANT CHIMANLAL SHAH	1000	0.01		1000	0.01		
24	SIBY MATHEW	1000	0.01		1000	0.01		
25	T P M MOHAMMED MOIDEEN	1000	0.01		1000	0.01		
26	SATYANARAYANA VULCHI	1000	0.01		1000	0.01		
27	VELISHALA BHADRINATH GANDHI	1000	0.01		1000	0.01		
28	UJWAL JOSHUA ARALIKATTI NEENA UJWAL JOSHVA ARALIKATTI	1000	0.01		1000	0.01		
29	MOHD HAIDER	1000	0.01		1000	0.01		

30	JAVED IQBAL SIDDIQI MUBASHSHERA	1000	0.01		1000	0.01		
31	SETHURAMAN	1000	0.01		1000	0.01		
32	THOMAS ANTONY	1000	0.01		1000	0.01		
33	PRADEEP KUMAR DUDEJA RENU DUDEJA	1000	0.01		1000	0.01		
34	MALTBEN J VAIDYA	1000	0.01		1000	0.01		
35	BEENA M SHAH	1000	0.01		1000	0.01		
36	K B GOPALAKRISHNAN	1000	0.01		1000	0.01		
37	E BRAHM	1000	0.01		1000	0.01		
38	KAPILLY VELU SOMAN SINMI SOMAN	1500	0.01		1500	0.01		
39	YOGESH KUMAR MITTAL NIDHI MITTAL	1500	0.01		1500	0.01		
40	MANISHA MEHTA	1500	0.01		1500	0.01		
41	NARENDRAKUMAR C PATEL	1500	0.01		1500	0.01		
42	NANU JADEJA DHARITRI NANU JADEJA	2000	0.02		2000	0.02		
43	UPENDRA KRISHNA PAI	2000	0.02		2000	0.02		
44	GULAB BHAI PATEL AMGA BEN PATEL	2000	0.02		2000	0.02		
45	K KRISHNANKUTTY	1000	0.01		1000	0.01		
46	MIRAXBEN A PATEL	1000	0.01		1000	0.01		
47	KHUSHALBHAI J PATEL	1000	0.01		1000	0.01		
48	ARJUNBHAI K PATEL	1000	0.01		1000	0.01		
49	USHA SHETH	5000	0.05		5000	0.05		
50	AMAL S SHAH RACHANA A SHAH	5000	0.05		5000	0.05		
51	SAJJAN KUMAR GUPTA	41101	0.38		41101	0.38		
52	SANJAY GUPTA	1409866	13.06		1409866	13.06		
53	DIMPLE AGARWALA	20101	0.19		20101	0.19		
54	SWATI GUPTA	9301	0.09		9301	0.09		
55	SUSHILA GUPTA	23101	0.21		23101	0.21		
56	KERALA STATE INDUSTRIAL DEV. CORP LTD	1100000	10.19		1100000	10.19		



57	AYYAPPA REAL ESTATE PRIVATE LIMITED	455000	4.22		455000	4.22	
58	PRIMA CREDITS LIMITED	1269000	11.76		1269000	11.76	
59	PRIMA ALLOYS PRIVATE LIMITED	95000	0.88		95000	0.88	
60	PRIMA AGRO LIMITED	1019528	9.45		1019528	9.45	
61	AYYAPPA ROLLER FLOUR MILLS LTD	2134000	19.77		2134000	19.77	
62	GHANSHYAMBHAI M PATEL SAROJBEN G PATEL	1000	0.01		1000	0.01	
63	HEERU VASHDEV NAINANI	2000	0.02		2000	0.02	
64	NIRMALA SANTU SAMTANI	2000	0.02		2000	0.02	
65	ASHA SOHAN GOENKA	2000	0.02		2000	0.02	
66	DHIRENSING JAGDISHCHANDRA VAIDYA	2000	0.02		2000	0.02	
67	NITIN DHANJIBHAI SHAH	2000	0.02		2000	0.02	
68	NABTI SHAMUM	2000	0.02		2000	0.02	
69	PRABHA VISHNU VAIDYA	3000	0.03		3000	0.03	
70	ILYAS AHMED FAIROZ FATHIMA	3000	0.03		3000	0.03	
71	BHARAT DOLATRAI DOSHI	5000	0.05		5000	0.05	
72	VISHNU NARAYAN VAIDYA	5000	0.05		5000	0.05	
73	CHANDERSEN DHALUMAL JATWANI HEMLATA CHANDERSEN JATWANI	10000	0.09		10000	0.09	
74	CHANDRA NARENDRAKUMAR KOTHARI	10000	0.09		10000	0.09	
	<b>Total</b>	7706200	74		7706200	74	

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

SN	Particulars	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
	At the beginning of the year						
	Changes during the year						
	At the end of the year						

THERE IS NO CHANGE

**(iv) Shareholding Pattern of top ten Shareholders**

(Other than Directors, Promoters and Holders of GDRs and ADRs):

SN	For each of the Top 10 shareholders	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
Name							
1	SUBHASH FULCHAND			500000	4.63	500000	4.63
2	POPATLAL FULCHAND			500000	4.63	500000	4.63
3	BASANT FULCHAND			500000	4.63	500000	4.63
4	MAHENDRA FULCHAND			500000	4.63	500000	4.63
5	ANAND TIPNIS			144400	1.34	144400	1.34
6	SANJAYKUMAR SARAWAGI			23868	0.22	23868	0.22
7	S D SHIBULAL			21000	0.19	21000	0.19
8	SHRUTI SHIBULAL			21000	0.19	21000	0.19
9	KUMARI SHIBULAL			21000	0.19	21000	0.19
10	GOVIND PRASHAD TIBREWALA			20000	0.19	20000	0.19

**(v) Shareholding of Directors and Key Managerial Personnel:**

SN	Shareholding of each Directors and each Key Managerial Personnel	Date	Reason	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
				No. of shares	% of total shares	No. of shares	% of total shares
1	S.K.GUPTA						
	At the beginning of the year			41101	.38	41101	.38
	Changes during the year			NIL	0.00%	NIL	0.00%
	At the end of the year			41101	.38	41101	.38
2	SWATI GUPTA						
	At the beginning of the year			9301	0.09	9301	0.09
	Changes during the year			NIL		NIL	
	At the end of the year			9301	0.09	9301	0.09

**V. INDEBTEDNESS**

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

(Amt. Rs./Lacs)

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL

ii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>				
<b>Change in Indebtedness during the financial year</b>				
* Addition	NIL	NIL	NIL	NIL
* Reduction	NIL	NIL	NIL	NIL
Net Change				
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	NIL	NIL	NIL	NIL
ii) Interest due but not paid	NIL	NIL	NIL	NIL
iii) Interest accrued but not due	NIL	NIL	NIL	NIL
<b>Total (i+ii+iii)</b>				

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

SN.	Particulars of Remuneration	Name of MD/WTD/ Manager		Total Amount (Rs/Lac)
		S.K GUPTA	LADHU SINGH	
	Name	S.K GUPTA	LADHU SINGH	
	Designation	CMD	WTD	
	Gross salary	NIL	7.50 lakhs	7.50 lakhs
1	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	NIL	NIL	NIL
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	NIL	NIL	NIL
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	NIL	NIL	NIL
2	Stock Option	NIL	NIL	NIL
3	Sweat Equity	NIL	NIL	NIL
4	Commission	NIL	NIL	NIL
	- as % of profit	NIL	NIL	NIL
	- others, specify	NIL	NIL	NIL
5	Others, please specify(Death Benefit)	NIL	NIL	NIL
	Total (A)	NIL	NIL	NIL
	Ceiling as per the Act			

**B. Remuneration to other Directors**

SN.	Particulars of Remuneration	Name of Directors			Total Amount (Rs/Lac)
		NIL	NIL	NIL	
1	Independent Directors	NIL	NIL	NIL	0

	Fee for attending board committee meetings	NIL	NIL	NIL	0
	Commission	NIL	NIL	NIL	0
	Others, please specify	NIL	NIL	NIL	0
	Total (1)	NIL	NIL	NIL	0
2	Other Non-Executive Directors	NIL	NIL	NIL	0
	Fee for attending board committee meetings	NIL	NIL	NIL	0
	Commission	NIL	NIL	NIL	0
	Others, please specify	NIL	NIL	NIL	0
	Total (2)	NIL	NIL	NIL	0
	Total (B)=(1+2)	NIL	NIL	NIL	0
	Total Managerial Remuneration	NIL	NIL	NIL	0
	Overall Ceiling as per the Act	NIL	NIL	NIL	0

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

SN.	Particulars of Remuneration	Name of Key Managerial Personnel			Total Amount (Rs/Lac)
		CEO	CFO	CS	
	Name				
	Designation	CEO	CFO	CS	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	0	0	0	0
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	0	0	0	0
	(c) Profits in lieu of salary under section 17(3) income- tax Act, 1961	0	0	0	0
2	Stock Option	0	0	0	0
3	Sweat Equity	0	0	0	0
4	Commission	0	0	0	0
	- as % of profit	0	0	0	0
	- others, specify	0	0	0	0
5	Others, please specify	0	0	0	0
	Total	0	0	0	0

VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:						
Type	Section of the Companies Act	Brief Description	Details of Penalty / Punishment/ Compounding fees imposed	Authority [RD / NCLT/ COURT]	Appeal made, if any (give Details)	
<b>A. COMPANY</b>						
Penalty		NIL	NIL	NIL	NIL	
Punishment		NIL	NIL	NIL	NIL	
Compounding		NIL	NIL	NIL	NIL	
<b>B. DIRECTORS</b>						
Penalty		NIL	NIL	NIL	NIL	
Punishment		NIL	NIL	NIL	NIL	
Compounding		NIL	NIL	NIL	NIL	
<b>C. OTHER OFFICERS IN DEFAULT</b>						
Penalty		NIL	NIL	NIL	NIL	
Punishment		NIL	NIL	NIL	NIL	
Compounding		NIL	NIL	NIL	NIL	



सत्यमेव जयते  
**GOVERNMENT OF INDIA**  
**MINISTRY OF CORPORATE AFFAIRS**

Office of the Registrar of Companies  
 1st Floor, Company Law Bhawan BMC Road, Ernakulam, Kerala, India, 682021

DATED : 14-09-2018

IN THE MATTER OF M/S PRIMA INDUSTRIES LIMITED CIN L15142KL1994PLC008368

AND

IN THE MATTER OF EXTENSION UNDER SECTION 96(1) OF THE COMPANIES ACT, 2013

The Company has closed its accounting year on 31-03-2018 and the Annual general meeting of the company is due to be held on 30-09-2018 as per requirements of section 96 of the Companies Act, 2013. The company has made an application vide SRN H03257425 on 23-08-2018 requesting for an extension of time for the purpose of holding AGM on the following grounds

Considering the reasons extension granted for 3 months

Keeping in view, the aforesaid circumstances due to which company cannot hold its Annual General Meeting on time, extension 3 months 0 days is considered.

**ORDER**

Under the power vested in the undersigned by virtue of section 96(1) read with second proviso attached thereto extension of 3 months 0 days is hereby granted. However, the company is hereby advised to be careful in future in compliance of the provisions of the Companies Act, 2013.



Yours faithfully,  
**V.M PRASANTH**

Registrar of Companies  
 RoC - Ernakulam

Mailing Address as per record available in Registrar of Companies office:

PRIMA INDUSTRIES LIMITED  
 DOOR NO. V-679/C, INDUSTRIAL DEVELOPMENT AREA,  
 MUPPATHADAM, EDAYAR, COCHIN, Kerala, India, 683110



Note: This letter is to be generated only when the application is approved by RoC office

**PRIMA INDUSTRIES LIMITED**  
CIN: L15142KL1994PLC008368  
Regd. Office: "Door No: V/679-C, Industrial Development Area,  
Muppathadam P O, Edayar, Cochin – 683 110

**ATTENDANCE SLIP**

(Please present this slip at the Meeting Venue)

I/We hereby record my/our presence at the 24<sup>th</sup> Annual General Meeting of the Company, to be held on Monday, the 19<sup>th</sup> day of November, 2018 at 12.30. p.m. at the Registered Office of the Company at Door No.V/679-C, Industrial Development Area, Muppathadam P.O., Edayar, Cochin -683 110, Kerala and at any adjournment thereof.

Signature of the Shareholder(s) /Proxy's: .....

Shareholders/Proxy's Full Name (In Block Letters):.....

Folio No./Client ID:.....

No. of Shares Held:.....

Notes:

1. Shareholder/Proxy holder wishing to attend the meeting must bring the Attendance Slip/Proxy form as the case may be meeting and handover at the entrance duly signed.
2. Shareholder/Proxy holder attending the meeting should bring his copy of the Annual Report for reference at the meeting.
3. A Proxy need not be a member of the company.
4. In case of joint holders, the vote of the senior who tends a vote, whether in person or by Proxy, shall be accepted to the exclusion of the vote of the other joint holders. Seniority shall be determined by the order in which the names stand in the Register of Members.

### ROUTE MAP TO PRIMA INDUSTRIES LTD.





**PRIMA INDUSTRIES LIMITED**  
 CIN: L15142KL1994PLC008368  
 Regd. Office: "Door No: V/679-C, Industrial Development Area,  
 Muppathadam P O, Edayar, Cochin – 683 110

**Form No. MGT –II**  
**PROXY FORM**

**[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies  
 (Management and Administration) Rules, 2014]**

CIN : L15142KL1994PLC008368  
 Name of the Company : PRIMA INDUSTRIES LTD  
 Registered Office : Door No.V/679-C, Industrial Development Area  
 Muppathadam.PO., Edayar, Cochin – 683 110

Name of the member(s):
Registered Address:
Email ID:
Folio No./Client ID:
DP ID:

I/We, being the member(s) of .....shares of the above named company, hereby appoint

1. Name : .....  
 Address:.....  
 Email ID : .....  
 Signature : .....or failing him.....
2. Name : .....  
 Address:.....  
 Email ID : .....  
 Signature : .....or failing him.....
3. Name : .....  
 Address:.....  
 Email ID : .....  
 Signature : .....or failing him.....

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 24<sup>th</sup> Annual General Meeting of the Company, to be held on Monday, the 19<sup>th</sup> day of November, 2018 at 12.30 p.m. at the Registered Office of the Company at Door No.V/679-C, Industrial Development Area, Muppattadam.P.O., Cochin – 683 110, Kerala and at any adjournment thereof in respect of such resolutions as are indicated below:

Sl.No.	Resolutions

Signed this..... day of November 2018

Signature of shareholder

Signature of Proxy Holder (s)

Affix Rs. 1/- Revenue Stamp
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Note: This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.

# PRINTED BOOK

To



If undelivered, please return to:

**PRIMA INDUSTRIES LIMITED**

CIN : L15142KL1994PLC008368

Regd. Office : "Door No: V/679-C,

Industrial Development Area,

Muppalthadam P O, Edayar, Cochin - 683 110