



# PROMACT PLASTICS LIMITED

[CIN: L25200GJ1985PLC007746]

34<sup>TH</sup>  
A N N U A L  
R E P O R T  
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# PROMACT PLASTICS LIMITED

[CIN: L25200GJ1985PLC007746]

## 34<sup>TH</sup> ANNUAL REPORT 2017-18

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|--|---|--|-------------------|
| <b>BOARD OF DIRECTORS</b>                        | : | <b>Mr. Miteshkumar A. Patel</b>  | Chairman          |
|  |   | <b>Ms. Nikita J. Patel</b>   | Managing Director |
|  |   | <b>Mr. Akash D. Patel</b>  | Director          |
|  |   | <b>Mr. Ravi L. Patel</b>   | Director          |
|  |   | <b>Mr. Ankit J. Patel</b>  | Director          |
| <b>CFO</b>                                       | : | <b>Mr. Vipul F. Bhavsar</b>  |                   |
| <b>BANKERS</b>                                   | : | <b>The Mehsana Urban Co.op. Bank Ltd.,</b><br><b>(Multi State Scheduled Bank)</b><br>Mehsana.  |                   |
| <b>STATUTORY AUDITORS</b>                        | : | <b>M/s. B. M. Modi &amp; Co.,</b><br>Chartered Accountants,<br>Mehsana.  |                   |
| <b>SECRETARIAL AUDITORS</b>                      | : | <b>Kashyap R. Mehta &amp; Associates,</b><br>Company Secretaries,<br>Ahmedabad.  |                   |
| <b>REGISTERED OFFICE</b>                         | : | 106, Harikrupa Chambers,<br>Behind National Chambers,<br>Ashram Road,<br>Ahmedabad-380 009.  |                   |
| <b>FACTORY</b>                                   | : | 392 to 403, GIDC Estate, Phase-II,<br>Dediyasan, Mehsana-384 002.  |                   |
| <b>REGISTRAR &amp; SHARE<br/>TRANSFER AGENTS</b> | : | <b>Link Intime India Private Limited</b><br>506-508, Amarnath Business Centre-1<br>(ABC-1), Besides Gala Business Centre,<br>Near St. Xavier's College Corner,<br>Off C. G. Road, Ahmedabad - 380 006. |                   |

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**NOTICE**

**NOTICE** is hereby given that the **34<sup>TH</sup> ANNUAL GENERAL MEETING** of the members of **PROMACT PLASTICS LIMITED** will be held as scheduled below:

Date : 17<sup>th</sup> September, 2018  
Day : Monday  
Time : 3.00 p.m.  
Place : Banquet Hall of Hotel Kanak, Opp. Gujarat College,  
Ellisbridge, Ahmedabad – 380 006

to transact the following business :

**ORDINARY BUSINESS :**

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31<sup>st</sup> March, 2018, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ankit J. Patel (DIN: 02351167), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.
3. To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 and the Rules framed thereunder, as amended from time to time, and pursuant to the resolution passed by the members at the Annual General Meeting (AGM) held on 22<sup>nd</sup> September, 2017, the appointment of M/s. B. M. Modi & Co., Chartered Accountants (Firm Registration No.106477W) as Statutory Auditors of the Company to hold office for a period of 5 years i.e. till the conclusion of the AGM to be held in the year 2022 be and is now hereby ratified for the financial year 2018-19 with no further need for ratification of their remaining term as Statutory Auditors of the Company at such remuneration as shall be fixed by the Board of Directors of the Company in consultation with them.”

**SPECIAL BUSINESS:**

4. To consider and, if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to provisions of Sections 149, 150 and 152 read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Reg. 25 of SEBI (LODR), 2015, Mr. Akash D. Patel (DIN – 07941021), an Independent Director of the Company, who was appointed as an Additional Director pursuant to provisions of Section 161(1) of the Companies Act, 2013 as amended from time to time and in accordance with the Articles of Association of the Company and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 (five) consecutive years for a term from the conclusion of this Annual General Meeting up to the conclusion of the 39<sup>th</sup> Annual General Meeting to be held in the calendar year 2023.”

5. To consider and, if thought fit, to pass with or without modification, the following Resolution as an **Ordinary Resolution:**

“RESOLVED THAT pursuant to provisions of Sections 149, 150 and 152 read with Schedule IV of the Companies Act, 2013 and the Companies (Appointment and Qualifications of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) and Reg. 25 of SEBI (LODR), 2015, Mr. Ravi L. Patel (DIN – 07941039), an Independent Director of the Company, who was appointed as an Additional Director pursuant to provisions of Section 161(1) of the Companies Act, 2013 as amended from time to time and in accordance with the Articles of Association of the Company and whose term of office expires at this Annual General Meeting and in respect of whom the Company has received a notice in writing under Section 160 of the Companies Act, 2013 from a member proposing his candidature for the office of the Director, be and is hereby appointed as an Independent Director of the Company to hold office for a period of 5 (five) consecutive years for a term from the conclusion of this Annual General Meeting up to the conclusion of the 39<sup>th</sup> Annual General Meeting to be held in the calendar year 2023.”

6. To consider and, if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution:**

“RESOLVED THAT pursuant to the provisions of Section 188, 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013, the Company do hereby accord its approval to the elevation of Ms. Nikita J. Patel as Managing Director of the Company, liable to retire by rotation, for a period of 3



years with effect from 23<sup>rd</sup> September, 2017 on the terms and conditions and the remuneration mentioned hereunder (which have been approved by Nomination and Remuneration Committee) and that she be paid remuneration (even in the year of losses or inadequacy of profit) by way of Salary, perquisites and Commission not exceeding the amount thereof as set out in the Explanatory Statement which is permissible under Section II of Part II of Schedule V of the Companies Act, 2013.”

7. To consider and, if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution**:  
“RESOLVED THAT pursuant to the provisions of Section 186 and other applicable provisions, if any, of the Companies Act, 2013 (including any statutory modification(s) or re-enactment thereof, for the time being in force) read with applicable provisions of Companies (Meetings of Board and its powers) Rules, 2014, as amended from time to time (including any other applicable rules and regulations framed under the Companies Act, 2013), the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called ‘the Board’ which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution) to make investment or to acquire by way of subscription, purchase or otherwise, the securities of any other body corporate whether Indian or overseas, to give loan(s) and/or give any guarantee(s)/provide any security(ies) in connection with any loan taken by any other body corporate or person, as may be required from time to time, exceeding 60% of the paid up Share Capital and Free Reserves and Securities Premium of the Company or 100% of Free Reserves and Securities Premium of the Company, whichever is more, as the Board of Directors may think fit, in one or more tranches, not exceeding ` 30 Crores (Rupees Thirty Crores) only over and above the limits prescribed under the above referred Section or any other provisions of the Companies Act, 2013.”  
“RESOLVED FURTHER THAT the Board be and is hereby authorised to take from time to time all decisions and steps in respect of the above investment/loan/guarantee/security including the timing, amount and other terms and conditions of said act and varying the same either in part or in full as it may deem appropriate, and to do and perform all such acts, deeds, matters and things as may deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard including power to sub-delegate in order to give effect to the aforesaid resolution.”
8. To consider and, if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution**:  
“RESOLVED THAT pursuant to the provisions of Section 4, 13, 15 and all other applicable provisions, if any, of the Companies Act, 2013 read with applicable Rules and Regulations framed thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force) and subject to the approvals, consents, sanctions and permissions of the Central Government/appropriate regulatory and statutory authorities as may be necessary and subject to such terms and conditions as may be imposed by them, consent of the members of the Company be and is hereby accorded for alteration of main object of the Memorandum of Association of the Company by addition in the existing Main Object clause the following clause as clause III (A) 4 and clause III (A) 5 after the present clause III (A) 3:
4. To carry on the business as exporter, importer, traders, buyers, sellers, merchant, agents, dealers, distributors, commission agents, brokers, stockiest, factors, consignors, collaborators, franchisers, concessionaire, consultant, advisors, manufacturer’s representative, job worker, assembler, repairers and other wise to deal in all kinds, classes, size, nature and description of Industrial, Commercial, Consumer, Capital Goods, Item, Things, Articles, Commodities, Merchandise, Products whether finished, semi-finished or raw material including minerals, ferrous and non-ferrous metals, mining products, solvents, edible and non-edible oil, lubricants, fuel additives, petroleum products, coal and coal products, agricultural produce and products, seeds, food grains, spices, cereals, flours, fruits, dry fruits, vegetables, herbal and ayurvedic products, milk and dairy products, food products, marine products, sugar and sugar products, tea and coffee, tobacco, fertilizers, pesticides, drugs, medicines and pharmaceuticals, cosmetics, chemicals, dyes, Intermediates, pigments, colours, paints and varnishes, engineering goods, equipments, apertures, home-appliances, household articles, electrical and electronic goods, gift articles, toys, readymade garments, fibers and fabrics, yam, textile, hosiery goods, foot wares, decorative, glass and glass products, glass ware, crockery, beverages, cement, cement products, ceramics products, sanitaryware, salt, diamond, gold, jewellery, novelty, stationery, stones, marbles and granites, timber, wood and wooden articles.
5. To engage in any lawful act or activity or business, or any act or activity or business to pursue any specific object or objects, as per the law for the time being in force.  
“RESOLVED FURTHER THAT any one of the Directors of the Company be and are hereby severally authorised to do and perform all such acts, deeds, matters and things as may be required or deemed necessary or incidental thereto including signing and filing all the e-forms and other documents with the statutory authorities, and to execute all such deeds, documents, agreements and writings as may be necessary for and on behalf of the Company and to settle and finalize all issues that may arise in this regard in order to give effect to the abovementioned resolution and to delegate all or any of the powers conferred herein as they may deem fit in the best interest of the Company and its members.”

9. To consider and, if thought fit, to pass with or without modification, the following Resolution as a **Special Resolution**:
- “RESOLVED THAT pursuant to the provisions of Section 4, 13, 14, 15 and all other applicable provisions, if any, of the Companies Act, 2013, read with applicable Rules and Regulations framed thereunder (including any statutory modification(s) or reenactment(s) thereof for the time being in force), any other applicable law(s), regulation(s), guideline(s), the provisions of the Memorandum and Articles of Association of the Company and the uniform listing agreement entered into by the Company with the BSE Limited and subject to the approvals, consents, sanctions and permissions of the Central Government/ Stock exchange(s)/ appropriate regulatory and statutory authorities/ departments as may be necessary, consent of the members of the Company be and is hereby accorded for changing the name of the Company from “Promact Plastics Limited” to “Promact Impex Limited” or such other name as may be approved by Ministry of Corporate Affairs.”
- “RESOLVED FURTHER THAT upon receipt of fresh Certificate of Incorporation consequent upon change of name, the old name, i.e. “ Promact Plastics Limited” be substituted with the new name, i.e. “Promact Impex Limited” in the Memorandum and Articles of Association of the Company, other necessary documents and at all other places wherever appearing.”
- “RESOLVED FURTHER THAT any one of the Directors of the Company be and are hereby severally authorised to do and perform all such acts, deeds, matters and things as may be required or deemed necessary or incidental thereto including signing and filing all the e-forms and other documents with the statutory authorities, and to execute all such deeds, documents, agreements and writings as may be necessary for and on behalf of the Company including appointing attorneys or authorized representatives under appropriate Letter(s) of Authority to appear before the Office of the Registrar Of Companies (ROC) and to settle and finalize all issues that may arise in this regard in order to give effect to the abovementioned resolution and to delegate all or any of the powers conferred herein as they may deem fit.”

**Registered Office:**  
106, Harikrupa Chambers,  
B/h. National Chambers,  
Ashram Road,  
Ahmedabad-380 009.  
Date : 1<sup>st</sup> August, 2018.

**By Order of the Board,**

**Miteshkumar A. Patel**  
**Chairman**

**NOTES :**

1. The Explanatory Statements pursuant to Section 102 of the Companies Act, 2013, in respect of Special Businesses in the Notice are annexed hereto.
2. The Register of Members and Share Transfer Books will remain closed from **7<sup>th</sup> September, 2018 to 17<sup>th</sup> September, 2018** (both days inclusive) for the purpose of Annual General Meeting (AGM).
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY OR PROXIES TO ATTEND AND, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER SHAREHOLDER.  
The instrument of Proxy in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxy form submitted on behalf of the Companies, Societies, etc. must be supported by an appropriate resolution / authority, as applicable.
4. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company, a certified copy of Board Resolution/ Authorisation document authorising their representative to attend and vote on their behalf at the AGM.
5. Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their bank details, ECS mandate, nomination, power of attorney, change of address, change in name, etc, to their Depository Participant (DP). These changes will be automatically reflected in the Company's records, which will help the Company to provide efficient and better service to the Members. Members holding shares in physical form are requested to intimate the changes to the Registrar & Share Transfer Agents of the Company (RTA).
6. Details under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by The Institute of Company Secretaries of India in respect of Directors seeking re-appointment/appointment/ confirmation at the ensuing Annual General Meeting is provided in the Corporate Governance Report forming part of the Annual Report. The Directors have furnished the requisite declarations for their appointment / re-appointment.



7. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat accounts and members holding shares in physical form to the Company / RTA.
  8. The members are requested to intimate to the Company, queries, if any, at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.
  9. The Shareholders holding Shares in Physical form are advised to get their shares dematerialised as no physical shares can be traded in the Stock Exchanges in terms of SEBI and Stock Exchange guidelines.
  10. This is to bring to the notice of the Shareholders that the request for effecting transfer of securities held in Physical form (except in case of transmission or transposition) would not be entertained and shall not be processed by the Company/ RTA of the Company w.e.f. 5<sup>th</sup> December, 2018 pursuant to SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8<sup>th</sup> June, 2018. Hence Shareholders are advised to get their physical shares transferred / dematerialized.
  11. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
  12. Members/Proxies are requested to bring duly filled attendance form along with their copy of Annual Report at the Meeting. Copies of Annual Report will not be distributed at the Meeting.
  13. All documents referred to in the Notice and Explanatory Statement shall be available for inspection by members at the Registered Office of the Company during the business hours between 11.00 a.m. to 1.00 p.m. on all working days of the Company up to the date of the Annual General Meeting.
  14. To support the "Green Initiative", Members who have not registered their e-mail addresses so far, are requested to register their e-mail address with the Registrar & Share Transfer Agents of the Company for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
  15. In support of the 'Green Initiative' announced by the Government of India, electronic copies of the Annual Report for 2017-18 and this Notice inter alia indicating the process and manner of e-voting along with Attendance Form and Proxy Form are being sent by email to all the Members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes, unless any Member has requested only for a hard copy of the same. For Members who have not registered their email address, physical copies will be sent to them in the permitted mode. The Notice of AGM will also be available on the Central Depository Services (India) Limited ("CDSL"), [www.evotingindia.com](http://www.evotingindia.com)
  16. Members and Proxies thereof are requested to bring their folio no. / DP ID - Client ID for identification.
  17. **VOTING THROUGH ELECTRONIC MEANS**
    - (a) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and any other applicable provisions, the Company is pleased to offer the facility of voting through electronic means and the business set out in the Notice above may be transacted through such electronic voting. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ('remote e-voting') is provided by Central Depository Services (India) Limited.
    - (b) The facility for voting through ballot paper shall be made available at the AGM, and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot. **E-voting facility will not be made available at the AGM venue.**
    - (c) The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
    - (d) The remote e-voting period commences at **9.00 a.m. on Friday, 14<sup>th</sup> September, 2018 and ends at 5:00 p.m. on Sunday, 16<sup>th</sup> September, 2018**. During this period members/shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date i.e. 10<sup>th</sup> September, 2018**, may cast their vote electronically (i.e. by remote e-voting). The remote e-voting module shall be disabled by CDSL for e-voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast the vote again.
    - (e) The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date.
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**The procedure and instructions for remote e-voting are, as follows:**

- (i) Open your web browser during the voting period and log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
- (ii) Now click on “Shareholders/ Members” to cast your votes.
- (iii) Now, fill up the following details in the appropriate boxes:

|         |  |
|---------|--|
| User ID | a. For CDSL: 16 digits Beneficiary ID  |
|         | b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID                                    |
|         | c. Members holding shares in Physical Form should enter Folio Number registered with the Company |

- (iv) Next, enter the Image Verification as displayed and Click on Login.
- (v) If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- (vi) If you are holding shares in demat form and has forgotten the existing password, then enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.
- (vii) If you are a first time user, follow the steps given below:

|  |   |
|--|---|
| For Members holding shares in Demat Form and Physical Form |   |
| PAN  | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)<br>Members who have not updated their PAN with the Company/Depository Participant are requested to use the sequence number which is printed on Postal Ballot / Address Slip/ email pertaining to the notice of this Annual General Meeting. |
| Dividend Bank Details OR Date of Birth (DOB)               | Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.<br>If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (iii).   |

- (viii) After entering these details appropriately, click on “SUBMIT” tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach ‘Password Creation’ menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Click on Electronic Voting Sequence Number (EVSN) of PROMACT PLASTICS LIMITED.
- (xii) On the voting page, you will see ‘Resolution Description’ and against the same, the option ‘YES/NO’ for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the ‘RESOLUTIONS FILE LINK’ if you wish to view the entire Resolution details.
- (xiv) After selecting the Resolution, you have decided to vote on, click on ‘SUBMIT’. A confirmation box will be displayed. If you wish to confirm your vote, click on ‘OK’, else to change your vote, click on ‘CANCEL’ and accordingly modify your vote.
- (xv) Once you ‘CONFIRM’ your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on ‘Click here to print’ option on the Voting page.



- (xvii) Shareholders can also use Mobile app - "m - Voting" for e voting . m - Voting app is available on Apple, Android and Windows based Mobile. Shareholders may log in to m - Voting using their e voting credentials to vote for the company resolution(s).
- (xviii) Note for Non – Individual Members and Custodians:
- Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporates.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
  - After receiving the login details, a compliance user should be created using the admin login and password. The Compliance user would be able to link the account(s) for which they wish to vote on.
  - The list of accounts should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same.
- (f) In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com).
- (g) **Mr. Kashyap R. Mehta, Proprietor, M/s. Kashyap R. Mehta & Associates, Company Secretaries, Ahmedabad** has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- (h) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of 'Ballot Paper' for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility. **E-voting facility will not be made available at the AGM venue.**
- (i) The Scrutinizer shall, immediately after the conclusion of voting at AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than two days from the conclusion of meeting, a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same. Thereafter, the Chairman or the person authorised by him in writing shall declare the result of the voting forthwith.
- (j) The Results declared along with the Scrutinizer's Report shall be placed on the website of CDSL- [www.evotingindia.com](http://www.evotingindia.com) and [www.cdslindia.com](http://www.cdslindia.com) immediately after the result is declared by the Chairman; and results shall also be communicated to the Stock Exchange.

#### ANNEXURE TO THE NOTICE

#### EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESSES MENTIONED IN THE NOTICE OF 34<sup>TH</sup> ANNUAL GENERAL MEETING DATED 1<sup>ST</sup> AUGUST, 2018.

##### In respect of Item No. 4:

Pursuant to provisions of section 161(1) of the Companies Act, 2013 (hereinafter referred to as the Act) and pursuant to the Articles of Association of the Company, the Board of Directors of the Company appointed Mr. Akash D. Patel as an Additional Director with effect from 23<sup>rd</sup> September, 2017. Mr. Akash D. Patel is an Independent Director on the Board of the Company.

Pursuant to provisions of Section 161 of the Act, Mr. Akash D. Patel holds office only up to the date of this Annual General Meeting of the Company. A notice has been received from a member under Section 160 of the Act proposing Mr. Akash D. Patel as a candidate for the office of the Director of the Company.

Mr. Akash D. Patel is not disqualified from being appointed as Director in terms of section 164 of the Act and has given

his consent to act as Director. Section 149 of the Act, inter alia, stipulates the criteria of independence should a Company propose to appoint an Independent Director on its Board. As per the provisions of the said section, an Independent Director can hold office for a term up to five consecutive years on the Board of a Company and he shall not be included in determining the total number of Directors liable to retire by rotation.

The Company has received a declaration from Mr. Akash D. Patel that he meets with criteria of independence as prescribed both under section 149(6) of the Act and Reg. 25 of SEBI (LODR), 2015.

Mr. Akash D. Patel possesses skills and experience in the field of Management and Administration. Brief resume of Mr. Akash D. Patel, nature of his expertise in specific functional areas and names of the Companies in which he holds directorships and memberships / chairperson of the Board/ Committees, shareholding and relationship between Directors inter se, as stipulated under Reg. 25 of SEBI (LODR), 2015 with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

In the opinion of the Board, Mr. Akash D. Patel fulfils the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company.

Keeping in view of his experience and knowledge, the Board considers that his association would be of benefit to the Company and it is desirable to continue to avail the services of Mr. Akash D. Patel as an Independent Director.

None of the Directors (except Mr. Akash D. Patel), Key Managerial Personnel or their relatives is in any way concerned or interested, financially or otherwise in this resolution.

The Board recommends the resolution for your approval as an Ordinary Resolution.

### **In respect of Item No. 5:**

Pursuant to provisions of section 161(1) of the Companies Act, 2013 (hereinafter referred to as the Act) and pursuant to the Articles of Association of the Company, the Board of Directors of the Company appointed Mr. Ravi L. Patel as an Additional Director with effect from 23<sup>rd</sup> September, 2017. Mr. Ravi L. Patel is an Independent Director on the Board of the Company.

Pursuant to provisions of Section 161 of the Act, Mr. Ravi L. Patel holds office only up to the date of this Annual General Meeting of the Company. A notice has been received from a member under Section 160 of the Act proposing Mr. Ravi L. Patel as a candidate for the office of the Director of the Company.

Mr. Ravi L. Patel is not disqualified from being appointed as Director in terms of section 164 of the Act and has given his consent to act as Director. Section 149 of the Act, inter alia, stipulates the criteria of independence should a Company propose to appoint an Independent Director on its Board. As per the provisions of the said section, an Independent Director can hold office for a term up to five consecutive years on the Board of a Company and he shall not be included in determining the total number of Directors liable to retire by rotation.

The Company has received a declaration from Mr. Ravi L. Patel that he meets with criteria of independence as prescribed both under section 149(6) of the Act and Reg. 25 of SEBI (LODR), 2015.

Mr. Ravi L. Patel possesses skills and experience in the field of Accounting. Brief resume of Mr. Ravi L. Patel, nature of his expertise in specific functional areas and names of the Companies in which he holds directorships and memberships / chairperson of the Board/ Committees, shareholding and relationship between Directors inter se, as stipulated under Reg. 25 of SEBI (LODR), 2015 with the Stock Exchanges, are provided in the Corporate Governance Report forming part of the Annual Report.

In the opinion of the Board, Mr. Ravi L. Patel fulfils the conditions specified in the Act and rules made thereunder for his appointment as an Independent Director of the Company.

Keeping in view of his experience and knowledge, the Board considers that his association would be of benefit to the Company and it is desirable to continue to avail the services of Mr. Ravi L. Patel as an Independent Director.

None of the Directors (except Mr. Ravi L. Patel), Key Managerial Personnel or their relatives is in any way concerned or interested, financially or otherwise in this resolution.

The Board recommends the resolution for your approval as an Ordinary Resolution.

### **In respect of Item No. 6:**

In conformity with the provisions of Section 102 of the Companies Act, 2013, following Explanatory Statement sets out all material facts relating to the Special Business mentioned at items No. 6 in the accompanying Notice dated 1<sup>st</sup> August, 2018 and should be taken as forming part of the notice.

The Board of Directors, on the recommendation on Nomination and Remuneration Committee, in their meeting held on



23<sup>rd</sup> September, 2017 has elevated Ms. Nikita J. Patel as Managing Director for a period of 3 years i.e. from 23<sup>rd</sup> September, 2017 to 22<sup>nd</sup> September, 2020.

The major terms of the remuneration of Managing Director are as under:

**I. PERIOD:**

The term of the Managing Director shall be for a period of 3 years from 23<sup>rd</sup> September, 2017 to 22<sup>nd</sup> September, 2020 (liable to retire by rotation).

**II. REMUNERATION:**

**A. SALARY:**

The Managing Director shall be entitled to salary upto ` 1,00,000/- per month.

**B. PERQUISITES:**

1. The Managing Director shall be entitled to reimbursement of medical expenses for herself and family subject to a ceiling of half month's salary per year or one and half months' salary over a period of three years.
2. Contribution to Provident Fund, Superannuation Fund and Annuity Fund to the extent these either singly or put together are not taxable under the Income tax Act, 1961.
3. Gratuity payable at a rate not exceeding half a month's salary for each completed year of service.
4. Encashment of leave at the end of the tenure.
5. Free use of Company's car with driver for Company's business and free telephone facility at residence.
6. Leave Travel Concession for self and family at a rate not exceeding one month's salary for one year or three months' salary in a block of three years.

**III.** The Managing Director shall be entitled to reimbursement of expenses incurred by her in connection with the business of the Company.

**IV.** The Managing Director shall not, so long as she functions as such, become interested or otherwise concerned directly or through her Spouse and/or minor children in any selling agency of the Company without the prior approval of the Central Government.

**V. DUTIES:**

Subject to the superintendence, direction and control of the Board of Directors of the Company, the Managing Director shall be entrusted with substantial powers of management and also such other duties and responsibilities as may be entrusted to her by the Board of Directors from time to time. The headquarter of the Managing Director shall be at Ahmedabad or at such place as the Board of Directors may decided from time to time.

**VI. TERMINATION:**

The Managing Director may be removed from her office for gross negligence, breach of duty or trust if the Company in its General Meeting to that effect passes a special Resolution. The Managing Director may resign from her office by giving 90 days' notice to the Company.

**VII. COMPENSATION:**

In the event of termination of office of Managing Director takes place before the expiration of tenure thereof, Managing Director Shall be entitled to receive compensation from the Company for loss of office to the extent and subject to limitation as provided under section 202 of the Companies Act, 2013."

As per the provisions of Sections 188,196, 197, 203 and all other applicable provisions, if any, of the Companies Act, 2013, Special Resolution is necessary for holding office as Managing Director of the Company on remuneration.

The following is the details of interest of Directors/ Key Managerial Personnel/ Relative of Director/ Relative of Key Managerial Personnel:

| Sr. No | Category                             | Name of Interested Director / KMP | Financial Interest   | Non- Financial Interest |
|--------|--------------------------------------|-----------------------------------|--|-------------------------|
| 1.     | Director                             | Ms. Nikita J. Patel               | Relates to her appointment as Managing Director, she may be deemed to be concerned or interested in the business   |                         |
| 2.     | Key Managerial Personnel             | -                                 |  | -                       |
| 3.     | Relative of Director                 | Mr. Ankit J. Patel                | Relates to reappointment of Ms. Nikita J. Patel as Managing Director, relative of this Director and, therefore, he may be deemed to be concerned or interested in the business |                         |
| 4.     | Relative of Key Managerial Personnel | -                                 |  | -                       |

The following are the information required under Section II of Part II of Schedule V of the Companies Act, 2013:

| Sr. No     | Particulars  | Information  |
|------------|--|--|
| <b>I</b>   | <b>GENERAL INFORMATION</b>   |  |
| 1          | Nature of industry   | HDPE/ PP Woven Fabrics/ Bags/ Tarpaulin/ Import and Export of Agri Products & others                                 |
| 2          | Date or expected date of commencement of commercial production   | Existing   |
| 3          | In case of new companies, expected date of commencement of activities as per project approved by financial institutions appearing in the prospectus  | N.A.   |
| 4          | Financial performance based on given indicators  | ₹ 763.29 lakh turnover (2017-18)   |
| 5          | Exports performance and net foreign exchange collaborations  | NIL (2017-18)  |
| 6          | Foreign investments or collaborations, if any.   | N.A.   |
| <b>II</b>  | <b>INFORMATION ABOUT THE APPOINTEE</b>   |  |
| 1          | Background details   | Masters in Computer Applications   |
| 2          | Past remuneration  | N.A.   |
| 3          | Recognition or awards  | -  |
| 4          | Job profile and her suitability  | More than 8 years on the Board of the Company as a Non-Executive Director  |
| 5          | Remuneration proposed  | ₹ 1,00,000/- per month   |
| 6          | Comparative remuneration profile with respect to industry, size of the company, profile of the position and person (in case of expatriates the relevant details would be w. r. t the country of his origin.) | Remuneration is in commensurate with experience & qualifications. It is lower compared to industry standard formula. |
| 7          | Pecuniary relationship directly or indirectly with the company or relationship with the managerial personnel, if any   | Ms. Nikita J. Patel is the Managing Director of the Company.   |
| <b>III</b> |  |  |
| 1          | Reasons of loss or inadequate profits  | High Interest Cost and High Market competition   |
| 2          | Steps taken or proposed to be taken for improvement  | Rationalisation of existing product range and opening new Markets  |
| 3          | Expected increase in productivity and profits in measurable terms  | Turnover expected to increase drastically  |



| IV     | DISCLOSURES  |   |
|--------|--|---|
| 1      | The shareholders of the Company shall be informed of the remunerations package of the managerial person  | The shareholders have been informed in the notice of 34 <sup>th</sup> Annual General Meeting. |
| 2      | The following disclosure shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any, attached to the annual report: | Yes   |
| 2(i)   | All elements of remuneration package such as salary, benefits, bonuses, stock, stock options, pension, etc, of all the directors;                              | No other Director is entitled for any remuneration.   |
| 2(ii)  | Details of fixed component and performance linked incentives along with the performance criteria;  | No performance linked incentives.   |
| 2(iii) | Service contracts, notice period, severance fees;  | 90 days' Notice.  |
| 2(iv)  | Stock option details, if any, and whether the same has been issued at a discount as well as the period over which accrued and over which exercisable;          | No stock options have been offered.   |

The Board recommends the resolution for your approval as a Special Resolution.

**In respect of Item No. 7:**

As per the provisions of Section 186 of the Companies Act, 2013, the Board of Directors of a Company can:

- make loan(s) and/or
- give guarantees or provide security (ies) in connection with loan(s) taken by any other body corporate or person and
- make investments in shares, debentures and/or any other securities of any other body Corporates,

beyond the prescribed ceiling of i) Sixty per cent of the aggregate of the paid-up capital and free reserves and securities premium account or, ii) Hundred per cent of its free reserves and securities premium account, whichever is more, if Special Resolution is passed by the members/ shareholders of the Company.

As a measure of achieving greater financial flexibility and to enable optimal financing structure, this permission is sought pursuant to the provisions of Section 186 of the Companies Act, 2013 to give powers to the Board of Directors or any duly constituted committee thereof, for making further investment(s)/ giving loan/ providing guarantee/ security from time to time, in one or more tranches, up to the maximum limit of ` 30 Crores (Rupees Thirty Crores) only over and above the limits prescribed under the said section.

None of the Directors, Key Managerial Personnel (KMP) of the Company or any relatives of such Director or KMPs are in any way concerned or interested or deemed to be concern or interested, financially or otherwise, in the proposed resolution.

The Board recommends the resolution for your approval as a Special Resolution.

**In respect of Item No. 8:**

The Board of Directors in their meeting held on 20<sup>th</sup> July, 2018 decided to alter provisions of the Memorandum of Association of the Company relating to Main Object of the Company by adding the new object to the existing Main Object of the Company in order to bring the Object Clause in line with the activities proposed to be carried along with the existing main business activities.

The existing Main Object of the Company is:

1. To carry on the business as manufacturers, producers, processors, buyers, sellers, resellers, importers, exporters, marketers and dealers in all types, size and description of plastic polymer and/ or fibre glass articles, components, things, machineries, goods, appliances required for industrial, non-industrial, domestics, agricultural and other purposes including all types of packing materials, HDPE/PP or other types of woven sacks, ropes, mats, sheets, electrical and/or electronic and/or mechanical goods, cable, wires, injection moulded or blow moulded or extruded

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articles, automobile parts, thermo plastics articles, films pipes of all types and sizes, toys, construction materials, building materials, communication equipments, furnitures and fittings, luggage bags, doors and shutters.

2. To carry on the business to manufacture, develop, import, export, buy, sell, distribute, transfer, license, use, dispose-off, operate, fabricate, construct, assemble, record, maintain, repair, recondition, work, alter, convert, improve, procure, install, modify and to act as consultant. agent, franchiser, job worker, representative or otherwise to deal in all kinds of computer, calculators, micro processors. electronic and electrical apparatuses, software, hardwares, equipments, gadgets, peripherals, modulers, tools, plants, machines, works, systems, conveniences spare parts, accessories, devices, components, fixtures of different capacities, sizes, specifications, applications, descriptions and models used or may be used in any field domestic, industrial such as computers, mini computers, super computers, pocket computers, personal computers, micro computers, engineering computers, and process control computers, information and word processing equipments, technologies, processes and/or transmission and to promote, encourage, establish, develop, maintain, organize, manage, operate, conduct and to run internet computer training centres, processing centres, computer coaching classes, computer internet consultancy business, software consultancy and allied activities for all sorts of services relating to computer, its maintenance, repairs, operations outsourcing and placement for industrial commercial, domestic, public.
3. To provide all or any of the following services namely : basic telephone services, cellular telephone services, electronic mail services, net connectivity E-mail service, internet access services related services thereof, such as store and forward services, remote host login, electronic mail using TCP/IP, file transfer and information discovery services (indexed file transfer, worldwide web (WWW) on line services such as internet technology, video-telephone or video-conference and electronic communication services, cellular mobile telephone services, radio paging services, public mobile radio trunked services, voice mail/audio tex service, closed users group domestic, 64 kbps data network VSAT services via INSAT satellite systems, videotex services, data communication services, paging services, multimedia services and value added services and value added infotech and cyber services and to do all activities for providing such services like excavation, construction, fabrication, installation commission and testing or equipments, marketing.

The Company proposes to undertake the following activities now onwards in addition to the existing main object:

4. To carry on the business as exporter, importer, traders, buyers, sellers, merchant, agents, dealers, distributors, commission agents, brokers, stockiest, factors, consignors, collaborators, franchisers, concessionaire, consultant, advisors, manufacturer's representative, job worker, assembler, repairers and other wise to deal in all kinds, classes, size, nature and description of Industrial, Commercial, Consumer, Capital Goods, Item, Things, Articles, Commodities, Merchandise, Products whether finished, semi-finished or raw material including minerals, ferrous and non- ferrous metals, mining products, solvents, edible and non-edible oil, lubricants, fuel additives, petroleum products, coal and coal products, agricultural produce and products, seeds, food grains, spices, cereals, flours, fruits, dry fruits, vegetables, herbal and ayurvedic products, milk and dairy products, food products, marine products, sugar and sugar products, tea and coffee, tobacco, fertilizers, pesticides, drugs, medicines and pharmaceuticals, cosmetics, chemicals, dyes, Intermediates, pigments, colours, paints and varnishes, engineering goods, equipments, apertures, home-appliances, household articles, electrical and electronic goods, gift articles, toys, readymade garments, fibers and fabrics, yam, textile, hosiery goods, foot wares, decorative, glass and glass products, glass ware, crockery, beverages, cement, cement products, ceramics products, sanitaryware, salt, diamond, gold, jewellery, novelty, stationery, stones, marbles and granites, timber, wood and wooden articles.'
5. To engage in any lawful act or activity or business, or any act or activity or business to pursue any specific object or objects, as per the law for the time being in force.

To enable the Company to commence the aforesaid business, it is proposed to amend the Main Object Clause III (A) under the Clauses of the Memorandum of Association of the Company, by the insertion of the above mentioned new objects to the existing Main objects of the Company as stated in the Resolution in the annexed notice. The above amendment would be subject to the approval of the Registrar of Companies and any other Statutory or Regulatory Authority, as may be necessary.

A copy of the Memorandum and Articles of Association of the Company together with the proposed alterations is available for inspection by the Members of the Company at its Registered Office during normal business hours on all working days.

None of the Directors, Key Managerial Personnel (KMP) of the Company or any relatives of such Director or KMPs are in any way concerned or interested or deemed to be concern or interested, financially or otherwise, in the proposed resolution.

The Board recommends the resolution for your approval as a Special Resolution.



**In respect of Item No. 9:**

The Board of Directors in their meeting held on 20<sup>th</sup> July, 2018 decided change the name of the Company from 'Promact Plastics Limited' to 'Promact Impex Limited' to reflect the new and wider Business line of the Industry. The Directors believe that the change in the name of the Company which is being undertaken as part of corporate rebranding would make the name of the Company simple, sharp and focused.

The name 'Promact Impex Limited' has been made available to the Company for change of name by the Registrar of Companies, Ahmedabad, Gujarat vide its letter dated 1<sup>st</sup> August, 2018.

The proposed change of name will not affect any of the rights of the Company or of the shareholders/stakeholders of the Company. All existing share certificates bearing the current name of the Company will, after the change of name, continue to be valid for all purposes.

None of the Directors, Key Managerial Personnel (KMP) of the Company or any relatives of such Director or KMPs are in any way concerned or interested or deemed to be concern or interested, financially or otherwise, in the proposed resolution.

The Board recommends the resolution for your approval as a Special Resolution.

**Registered Office:**

106, Harikrupa Chambers,  
B/h. National Chambers,  
Ashram Road,  
Ahmedabad-380 009.  
Date : 1<sup>st</sup> August, 2018

**By Order of the Board,**

**Miteshkumar A. Patel**  
**Chairman**

**DIRECTORS' REPORT**

Dear Members,

Your Directors are pleased to present the 34<sup>th</sup> ANNUAL REPORT together with the Audited Financial Statements for the Financial Year 2017-18 ended 31<sup>st</sup> March, 2018.

**1. FINANCIAL RESULTS:**

(₹ in Lakh)

| Particulars  | 2017-18          | 2016-17   |
|--|------------------|-----------|
| Operating Profit (Before Interest & Depreciation)  | <b>116.62</b>    | 217.66    |
| Less: Interest                                     | <b>84.89</b>     | 153.55    |
| Profit/(Loss) before Depreciation                  | <b>31.73</b>     | 64.10     |
| Less: Depreciation                                 | <b>6.38</b>      | 6.38      |
| Profit/ (Loss) Before Tax                          | <b>25.35</b>     | 57.73     |
| Less: Provision for taxation                       | <b>7.50</b>      | 11.00     |
| Profit/ (Loss) for the year after Tax              | <b>17.85</b>     | 46.73     |
| (Debit) Balance brought forward from Previous year | <b>(1008.45)</b> | (1055.18) |
| (Debit) Balance carried to Balance Sheet           | <b>(990.60)</b>  | (1008.45) |

There are no material changes and commitment affecting the financial position of the Company which have occurred between 1<sup>st</sup> April, 2018 and date of this report.

**2. DIVIDEND:**

With a view to conserve the resources for the working capital requirement of the Company, the Board of Directors has not recommend any dividend on the Equity Shares for the year under review ended 31<sup>st</sup> March, 2018.

**3. SALES & WORKING RESULTS:**

The Company has generated revenue from operations of ₹ 763.29 lakh during the year under review as compared to ₹ 1265.38 lakh during 2016-17. The Company has earned other income of ₹ 58.05 lakh during the year under review during the year under review as compared to ₹ 146.72 lakh during 2016-17. The Profit before Interest and Depreciation during the year 2017-18 was ₹ 116.62 lakh as compared to Profit of ₹ 217.66 lakh during the year 2016-17. As the Company had to provide for Interest of ₹ 84.89 Lakh during the year under review, the Profit before Depreciation was ₹ 31.73 lakh compared with Profit of ₹ 64.10 lakh during 2016-17. The Company provided ₹ 6.38 lakh for Depreciation during the year under review. The Net Profit for the year under review stood at ₹ 17.85 lakh as against Net Profit of ₹ 46.73 lakh during 2016-17.

**4. FINANCE:**

- 4.1 During the year under review, the Company was generally regular in payment of Principal and Interest to the Financial Institutions/ Banks. The Company was enjoying Working Capital Facilities from Mehsana Urban Co-Operative Bank Limited during the year under review.
- 4.2 The Income tax and Sales tax Assessment of the Company have been completed up to Assessment Year 2015-16 and the Financial Year 2011-12 respectively.

**5. DIRECTORS:**

- 5.1 One of your Directors viz. Mr. Ankit J. Patel retires by rotation in terms of the Articles of Association of the Company. However, being eligible offers himself for reappointment.
- 5.2 Mr. Dharmendrakumar B. Patel has resigned as Director of the Company w.e.f. 18<sup>th</sup> August, 2017.
- 5.3 Ms. Payal J. Patel has resigned as Managing Director & Director of the Company w.e.f. 23<sup>rd</sup> September, 2017.
- 5.4 Ms. Nikita J. Patel has been elevated as Managing Director of the Company for a period of three years w.e.f. 23<sup>rd</sup> September, 2017.
- 5.5 Mr. Akash D. Patel and Mr. Ravi L. Patel are being appointed as Independent Directors of the Company for a term of 5 years as per provisions of the Companies Act, 2013.
- 5.6 The Board of Directors duly met 7 times during the financial year under review.



5.7 The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 (the Act) that they meet with the criteria of their independence laid down in Section 149(6) of the Act.

5.8 Formal Annual Evaluation:

The Nomination and Remuneration Committee adopted a formal mechanism for evaluating the performance of the Board of Directors as well as that of its Committees and individual Directors, including Chairman of the Board, Key Managerial Personnel/ Senior Management etc. The exercise was carried out through an evaluation process covering aspects such as composition of the Board, experience, competencies, governance issues etc.

5.9 DIRECTORS' RESPONSIBILITY STATEMENT:

Pursuant to the requirement of Section 134 of the Companies Act, 2013, it is hereby confirmed:

- (i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that 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 at 31<sup>st</sup> March, 2018 being end of the financial year 2017-18 and of the profit of the Company for the year;
- (iii) that the Directors had taken proper and sufficient care for 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;
- (iv) that the Directors had prepared the annual accounts on a going concern basis.
- (v) 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.
- (vi) 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.

**6. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY:**

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

**7. MANAGERIAL REMUNERATION:**

REMUNERATION OF DIRECTORS:

| Sr. No. | Name of the Director & Designation     | Remuneration for the year 2017-18 | % increase over last year | Parameters | Median of Employees Remuneration | Ratio | Commission received from Holding/ Subsidiary |
|---------|--|-----------------------------------|---------------------------|------------|----------------------------------|-------|--|
| 1.      | Payal J. Patel<br>Managing Director*   | NIL                               | N.A.                      | -          | ₹ 2,29,000/-                     | N.A.  | N.A.   |
| 2.      | Nikita J. Patel<br>Managing Director** | NIL                               | N.A.                      | -          | ₹ 2,29,000/-                     | N.A.  | N.A.   |

\* Payal J. Patel has resigned from the post of Managing Director and Director w.e.f. 23<sup>rd</sup> September, 2017

\*\* Ms. Nikita J. Patel has been elevated as Managing Director of the Company for a period of three years w.e.f 23<sup>rd</sup> September, 2017

The Board of Directors has framed a Remuneration Policy that assures the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and Senior Management to enhance the quality required to run the Company successfully. All the Board Members and Senior Management personnel have affirmed time to time implementation of the said Remuneration policy.

The Nomination and Remuneration Policy are available on the Company's website [www.promactplastics.com](http://www.promactplastics.com).

**8. KEY MANAGERIAL PERSONNEL :****% INCREASE IN REMUNERATION OF DIRECTORS AND KMP:**

| Sr. No. | Name of the Director & KMP | Designation       | Percentage Increase (If any) |
|---------|----------------------------|-------------------|------------------------------|
| 1.      | Ms. Payal J. Patel*        | Managing Director | N.A.                         |
| 2.      | Ms. Nikita J. Patel**      | Managing Director | N.A.                         |
| 3.      | Mr. Vipul Bhavsar          | CFO               | 34.00%                       |

\* Ms. Payal J. Patel has resigned from the post of Managing Director and Director w.e.f. 23<sup>rd</sup> September, 2017

\*\* Ms. Nikita J. Patel has been elevated as Managing Director of the Company for a period of three years w.e.f 23<sup>rd</sup> September, 2017

**9. PERSONNEL AND H. R. D.:****9.1 INDUSTRIAL RELATIONS:**

The industrial relations continued to remain cordial and peaceful.

The relationship between average increase in remuneration and Company's performance is as per the appropriate performance benchmarks and reflects short and long term performance objectives appropriate to the working of the Company and its goals.

**9.2 PARTICULARS OF EMPLOYEES:**

There is no Employee drawing remuneration requiring disclosure under Rule 5(2) of Companies Appointment & Remuneration of Managerial personnel) Rules, 2014.

**10. RELATED PARTY TRANSACTION AND DETAILS OF LOANS, GUARANTEES, INVESTMENT & SECURITIES PROVIDED:**

Details of Related Party Transactions and Details of Loans, Guarantees and Investments covered under the provisions of Section 188 and 186 of the Companies Act, 2013 respectively are given in the notes to the Financial Statements attached to the Directors' Report.

All transactions entered by the Company during the financial year with related parties were in the ordinary course of business and on an arm's length basis. During the year, the Company had not entered into any transactions with related parties which could be considered as material in accordance with the policy of the Company on materiality of related party transactions.

The Policy on materiality of related party transactions and dealing with related party transactions as approved by the Board may be accessed on the Company's website at [www.promactplastics.com](http://www.promactplastics.com).

**11. DEMATERIALISATION OF EQUITY SHARES:**

Shareholders have an option to dematerialise their shares with either of the depositories viz NSDL and CDSL. The ISIN allotted is INE818D01011.

**12. CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

The information required under Section 134(3)(m) of the Companies Act, 2013 and rule 8(3) of Companies (Accounts) Rules, 2014, relating to the conservation of Energy and Technology Absorption are not applicable as there are no manufacturing activities during the year under review. The Company has not earned or spent any foreign exchange during the year under review.

**13. CORPORATE GOVERNANCE AND MDA:**

As per Regulation 34 (3) read with Schedule V of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Report on Corporate Governance, Management Discussion and Analysis (MDA) and a certificate regarding compliance with the conditions of Corporate Governance are appended to the Annual Report as **Annexure - A**.

**14. SECRETARIAL AUDIT REPORT:**

Your Company has obtained Secretarial Audit Report as required under Section 204(1) of the Companies Act, 2013 from M/s. Kashyap R. Mehta & Associates, Company Secretaries, Ahmedabad. The said Report is attached with this Report as **Annexure - B**. As regards the observation of the Auditors, the Company is in the process of identifying and appointing Whole-time Company Secretary and also developing functional website of the Company.

**15. EXTRACT OF ANNUAL RETURN:**

The extract of Annual return in Form – MGT-9 has been attached herewith as **Annexure – C**.



**16. LISTING:**

The Equity Shares of the Company are listed on BSE Limited. The Company is regular in payment of Annual Listing Fees. The Company has paid Listing fees up to the year 2018-19.

The Company, being listed at BSE Limited (Designated & Nationwide Stock Exchange), received a letter dated 2<sup>nd</sup> November, 2017 from The Ahmedabad Stock Exchange Limited (ASEL) intimating delisting of securities from ASEL pursuant to the SEBI directions.

**17. AUDIT COMMITTEE/ NOMINATION AND REMUNERATION COMMITTEE/ STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

The details of various committees and their functions are part of Corporate Governance Report.

**18. GENERAL:**

**18.1. AUDITORS:**

**STATUTORY AUDITORS:**

At the 33<sup>rd</sup> Annual General Meeting held on 22<sup>nd</sup> September, 2017 M/s. B. M. Modi & Co., Chartered Accountants, Ahmedabad were appointed as Statutory Auditors of the Company to hold office for the period of 5 years i.e. for the financial years 2017-18 to 2021-22.

The remarks of Auditor are self explanatory and have been explained in Notes on Accounts.

**18.2 INSURANCE:**

The movable and immovable properties of the Company including plant and Machinery and stocks wherever necessary and to the extent required have been adequately insured against the risks of fire, riot, strike, malicious damage etc. as per the consistent policy of the Company.

**18.3 DEPOSITS:**

The Company has not accepted during the year under review any Deposits and there were no overdue deposits.

**18.4 RISKS MANAGEMENT POLICY:**

The Company has a risk management policy, which from time to time, is reviewed by the Audit Committee of Directors as well as by the Board of Directors. The Policy is reviewed quarterly by assessing the threats and opportunities that will impact the objectives set for the Company as a whole. The Policy is designed to provide the categorization of risk into threat and its cause, impact, treatment and control measures. As part of the Risk Management policy, the relevant parameters for protection of environment, safety of operations and health of people at work are monitored regularly with reference to statutory regulations and guidelines defined by the Company.

**18.5 SUBSIDIARIES/ ASSOCIATES/ JVS:**

The Company does not have any Subsidiaries/ Associates Companies / JVs.

**18.6 CODE OF CONDUCT:**

The Board of Directors has laid down a Code of Conduct applicable to the Board of Directors and Senior Management. All the Board Members and Senior Management personnel have affirmed compliance with the code of conduct.

**18.7 SIGNIFICANT AND MATERIAL ORDERS PASSED BY THE REGULATORS OR COURTS OR TRIBUNALS:**

There have been no significant and material orders passed by any regulators or courts or tribunals, impacting the going concern status of the Company and its future operations.

**18.8 ENVIRONMENT AND SAFETY:**

The Company is conscious of the importance of environmentally clean and safe operations. The Company's policy requires conduct of operations in such a manner, so as to ensure safety of all concerned, compliances of environmental regulations and preservation of natural resources.

**18.9 INSTANCES OF FRAUD, IF ANY REPORTED BY THE AUDITORS:**

There have been no instances of fraud reported by the Auditors under Section 143(12) of the Companies Act, 2013.

**19. DISCLOSURE OF ACCOUNTING TREATMENT:**

In the preparation of the financial statements, the Company has followed the Accounting Standards referred to in Section 133 of the Companies Act, 2013. The significant accounting policies which are consistently applied are set out in the Notes to the Financial Statements.

**20. ACKNOWLEDGEMENT:**

Your Directors express their sincere thanks and appreciation to Promoters and Shareholders for their constant support and co-operation. Your Directors also place on record their grateful appreciation and co-operation received from Bankers, Financial Institutions, Government Agencies and employees of the Company.

**For and on behalf of the Board,**

Place : Ahmedabad.  
Date : 20<sup>th</sup> July, 2018

**Miteshkumar A. Patel**  
Chairman



**REPORT ON CORPORATE GOVERNANCE**

**INTRODUCTION:**

Corporate Governance is important to build confidence and trust which leads to strong and stable partnership with the Investors and all other Stakeholders. The Directors, hereunder, present the Company's Report on Corporate Governance for the year ended 31<sup>st</sup> March, 2018 and also up to the date of this Report.

**1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:**

The Company's philosophy on Corporate Governance lays strong emphasis on transparency, accountability and ability.

Effective Corporate Governance is the key element ensuring investor's protection; providing finest work environment leading to highest standards of management and maximization of everlasting long -term values. Your Company believes in the philosophy on practicing Code of Corporate Governance that provides a structure by which the rights and responsibility of different constituents such as the board, employees and shareholders are carved out.

A Report on compliance with the principles of Corporate Governance as prescribed by SEBI in Chapter IV read with Schedule V of SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 (Listing Regulation) is given below:

**2. BOARD OF DIRECTORS:**

**a) Composition and Category of Directors as on 31<sup>st</sup> March, 2018 and on the date of report is:**

| Name of Directors                    | Category of Directorship | No. of other Director ships @ | No. of Committee position in other Companies** |          | No. of Board Meetings attended during 2017-18 | Attendance at the AGM held on 22-09-2017 Yes(Y)/No(N) |
|--------------------------------------|--------------------------|-------------------------------|--|----------|---|---|
|                                      |                          |                               | Member   | Chairman |   |   |
| Miteshkumar A. Patel, Chairman       | Independent              | —                             | —  | —        | 7   | Y   |
| Nikitaben J. Patel Managing Director | Promoter Executive       | —                             | —  | —        | 7   | Y   |
| Ankit J. Patel                       | Promoter Non-Executive   | —                             | —  | —        | 2   | N   |
| Akash D. Patel                       | Independent              | —                             | —  | —        | 2   | N   |
| Ravi L. Patel                        | Independent              | —                             | —  | —        | 2   | N   |

@ Private Companies, foreign companies and companies under Section 8 of the Companies Act, 2013 are excluded

\*\* for the purpose of reckoning the limit of committees, only chairmanship/membership of the Audit Committee and Stakeholders' Relationship Committee has been considered.

Ms. Payalben J. Patel resigned as Managing Director and Director w.e.f. 23<sup>rd</sup> September, 2017.

Ms. Nikitaben J. Patel & Mr. Ankit J. Patel are related to each other.

b) **Details of the Directors seeking Appointment/ Reappointment in forthcoming Annual General Meeting:**

| Name of Director   | Ms. Nikita J. Patel  | Mr. Ankit J. Patel                                       | Mr. Akash D. Patel  | Mr. Ravi L. Patel   |
|--|--|--|---|---|
| Date of Birth  | 11-06-1984   | 21-03-1988   | 10-06-1991  | 19-04-1981  |
| Date of Appointment  | 23-09-2017<br>(current designation)  | 29-05-2010   | 23-09-2017  | 23-09-2017  |
| Qualifications   | M.C.A  | Diploma in Computer Engineer                             | B. Pharm;<br>MBA (Pharma)   | B. Com.   |
| Expertise in specific functional areas                                     | Technical, Factory Management and Computer Software and Hardware Programming | Factory Administration and Computer Software Programming | Business Administration   | Accounting  |
| List of Public Limited Companies in which Directorships held               | -  | -  | -   | -   |
| List of Private Limited Companies in which Directorships held              | Prabhu Ispat Private Limited   | Prabhu Ispat Private Limited                             | Ornate Pharma Private Limited   | -   |
| Chairman/Member of the Committees of the Board of Directors of our Company | 1. Stakeholders Relationship Committee                                       | -  | 1. Audit Committee<br>2. Nomination & Remuneration Committee (Chairman) | 1. Audit Committee<br>2. Nomination & Remuneration Committee<br>3. Stakeholders Relationship Committee (Chairman) |
| Chairman/Member of the Committees of Directors of other Companies          | -  | -  | -   | -   |
| Shareholding in the Company  | 2,70,943<br>Equity Shares  | 2,63,775<br>Equity Shares                                | -   | -   |

c) **Board Procedures:**

The Board of Directors meets once a quarter to review the performance and Financial Results. A detailed Agenda File is sent to all the Directors well in time of the Board Meetings. The Chairman/Managing Director briefs the Directors at every Board Meeting, overall performance of the Company. All major decisions/ approvals are taken at the Meeting of the Board of Directors such as policy formation, business plans, budgets, investment opportunities, Statutory Compliance etc. The meeting of the Board of Directors for a period from 1<sup>st</sup> April, 2017 to 31<sup>st</sup> March, 2018 were held 7 times on 30-05-2017; 20-07-2017; 18-08-2017; 14-09-2017; 23-09-2017; 14-12-2017 and 14-02-2018.

d) **Shareholding of Non- Executive Directors as on 31<sup>st</sup> March, 2018:**

| Name of the Non- Executive Director | No. of Shares held | % Shareholding |
|-------------------------------------|--------------------|----------------|
| Ankit J. Patel                      | 263775             | 4.05           |
| Miteshkumar A. Patel                | 221                | 0.00           |
| Akash D. Patel                      | -                  | -              |
| Ravi L. Patel                       | -                  | -              |

e) **Familiarization Program for Independent Directors:**

The details of the familiarization program are available on the Company's website [www.promactplastics.com](http://www.promactplastics.com)



**3. AUDIT COMMITTEE:**

The Audit Committee consists of the following Directors as on date of the Report:

| Name of the Directors          | Expertise   | Terms of reference & Functions of the Committee  | No. of Meetings Attended during 2017-18 |
|--------------------------------|---|--|---|
| Miteshkumar A. Patel, Chairman | All members are Non Executive. Chairman is Independent Director and majorities are independent. One member has thorough financial and accounting knowledge. | The functions of the Audit Committee are as per Company Law and Listing Agreement with Stock Exchange which include approving and implementing the audit procedures, review of financial reporting system, internal control procedures and risk management policies. | 4 of 4                                  |
| Akash D. Patel                 |   |  | 3 of 3                                  |
| Ravi L. Patel                  |   |  | 3 of 3                                  |

The Audit Committee met 4 times during the Financial Year 2017-18. The maximum gap between two meetings was not more than 120 days. The Committee met on 30-05-2017; 14-09-2017; 14-12-2017 & 14-02-2018. The necessary quorum was present for all Meetings. The Chairperson of the Audit Committee was present at the last Annual General Meeting of the Company.

**4. NOMINATION & REMUNERATION COMMITTEE:**

The Nomination and Remuneration Committee consists of the following Directors as on the date of the Report.

| Name of the Directors    | Functions of the Committee   | No. of Meetings Attended during 2017-18  |
|--------------------------|--|--|
| Akash D. Patel, Chairman | All members are Non executive. The Committee is vested with the responsibilities to function as per SEBI Guidelines and recommends to the Board Compensation Package for the Managing Director. It also reviews from time to time the overall Compensation structure and related policies with a view to attract, motivate and retain employees. | During the year under review, one meeting of Nomination & Remuneration Committee was held. |
| Miteshkumar A. Patel     |  |  |
| Ravi L. Patel            |  |  |

**Terms of reference and Nomination & Remuneration Policy:**

The Committee identifies and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.

The Committee fixes remuneration of the Directors on the basis of their performance and also practice in the industry. The terms of reference of the Nomination & Remuneration Committee include review and recommendation to the Board of Directors of the remuneration paid to the Directors. The Committee meets as and when required to consider remuneration of Directors.

**Performance Evaluation Criteria for Independent Directors:**

The Board evaluates the performance of independent directors (excluding the director being evaluated) on the basis of the contributions and suggestions made to the Board with respect to financial strategy, business operations etc.

**5. REMUNERATION OF DIRECTORS:**

- Ms. Payal J. Patel, Managing Director has not drawn any managerial remuneration during the financial year 2017-18.
- Ms. Nikita J. Patel, Managing Director has not drawn any managerial remuneration during the financial year 2017-18.
- No Sitting Fees, Commission or Stock Option has been offered to any other Directors.
- The terms of appointment of Managing Director / Whole-time Director are governed by the resolutions of the members and applicable rules of the Company. None of the Directors are entitled to severance fees.
- Commission based on performance criteria, if any, as approved by the Board and subject to maximum limit specified in the Act.

6. The Nomination and Remuneration Policy of the Company is given in Directors' Report which specifies the criteria of making payments to Non Executive Directors.
7. Service contract and notice period are as per the terms and conditions mentioned in their Letter of Appointments.
8. There are no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Non-Executive Directors except those disclosed in the financial statements for the financial year ended on 31<sup>st</sup> March, 2018.

**6. STAKEHOLDERS' RELATIONSHIP COMMITTEE:**

The Board has constituted a Stakeholders' Relationship Committee for the purpose of effective Redressal of the complaints and concerns of the shareholders and other stakeholders of the Company.

The Committee comprises the following Directors as members as on the date of the Report:

1. Ms. Ravi L. Patel Chairman
2. Ms. Nikita J. Patel Member

The Company has not received any complaints during the year. There was no valid request for transfer of shares pending as on 31<sup>st</sup> March, 2018.

Ms. Nikita J. Patel is the Compliance Officer for the above purpose.

**7. GENERAL BODY MEETINGS:**

Details of last three Annual General Meetings of the Company are given below:

| Financial Year | Date       | Time      | Venue  |
|----------------|------------|-----------|--|
| 2014-15        | 22-09-2015 | 3:00 p.m. | Conference Hall of Hotel City Pride Opp. Gurukul, Drive-in-Road, Ahmedabad - 380 052<br><b>No Special Resolution was passed.</b>   |
| 2015-16        | 22-09-2016 | 3:00 p.m. | At Banquet Hall of Hotel Kanak, Opp. Gujarat College, Ellisbridge, Ahmedabad- 380 006<br><b>Special Resolution:</b><br>Authority to Board of Directors to make Investment under Section 186  |
| 2016-17        | 22-09-2017 | 3:00 p.m. | At Banquet Hall Of Hotel Kanak, Opp. Gujarat College, Ellisbridge, Ahmedabad- 380 006<br><b>Special Resolution:</b><br><ul style="list-style-type: none"> <li>- Elevation of Ms. Payalben J. Patel as Managing Director of the Company for a period of three years from 21st November, 2016</li> <li>- Authority to Link Intime India Private Limited (RTA) for maintaining Register of Members together with the Index of members of the Company and copies of Annual Returns.</li> </ul> |

Pursuant to the relevant provisions of the Companies Act, 2013, there was no matter required to be dealt by the Company to be passed through postal ballot during 2017-18.

**8. MEANS OF COMMUNICATION:**

In compliance with the requirements of the SEBI (LODR) Regulations, the Company regularly intimates Unaudited / Audited Financial Results to the Stock Exchanges immediately after they are taken on record by the Board of Directors. These Financial Results are normally published in 'Western Times' (English and Gujarati). Results are also displayed on Company's website [www.promactplastics.com](http://www.promactplastics.com).

The reports, statements, documents, filings and any other information is electronically submitted to the recognized stock exchanges, unless there are any technical difficulties while filing the same. All important information and official press releases are displayed on the website for the benefit of the public at large.

During the year ended on 31<sup>st</sup> March, 2018, no presentations were made to Institutional Investors or analyst or any other enterprise.



**9. GENERAL SHAREHOLDERS' INFORMATION:**

- a) Registered Office : 106, Harikrupa Chambers, Behind National Chambers, Ashram Road, Ahmedabad - 380 009.
- b) Annual General Meeting : Day : Monday  
Date : 17<sup>th</sup> September, 2018  
Time : 3:00 p.m.  
Venue : Banquet Hall of Hotel Kanak, Opp. Gujarat College, Ellisbridge, Ahmedabad- 380 006
- c) Financial Calendar : 1st Quarter Results : Mid - August, 2018.  
Half-yearly Results : Mid - November, 2018.  
3rd Quarter Results : Mid - February, 2019.  
Audited yearly Results : End - May, 2019.
- d) Book Closure Dates : From : Friday, the 7<sup>th</sup> September, 2018  
To : Monday, the 17<sup>th</sup> September, 2018  
(Both days inclusive).
- e) Dividend Payment Date : N.A.
- f) Listing of Shares on Stock Exchanges : **BSE Limited,**  
P. J. Towers, Dalal Street,  
Mumbai - 400 001.

The Company has paid the annual listing fees for the financial year 2018-19 the Stock Exchange where its securities are listed.

- g) Stock Exchange Code : 

|                       |             |
|-----------------------|-------------|
| <u>Stock Exchange</u> | <u>Code</u> |
| BSE                   | 526494      |

- h) Registrar and Share Transfer Agents. :

Registrars and Share Transfer Agents (RTA) for both Physical and Demat Segment of Equity Shares of the Company:

Link Intime India Private Limited.  
506-508, Amarnath Business Centre-1, (ABC-1),  
Besides Gala Business Centre,  
Near St. Xavier's College Corner,  
Off C. G. Road, Ahmedabad – 380 006  
Tele. No. : (079) 2646 5179  
e-mail Address: [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in)

- i) Share Transfer System :

The transfer of shares in physical form is processed and completed by M/s. Link Intime India Pvt. Ltd. (RTA of the Company) within a period of 15 days from the date of receipt thereof.

Pursuant to SEBI Notification No. SEBI/LAD-NRO/GN/2018/24 dated 8<sup>th</sup> June, 2018, the request for effecting transfer of securities held in Physical form (except in case of transmission or transposition) would not be entertained and shall not be processed by the Company/ RTA of the Company w.e.f. 5<sup>th</sup> December, 2018. Hence, Shareholders are advised to get their shares transferred / dematerialized.

In case of Shares in electronic form, the transfers are processed by NSDL/ CDSL through the respective Depository Participants.

- j) Stock Price Data :  
The shares of the Company were traded on the BSE Limited. The information on stock price data, BSE Sensex details are as under:

| Month           | BSE      |         |                      | BSE Sensex |
|-----------------|----------|---------|----------------------|------------|
|                 | High (₹) | Low (₹) | No. of Shares Traded |            |
| April, 2017     | 5.49     | 4.90    | 4                    | 29,918.40  |
| May, 2017       | 5.22     | 4.96    | 1,750                | 31,145.80  |
| June, 2017      | 4.90     | 4.56    | 8,734                | 30,921.61  |
| July, 2017      | 4.70     | 4.56    | 720                  | 32,514.94  |
| August, 2017    | 4.70     | 3.95    | 12,929               | 31,730.49  |
| September, 2017 | 4.67     | 4.08    | 24,283               | 31,283.72  |
| October, 2017   | 4.60     | 4.60    | 7,695                | 33,213.13  |
| November, 2017  | 4.83     | 4.80    | 1,929                | 33,149.35  |
| December, 2017  | 5.00     | 4.34    | 7,181                | 34,056.83  |
| January, 2018   | 5.23     | 4.35    | 27,865               | 35,965.02  |
| February, 2018  | 5.38     | 4.22    | 14,804               | 34,184.04  |
| March, 2018     | 4.87     | 4.10    | 8,405                | 32,968.68  |

- k) Distribution of Shareholding as on 31<sup>st</sup> March, 2018:

| No. of Equity Shares held | No. of Shareholders | % of Shareholders | No. of Shares held | % of Shareholding |
|---------------------------|---------------------|-------------------|--------------------|-------------------|
| Upto 500                  | 1705                | 66.73             | 297922             | 4.57              |
| 501 to 1000               | 355                 | 13.89             | 267212             | 4.10              |
| 1001 to 2000              | 202                 | 7.91              | 277885             | 4.27              |
| 2001 to 3000              | 92                  | 3.60              | 236805             | 3.64              |
| 3001 to 4000              | 26                  | 1.02              | 94952              | 1.46              |
| 4001 to 5000              | 31                  | 1.21              | 145605             | 2.24              |
| 5001 to 10000             | 65                  | 2.54              | 474406             | 7.28              |
| 10001 & above             | 79                  | 3.10              | 4717013            | 72.44             |
| <b>Grand Total</b>        | <b>2555</b>         | <b>100.00</b>     | <b>6511800</b>     | <b>100.00</b>     |

- l) Category of Shareholders as on 31<sup>st</sup> March, 2018:

| Category                                | No. of Shares held | % of Shareholding |
|---|--------------------|-------------------|
| Promoters                               | 2207498            | 33.90             |
| Financial Institutions/Banks            | -                  | -                 |
| Mutual Fund                             | -                  | -                 |
| Other Bodies Corporate/Clearing Members | 38250              | 0.59              |
| Non Resident Indians                    | 7064               | 0.11              |
| Public                                  | 4258988            | 65.40             |
| <b>Grand Total</b>                      | <b>6511800</b>     | <b>100.00</b>     |

- m) Outstanding GDRs/ADRs/Warrants or any Convertible Instruments, Conversion Date and likely impact on Equity:

The Company has not issued any GDRs/ADRs.

- n) Dematerialisation of Shares and liquidity:

The Company's Equity Shares are traded compulsorily in dematerialised form. Approximately 92.03% of the Equity Shares have been dematerialised. ISIN number for dematerialisation of the Equity Shares of the Company is INE818D01011



o) Commodity Price Risks and Commodity Hedging Activities:

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board. The Company is exposed to the risk of price fluctuation of raw materials as well as finished goods. The Company proactively manages these risks through forward booking Inventory management and proactive vendor development practices.

p) Plant Location:

392 - 403, GIDC Estate, Phase-II, Dediyaan, Mehsana 384002, Gujarat.

q) Address for Correspondence:

For any assistance regarding correspondence dematerialisation of shares, share transfers, transactions, change of address, non receipt of dividend or any other query relating to shares, Shareholders' correspondence should be addressed to the Company's Registrar and Share Transfer Agent at:

Link Intime India Private Limited.

506-508, Amarnath Business Centre-1 (ABC-1), Besides Gala Business Centre,

Near St. Xavier's College Corner, Off C. G. Road, Ahmedabad – 380 006

Tele. No. : (079) 2646 5179

e-mail Address: [ahmedabad@linkintime.co.in](mailto:ahmedabad@linkintime.co.in)

Compliance Officer : Ms. Nikita J. Patel

## 10. MANAGEMENT DISCUSSION AND ANALYSIS

### a. Industry Structure and Developments:

The industry is dependent on performance of core sectors like agriculture, fertilizer, cement and exports. Due to indifferent monsoon during last few years and in general recessionary economies, the performance of the above sectors was hit.

### b. Opportunities and Threats:

The industry is threatened by non existence of exports to European Union due to heavy anti dumping duty levied on Indian products.

### c. Segment wise Performance:

The Company is operating only in one segment. The production/ turnover/performance of the Company have been disclosed in the Directors' Report under the Head 'Sales and Working Results'.

### d. Recent Trend and Future Outlook:

The opening up of food grains sector will enable the Woven Sacks industry to see better times again.

### e. Risks and Concerns:

The industry is plagued by intense competition due to major petrochemical manufacturers making available cheap raw material abundantly.

### f. Internal Control Systems and their Adequacy:

The Company has adequate systems of Internal Controls to ensure orderly and efficient conduct of business. These controls ensure safeguarding of assets, reduction and detection of fraud and error, adequacy and completeness of the accounting records and timely preparation of reliable financial information.

### g. Financial Performance with respect to Operational Performance:

The financial performance of the Company for the year 2017-18 is described in the Directors' Report under the head 'Sales and Working Results'.

### h. Material Developments in Human Resources and Industrial Relations Front:

Industrial relations remained cordial throughout the year and there was no incidence of strike, lock out etc.

### i. Cautionary Statement:

Statement in this Management Discussion and Analysis Report, describing the Company's objectives, estimates and expectations may constitute 'Forward Looking Statements' within the meaning of applicable laws or regulations. Actual results might differ materially from those either expressed or implied.

**11. DISCLOSURES:**

- a) The Company has not entered into any transaction of material nature with the Promoters, the Directors or the Management that may have any potential conflict with the interest of the Company. The Company has no subsidiary.
- b) There has neither been any non-compliance of any legal provision of applicable law, nor any penalty, stricture imposed by the Stock Exchange/s or SEBI or any other authorities, on any matters related to Capital Market during the last three years.
- c) The Company has implemented Vigil Mechanism and Whistle Blower Policy and it is hereby affirmed that no personnel have been denied access to the Audit Committee.
- d) The Company is in compliance with all mandatory requirements under Listing Regulations. Adoption of non-mandatory requirements of Listing Regulations is being reviewed by the Board from time to time.
- e) The policy on related party transactions is disclosed on the Company's website viz. [www.promactplastics.com](http://www.promactplastics.com)
- f) Disclosure of Accounting Treatment :

These Financial Statements are prepared in accordance with Indian Accounting Standards (Ind AS) as per the Companies (Indian Accounting Standards) Rules, 2015 and the Companies (Indian Accounting Standards) (Amendment) Rules, 2016 notified under Section 133 of the Companies Act, 2013 (the 'Act') and other relevant provisions of the Act. The Financial Statements up to and for the year ended 31st March, 2017 were prepared to comply in all material aspects with the Accounting Standards specified under Section 133 of the Act read with Rule 7 of the Companies (Accounts) Rules, 2014 and the relevant provisions of the Act. The previous year figures have been regrouped/reclassified or restated as per Ind AS, so as to make the figures comparable with the figures of current year. As these are the 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.

**12. DETAILS OF NON COMPLIANCE CORPORATE GOVERNANCE REQUIREMENT:**

There was no non-compliance during the year and no penalties were imposed or strictures passed on the Company by the Stock Exchanges, SEBI or any other statutory authority.

**13. NON-MANDATORY REQUIREMENTS OF REGULATION 27 (1) & PART E OF SCHEDULE II OF THE LISTING REGULATIONS:**

- i. The Company has a Non – Executive Chairman.
- ii. The quarterly / half yearly results are not sent to the shareholders. However, the same are published in the newspapers and also posted on the Company's website.
- iii. The Company's financial statements for the financial year 2017–2018 do not contain any audit qualification.
- iv. The internal auditors report to the Audit Committee.

**14. The Company, on voluntary basis, is in compliance with the corporate governance requirements specified in Regulation 17 to 27 and Clause (b) to (i) of sub-regulation (2) of Regulation 46 of SEBI Regulations.**

**For and on behalf of the Board,**

Place : Ahmedabad.  
Date : 20<sup>th</sup> July, 2018

**Mr. Miteshkumar A. Patel**  
Chairman



**DECLARATION**

All the Board Members and Senior Management Personnel of the Company have affirmed the compliance with the provisions of the code of conduct of Board of Directors and Senior Management for the year ended on 31<sup>st</sup> March, 2018.

For Promact Plastics Limited,

**Nikita J. Patel**  
Managing Director

**Vipul F. Bhavsar**  
CFO

Date : 20<sup>th</sup> July, 2018

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**CERTIFICATE**

**To**  
**The Members of**  
**Promact Plastics Limited**

We have examined the compliance of conditions of Corporate Governance by Promact Plastics Limited, for the year ended on 31<sup>st</sup> March, 2018 and also up to the date of this report as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR).

The compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited to procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of Corporate Governance as stipulated in LODR. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and based on the representations made by the Directors and the Management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Regulations 17 to 27 & Part E of Schedule II of LODR.

As per representation received from the Registrars of the Company, we state that as per records maintained by the Stakeholders' Relationship Committee, no investor grievance remaining unattended/ pending for more than 30 days.

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

**For KASHYAP R. MEHTA & ASSOCIATES**  
COMPANY SECRETARIES

**KASHYAP R. MEHTA**  
PROPRIETOR

FCS NO.: 1821 COP NO.: 2052  
FRN:S2011GJ166500

Place : Ahmedabad  
Date : 20<sup>th</sup> July, 2018

## FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31<sup>ST</sup> MARCH, 2018

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

To,  
The Members,  
**Promact Plastics Limited**

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **Promact Plastics Limited** [CIN: L25200GJ1985PLC007746] ('hereinafter called the Company') having Registered Office at 106, Harikrupa Chambers, behind National Chambers, Ashram Road, Ahmedabad, Gujarat – 380 009. 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 maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31<sup>st</sup> March, 2018** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

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<sup>st</sup> March, 2018 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not Applicable during the audit period)
  - (d) Securities and Exchange Board of India (Share Based Employee Benefits) Requirements, 2014 (Not Applicable during the audit period)
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not Applicable during the audit period)
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not Applicable during the audit period)
  - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 (Not Applicable during the audit period); and
- (vi) Various common laws applicable to the manufacturing and other activities of the Company such as Labour Laws, Pollution Control Laws, Land Laws etc. and sector specific laws such as The Recycled Plastics Manufacture and Usage Rules, 1999 for which we have relied on Certificates/ Reports/ Declarations/Consents/Confirmations obtained by the Company from the experts of the relevant field such as Advocate, Labour Law Consultants, Engineers, Occupier of the Factories, Registered Valuers, Chartered Engineers, Factory Manager, Chief Technology



Officer of the Company, Local Authorities, Effluent Treatment Adviser etc. and have found that the Company is generally regular in complying with the provisions of various applicable Acts.

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

- (i) Secretarial Standards SS – 1 & SS – 2 issued by The Institute of Company Secretaries of India
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 and The Listing Agreement entered into by the Company with Stock Exchanges.

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

The following are our observations during the Audit:

- 1. The Company does not have a whole time Company Secretary pursuant to Section 203 of the Companies Act, 2013 and Rule 8 of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.**
- 2. The Company does not maintain a functional website containing basic information of the Company pursuant to Regulation 46 of SEBI (Listing Obligations and Disclosures Requirements).**

We further report that:

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

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

Majority decision is carried through while the dissenting members' views are captured and recorded as part of the minutes.

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.

We further report that during the audit period the Company has:

- a) Duly passed a Special Resolution pursuant to the provisions of Section 188, 196, 197, 203 read with Schedule V and other applicable provisions, if any, of the Companies Act, 2013 and other applicable laws at the 33<sup>rd</sup> Annual General Meeting held on 22<sup>nd</sup> September, 2017 for Elevation of Ms. Payalben J. Patel as Managing Director for a period of 3 years.
- b) Duly passed Special Resolution under Section 94 of the Companies Act, 2013 at the Annual General Meeting held on 22<sup>nd</sup> September, 2017 for keeping certain documents such as Register of Members, Index of Members and any other registers, certificates, documents etc., at the office of the Registrar and Transfer Agent ("RTA") viz. M/s. Link Intime India Private Limited and such other places as the RTA, shift its office from time to time.

**For KASHYAP R. MEHTA & ASSOCIATES**  
COMPANY SECRETARIES

**KASHYAP R. MEHTA**  
PROPRIETOR

FCS NO.: 1821 COP NO.: 2052  
FRN:S2011GJ166500

Place : Ahmedabad  
Date : 20<sup>th</sup> July, 2018

**Note:** This report is to be read with our letter of even date which is annexed as **Annexure 1** and forms an integral part of this report.

To,  
The Members,  
**Promact Plastics 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 processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices, we followed provide a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. 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 procedures on test basis.
6. 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.

**For KASHYAP R. MEHTA & ASSOCIATES**  
COMPANY SECRETARIES

Place : Ahmedabad  
Date : 20<sup>th</sup> July, 2018

**KASHYAP R. MEHTA**  
PROPRIETOR  
FCS NO.: 1821 COP NO.: 2052  
FRN:S2011GJ166500

**Form No. MGT – 9**
**EXTRACT OF ANNUAL RETURN AS ON 31<sup>ST</sup> MARCH, 2018**

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

**I. REGISTRATION AND OTHER DETAILS:**

|     |   |   |
|-----|---|---|
| (1) | CIN   | <b>L25200GJ1985PLC007746</b>  |
| (2) | Registration Date   | 26-03-1985  |
| (3) | Name of the Company   | Promact Plastics Limited  |
| (4) | Category / Sub-Category of the Company                                    | Public Company Limited by Shares  |
| (5) | Address of the registered Office and Contact Details                      | 106, Harikrupa Chambers,<br>B/H National Chambers, Ahmedabad - 380 009.   |
| (6) | Whether Listed Company  | Yes   |
| (7) | Name, Address and Contact details of Registrar and Transfer Agent, if any | Link Intime India Pvt. Ltd.<br>506-508, Amarnath Business Centre-1 (ABC-1),<br>Besides Gala Business Centre,<br>Near St. Xavier's College Corner, Off C. G. Road,<br>Ahmedabad – 380 006. |

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:**

| Name and Description of main products/ services                                     | NIC Code of the Product/ service | % to total turnover |
|---|----------------------------------|---------------------|
| HDPE/PP Woven Fabrics/ Bags/ Tarpaulin/<br>Export & Import of Agri Product & others | 13925                            | 100                 |

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:**

The Company has no Holding/ Subsidiary/ Associate Company.

**IV. SHARE HOLDING PATTERN:**
**i) Category-wise Share Holding:**

| Category of Shareholders                      | No. of Shares held as on<br>1 <sup>st</sup> April, 2017 |          |                |                         | No. of Shares held as on<br>31 <sup>st</sup> March, 2018 |          |                |                         | %<br>Change<br>during<br>2017-18 |
|---|---|----------|----------------|-------------------------|--|----------|----------------|-------------------------|----------------------------------|
|   | Demat   | Physical | Total          | % of<br>Total<br>Shares | Demat  | Physical | Total          | % of<br>Total<br>Shares |                                  |
| <b>A. Promoters</b>                           |   |          |                |                         |  |          |                |                         |                                  |
| (1) Indian                                    |   |          |                |                         |  |          |                |                         |                                  |
| a) Individual/ HUF                            | 2207498   | -        | 2207498        | 33.90                   | 2207498  | -        | 2207498        | 33.90                   | -                                |
| b) Central Govt.                              | -   | -        | -              | -                       | -  | -        | -              | -                       | -                                |
| c) State Govt.(s)                             | -   | -        | -              | -                       | -  | -        | -              | -                       | -                                |
| d) Bodies Corp                                | -   | -        | -              | -                       | -  | -        | -              | -                       | -                                |
| e) Banks / FI                                 | -   | -        | -              | -                       | -  | -        | -              | -                       | -                                |
| f) Any other                                  | -   | -        | -              | -                       | -  | -        | -              | -                       | -                                |
| <b>Total shareholding<br/>of Promoter (A)</b> | <b>2207498</b>  | <b>-</b> | <b>2207498</b> | <b>33.90</b>            | <b>2207498</b>   | <b>-</b> | <b>2207498</b> | <b>33.90</b>            | <b>-</b>                         |

|  |                |               |                |               |                |               |                |               |          |   |
|--|----------------|---------------|----------------|---------------|----------------|---------------|----------------|---------------|----------|---|
| <b>B. Public Shareholding</b>                      |                |               |                |               |                |               |                |               |          |   |
| 1. Institutions                                    |                |               |                |               |                |               |                |               |          |   |
| a) Mutual Funds                                    | -              | -             | -              | -             | -              | -             | -              | -             | -        | - |
| b) Banks / FI                                      | -              | -             | -              | -             | -              | -             | -              | -             | -        | - |
| c) Central Govt                                    | -              | -             | -              | -             | -              | -             | -              | -             | -        | - |
| d) State Govt(s)                                   | -              | -             | -              | -             | -              | -             | -              | -             | -        | - |
| e) VCF   | -              | -             | -              | -             | -              | -             | -              | -             | -        | - |
| f) Ins. Companies                                  | -              | -             | -              | -             | -              | -             | -              | -             | -        | - |
| g) FIs   | -              | -             | -              | -             | -              | -             | -              | -             | -        | - |
| h) Foreign VCF                                     | -              | -             | -              | -             | -              | -             | -              | -             | -        | - |
| i) Others (specify)                                | -              | -             | -              | -             | -              | -             | -              | -             | -        | - |
| Sub-total (B)(1):-                                 | -              | -             | -              | -             | -              | -             | -              | -             | -        | - |
| 2. Non-Institutions                                |                |               |                |               |                |               |                |               |          |   |
| a) Bodies Corp.                                    | 50855          | 1920          | 52775          | 0.81          | 27609          | 1920          | 29529          | 0.45          | (0.36)   |   |
| b) Individuals                                     |                |               |                |               |                |               |                |               |          |   |
| i) Individuals holding < = Rs.1,00,000             | 1372932        | 401443        | 1774375        | 27.25         | 1298993        | 400743        | 1699736        | 26.10         | (1.15)   |   |
| ii) Individuals holding > Rs. 1,00,000             | 2259638        | 114420        | 2374058        | 36.46         | 2349983        | 114420        | 2464403        | 37.85         | 1.39     |   |
| c) Others (specify)                                |                |               |                |               |                |               |                |               |          |   |
| NRIs, Clearing Members & HUF                       | 101254         | 1840          | 103094         | 1.58          | 108794         | 1840          | 110634         | 1.70          | 0.12     |   |
| OCB  | -              | -             | -              | -             | -              | -             | -              | -             | -        | - |
| Foreign Nationals                                  | -              | -             | -              | -             | -              | -             | -              | -             | -        | - |
| Trusts   | -              | -             | -              | -             | -              | -             | -              | -             | -        | - |
| Others   | -              | -             | -              | -             | -              | -             | -              | -             | -        | - |
| <b>Sub-total (B)(2):-</b>                          | <b>3784679</b> | <b>519623</b> | <b>4304302</b> | <b>66.10</b>  | <b>3785379</b> | <b>518923</b> | <b>4304302</b> | <b>66.10</b>  | <b>-</b> |   |
| <b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b> | <b>3784679</b> | <b>519623</b> | <b>4304302</b> | <b>66.10</b>  | <b>3785379</b> | <b>518923</b> | <b>4304302</b> | <b>66.10</b>  | <b>-</b> |   |
| C. Shares held by Custodian for GDRs & ADRs        | -              | -             | -              | -             | -              | -             | -              | -             | -        | - |
| <b>Grand Total (A+B+C)</b>                         | <b>5992177</b> | <b>519623</b> | <b>6511800</b> | <b>100.00</b> | <b>5992877</b> | <b>518923</b> | <b>6511800</b> | <b>100.00</b> | <b>-</b> |   |



ii) **Shareholding of Promoters:**

| Sr. No. | Shareholder's Name         | Shareholding as on 01-04-2017 |                                  |  | Shareholding as on 31-03-2018 |                                  |  | % change in share holding 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       | Patel Jayantilal Somabhai  | 329480                        | 5.06                             | -  | 329480                        | 5.06                             | -  | -   |
| 2       | Payalben Jayantilal Patel  | 265437                        | 4.08                             | -  | 265437                        | 4.08                             | -  | -   |
| 3       | Nikita Jayantilal Patel    | 270943                        | 4.16                             | -  | 270943                        | 4.16                             | -  | -   |
| 4       | Patel Ankit Jayantilal     | 263775                        | 4.05                             | -  | 263775                        | 4.05                             | -  | -   |
| 5       | Jayantibhai Somabhai Patel | 288706                        | 4.43                             | -  | 288706                        | 4.43                             | -  | -   |
| 6       | Savitaben Jayantilal Patel | 265749                        | 4.08                             | -  | 265749                        | 4.08                             | -  | -   |
| 7       | Patel Narottam Somabhai    | 189720                        | 2.91                             | -  | 189720                        | 2.91                             | -  | -   |
| 8       | Patel Mital Sachinkumar    | 161188                        | 2.48                             | -  | 161188                        | 2.48                             | -  | -   |
| 9       | Patel Sachin Narottambhai  | 75000                         | 1.15                             | -  | 75000                         | 1.15                             | -  | -   |
| 10      | Patel Mital D              | 65000                         | 1.00                             | -  | 65000                         | 1.00                             | -  | -   |
| 11      | Krishnaben D Patel         | 32500                         | 0.50                             | -  | 32500                         | 0.50                             | -  | -   |

iii) **Change in Promoters' Shareholding:**

There is no change in the Promoters' Shareholding during the financial year 2017-18.

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

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

| Sr. No. | For Each of the Top 10 Shareholders | Shareholding as on 01-04-2017 |                   | Changes during the Year Increase/ (decrease) due to transfer | Shareholding as on 31-03-2018 |                   |
|---------|-------------------------------------|-------------------------------|-------------------|--|-------------------------------|-------------------|
|         |                                     | No. of shares                 | % of total shares |  | No. of shares                 | % of total shares |
|         | Top 10 as on 01-04-2017             |                               |                   |  |                               |                   |
| 1       | Subramanian P                       | 272590                        | 4.19              | -  | 272950                        | 4.19              |
| 2       | Patel Dilipkumar Amrutlal           | 208790                        | 3.21              | -  | 208790                        | 3.21              |
| 3       | Heli Arvindbhai Patel               | 134550                        | 2.07              | 156940   | 291490                        | 4.47              |
| 4       | Patel Dashrathbhai Narottamdas      | 102397                        | 1.57              | -  | 102397                        | 1.57              |
| 5       | Ashok Shyamlal Khandelwal           | 100000                        | 1.54              | -  | 100000                        | 1.54              |
| 6       | Khodabhai Narsangbhai Patel         | 89468                         | 1.37              | -  | 89468                         | 1.37              |
| 7       | Pranavkumar Manilal Patel           | 80954                         | 1.24              | (80954)  | -                             | -                 |
| 8       | Patel Ajit Ambalal                  | 72919                         | 1.12              | -  | 72919                         | 1.12              |
| 9       | Deepak Patel                        | 72829                         | 1.12              | -  | 72829                         | 1.12              |
| 10      | Jayantibhai Narsangbhai Patel       | 70311                         | 1.08              | -  | 70311                         | 1.08              |

## v) Shareholding of Directors and Key Managerial Personnel:

| Sr. No. | Shareholding, if any, of each Directors and each Key Managerial Personnel | Shareholding as on 01-04-2017 |                                  | Changes in number of shares during the Year | Shareholding as on 31-03-2018 |                                  |
|---------|---|-------------------------------|----------------------------------|---|-------------------------------|----------------------------------|
|         |   | No. of shares                 | % of total shares of the Company |   | No. of shares                 | % of total shares of the Company |
| 1.      | Nikita Jayantilal Patel   | 270943                        | 4.16                             | -   | 270943                        | 4.16                             |
| 2.      | Patel Ankit Jayantilal  | 263775                        | 4.05                             | -   | 263775                        | 4.05                             |
| 3.      | Miteshkumar Amrutlal Patel  | 221                           | 0.00                             | -   | 221                           | 0.00                             |
| 4.      | Akash D. Patel  | -                             | -                                | -   | -                             | -                                |
| 5.      | Ravi L. Patel   | -                             | -                                | -   | -                             | -                                |
| 6.      | Vipul F. Bhavsar  | 2607                          | 0.04                             | -   | 2607                          | 0.04                             |

## V. INDEBTEDNESS :

(In `)

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

|    |                                       | Secured Loans excluding deposits | Unsecured Loans    | Deposits | Total Indebtedness   |
|----|---------------------------------------|----------------------------------|--------------------|----------|----------------------|
| A. | Indebtedness as on 01-04-2017         |                                  |                    |          |                      |
|    | i) Principal Amount                   | 5,82,76,397                      | 3,44,65,482        | -        | 9,27,41,879          |
|    | ii) Interest due but not paid         | -                                | -                  | -        | -                    |
|    | iii) Interest accrued but not due     | -                                | -                  | -        | -                    |
|    | <b>Total (i+ii+iii)</b>               | <b>5,82,76,397</b>               | <b>3,44,65,482</b> | <b>-</b> | <b>9,27,41,879</b>   |
| B. | Change in Indebtedness during 2017-18 |                                  |                    |          |                      |
|    | * Addition                            | -                                | 1,07,81,075        | -        | 1,07,81,075          |
|    | * Reduction                           | 5,82,76,397                      | -                  | -        | 5,82,76,397          |
|    | <b>Net Change</b>                     | <b>(5,82,76,397)</b>             | <b>1,07,81,075</b> | <b>-</b> | <b>(4,74,95,322)</b> |
| C. | Indebtedness as on 31-03-2018         |                                  |                    |          |                      |
|    | i) Principal Amount                   | -                                | 4,52,46,557        | -        | 4,52,46,557          |
|    | ii) Interest due but not paid         | -                                | -                  | -        | -                    |
|    | iii) Interest accrued but not due     | -                                | -                  | -        | -                    |
|    | <b>Total (i+ii+iii)</b>               | <b>-</b>                         | <b>4,52,46,557</b> | <b>-</b> | <b>4,52,46,557</b>   |



**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-Time Director, Manager or any other Directors:**

| Sr. No. | Particulars of Remuneration   | Name of MD/ WTD/ Manager               | Name of MD/ WTD/ Manager                 |
|---------|---|--|--|
|         |   | Ms. Payal J. Patel, Managing Director* | Ms. Nikita J. Patel, Managing Director** |
| 1.      | Gross salary  |  |  |
|         | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | -                                      | -  |
|         | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961                             | -                                      | -  |
|         | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              | -                                      | -  |
| 2.      | Stock Option  | -                                      | -  |
| 3.      | Sweat Equity  | -                                      | -  |
| 4.      | Commission  | -                                      | -  |
| 5.      | Others, Please specify  | -                                      | -  |
|         | Total   | -                                      | -  |
|         | Ceiling as per the Companies Act  | ₹ 1,20,00,000/-                        | ₹ 1,20,00,000/-                          |

\* Payal J. Patel has resigned from the post of Managing Director and Director w.e.f. 23<sup>rd</sup> September, 2017

\*\* Ms. Nikita J. Patel has been elevated as Managing Director of the Company for a period of three years w.e.f 23<sup>rd</sup> September, 2017

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

| Sr. No. | Particulars of Remuneration   | Key Managerial Personnel  |
|---------|---|---------------------------|
|         |   | Mr. Vipul F. Bhavsar, CFO |
| 1.      | Gross salary  |                           |
|         | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | ₹ 1,95,000/-              |
|         | (b) Value of perquisites u/s 17(2)Income-tax Act, 1961                              | -                         |
|         | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961              | -                         |
| 2.      | Stock Option  | -                         |
| 3.      | Sweat Equity  | -                         |
| 4.      | Commission  |                           |
| 5.      | Others, Please specify  |                           |
|         | Total   | ₹ 1,95,000/-              |

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

There are no such Penalties/ Punishment/ Compounding of Offences as on the date of report.

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**INDEPENDENT AUDITORS' REPORT**

To,  
The Members of  
**PROMACT PLASTICS LIMITED**

**Report on the Financial Statements**

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

**Management's Responsibility for the Standalone Financial Statements**

The Company's Board of Directors is responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, profit or loss (financial performance including other comprehensive income), cash flows and change in equity of the company in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards ('Ind AS') specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of these financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

**Auditors' Responsibility**

Our responsibility is to express an opinion on these 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 the 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 a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of 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 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 March 31, 2018, and its profit and its cash flows for the year ended on that date.

**Other Matter**

The audited financial statements for the year ended 31<sup>st</sup> march 2017, was carried out and reported by M.M. Salvi & Co, Vide their unmodified audit report dated 30<sup>th</sup> May 2017, whose report has been furnished to us by the management and which has been relied upon by us for the purpose of our audit of the financial statements. Our audit report is not qualified in respect of this matter.



**Report on Other Legal and Regulatory Requirements**

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure-I a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
  - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
  - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
  - (c) The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
  - (d) In our opinion, the aforesaid financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
  - (e) On the basis of the written representations received from the Directors as on March 31, 2018, taken on record by the Board of Directors, none of the Directors is disqualified as on March 31, 2018 from being appointed as a Director in terms of Section 164 (2) of the Act.
  - (f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls refer to our separate Report in "Annexure – II and
  - (g) With respect to the other matters to be included in the Auditors' Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
    - i) The Company has disclosed the impact of pending litigations on its financial position in its financial statements as referred to in note number 7(C) to the financial statement.
    - ii) The Company does not have any long term contract including derivative contract for which there were any material foreseeable losses under applicable law or accounting Standard, and
    - iii) There were no amount which were require to be transferred to the investor education and protection fund by the company.

**For B.M. Modi & Co.**  
Chartered Accountants  
Firm's Registration No. 0106477W

Place : Mehsana.  
Date : 30/05/2018

**(B.M. Modi)**  
Proprietor.  
M. No. 034060

**ANNEXURE – I TO THE INDEPENDENT AUDITORS' REPORT**

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

1.
  - (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner, over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
  - (c) In our opinion and according to information and explanation given to us and on the basis of an examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. In respect of its inventories:
  - a) As explained to us, the inventories were physically verified during the year by the management during the year.
  - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.

- c) The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records.
3. The company has not granted loans to firms covered in the register maintained under section 189 of the Company Act, 2013. There for clause (3)(iii) as not applicable.
4. In our opinion and according to the information and explanations given to us, the company has not accepted deposit, except Director Deposit during the year and does not have any unclaimed deposit. Therefore, the clause 3 (v) of the Order are not applicable to the Company.
5. On the basis of records produced to us, we are of the opinion that, prima facie, the cost records prescribed by the Central Government of India under section 148 (1) of the Act are not required to maintained, and have not carried out any examination of such accounts and records.
6. According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax and Value Added Tax, Wealth Tax, Service Tax, duty of Customs, duty of Excise, Cess, GST and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax and Value Added Tax, Wealth Tax, Service Tax, duty of Customs, duty of Excise, Cess, GST and other material statutory dues in arrears as at March 31, 2018 for a period of more than six months from the date they became payable.
- (c) There were no dues of Wealth Tax, duty of Customs, duty of Excise and Cess, GST etc which have not been deposited as at March 31, 2018 on account of dispute.
7. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a bank during the year and did not have any amount outstanding to financial institutions during the year.
8. In our opinion and according to the information and explanations given to us, the company has not given any corporate guarantee for loan taken by others from bank or financial institution.
9. According to the information and explanations given to us, the Company did not avail any term loan during the year.
10. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company has been noticed or reported during the year
11. According to the information and explanations given to us, managerial remuneration not paid or provided in accordance with the requisite approvals mandate by the provisions of Section 197 read with Schedule V to the Act.
12. According to the information and explanations given to us, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, paragraph 3 (xii) of the Order in not applicable to the Company.
13. According to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.
16. According to information and explanations given to us, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

**For B.M. Modi & Co.**  
Chartered Accountants  
Firm's Registration No. 0106477W

Place : Mehsana.  
Date : 30/05/2018

**(B.M. Modi)**  
Proprietor.  
M. No. 034060



ANNEXURE – II TO THE AUDITORS' REPORT

**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 **Promact Plastics Limited** ('the Company') as of 31 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 ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the 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 were established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls 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 auditors' judgment, 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 authorizations of the Management and directors of the Company; and
- (3) Provide reasonable assurance regarding prevention or timely detection of unauthorized 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 31 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 B.M. Modi & Co.**  
Chartered Accountants  
Firm's Registration No. 0106477W

Place : Mehsana.  
Date : 30/05/2018

**(B.M. Modi)**  
Proprietor.  
M. No. 034060



PROMACT PLASTICS LIMITED

BALANCE SHEET AS AT 31<sup>ST</sup> MARCH, 2018

Amount in `

| Particulars   | Note No. | As at 31st<br>March 2018 | As at 31st<br>March 2017 | As at 1st<br>April 2016 |
|---|----------|--------------------------|--------------------------|-------------------------|
| <b>ASSETS</b>   |          |                          |                          |                         |
| <b>(1) Non-current assets</b>                             |          |                          |                          |                         |
| (a) Property, Plant and Equipment                         | 2        | 23,890,396               | 25,895,939               | 27,558,537              |
| (b) Capital work-in-progress                              |          | -                        | -                        | -                       |
| (c) Intangible assets                                     |          | -                        | -                        | -                       |
| (d) Financial Assets                                      |          |                          |                          |                         |
| (i) Investments   | 3        | 2,750,500                | 2,750,500                | 2,750,500               |
| (ii) Other Financial Assets                               | 4        | 1,092,850                | 1,092,850                | 1,092,850               |
| (e) Non-current tax assets (Net)                          |          | 13,435,186               | 13,435,186               | 13,435,186              |
| (f) Other assets  | 5        | -                        | -                        | -                       |
| <b>Total Non-current assets</b>                           |          | <b>41,168,932</b>        | <b>43,174,475</b>        | <b>44,837,073</b>       |
| <b>(2) Current assets</b>                                 |          |                          |                          |                         |
| (a) Inventories   | 6        | -                        | -                        | -                       |
| (b) Financial assets                                      |          |                          |                          |                         |
| (i) Investments   |          | -                        | -                        | -                       |
| (ii) Trade receivables                                    | 7        | 12,557,172               | 9,788,642                | 3,615,251               |
| (iii) Cash and cash equivalents                           | 8        | 136,582                  | 99,777                   | 49,939                  |
| (iv) Bank Balances other than (iii) above                 | 9        | -                        | -                        | -                       |
| (v) Other Financial assets                                | 10       | 8,815,522                | 51,683,293               | 29,863,522              |
| (c) Other current assets                                  | 11       | -                        | 1,181                    | 1,163                   |
| <b>Total current assets</b>                               |          | <b>21,509,276</b>        | <b>61,572,893</b>        | <b>33,529,875</b>       |
| <b>TOTAL ASSETS</b>                                       |          | <b>62,678,209</b>        | <b>104,747,369</b>       | <b>78,366,950</b>       |
| <b>EQUITY AND LIABILITIES</b>                             |          |                          |                          |                         |
| <b>(1) Equity</b>   |          |                          |                          |                         |
| (a) Equity share capital                                  | 12       | 65,118,000               | 65,118,000               | 65,118,000              |
| (b) Other equity  | 13       | (89,963,726)             | (91,748,539)             | (96,421,174)            |
| <b>Total equity attributable to owners of the company</b> |          | <b>(24,845,726)</b>      | <b>(26,630,539)</b>      | <b>(31,303,174)</b>     |
| <b>(2) Non-current liabilities</b>                        |          |                          |                          |                         |
| (a) Financial liabilities                                 |          |                          |                          |                         |
| (i) Borrowings  | 14       | 45,246,557               | 34,465,482               | 47,010,110              |
| (b) Provisions  | 15       | -                        | -                        | -                       |
| (c) Deferred tax liabilities (Net)                        |          | -                        | -                        | -                       |
| <b>Total non-current liabilities</b>                      |          | <b>45,246,557</b>        | <b>34,465,482</b>        | <b>47,010,110</b>       |
| <b>(3) Current liabilities</b>                            |          |                          |                          |                         |
| (a) Financial liabilities                                 |          |                          |                          |                         |
| (i) Borrowings  | 17       | -                        | 58,276,397               | 60,212,951              |
| (ii) Trade payables                                       | 18       | 4,253,376                | -                        | 227,300                 |
| (iii) Other financial liabilities                         | 19       | 1,771,038                | 2,383,158                | 897,650                 |
| (b) Other current liabilities                             | 20       | 36,252,964               | 36,252,872               | 1,322,113               |
| (c) Provisions  | 21       | -                        | -                        | -                       |
| (d) Liabilities for current tax (Net)                     | 22       | -                        | -                        | -                       |
| <b>Total current liabilities</b>                          |          | <b>42,277,378</b>        | <b>96,912,427</b>        | <b>62,660,014</b>       |
| <b>TOTAL EQUITY &amp; LIABILITIES</b>                     |          | <b>62,678,209</b>        | <b>104,747,369</b>       | <b>78,366,950</b>       |

The accompanying notes form an integral part of the financial statements

As per our report of even date

For B.M. Modi & Co.

Chartered Accountants

Firm registration number: 0106477W

(B.M. Modi)

Proprietor.

M.No. : 034060

Place : Mehsana

Date : 30/05/2018

For and on behalf of the Board of Director

Ankitbhai J. Patel

(Director)

DIN : 02351167

Nikitaben J. Patel

(Managing Director)

DIN : 03092770

Vipul F. Bhavsar

(CFO)

Place : Ahmedabad

Date : 30/05/2018

**STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018**

Amount in `

| Particulars  | Note No. | For the year ended<br>31st March 2018 | For the year ended<br>31st March 2017 |
|--|----------|---------------------------------------|---------------------------------------|
| <b>I REVENUE</b>   |          |                                       |                                       |
| Revenue from operations  | 23       | 76,328,782                            | 126,537,883                           |
| Other Income   | 24       | 5,805,416                             | 14,672,090                            |
| <b>Total Income (I)</b>  |          | <b>82,134,198</b>                     | <b>141,209,973</b>                    |
| <b>II EXPENSES</b>   |          |                                       |                                       |
| Cost of materials consumed   | 25       | -                                     | -                                     |
| Purchases of Stock-in-Trade  | 26       | 68,509,397                            | 116,602,720                           |
| Changes in inventories of finished goods,<br>Stock-in-Trade and work in progress                         | 27       | -                                     | -                                     |
| Excise duty  | 28       | -                                     | -                                     |
| Employee benefits expense  | 29       | 457,615                               | 410,305                               |
| Finance costs  | 30       | 8,489,046                             | 15,355,388                            |
| Depreciation and amortization expense  | 2        | 637,782                               | 637,781                               |
| Other expenses   | 31       | 1,505,545                             | 2,431,144                             |
| <b>Total Expenses (II)</b>   |          | <b>79,599,385</b>                     | <b>135,437,338</b>                    |
| <b>III Profit before exceptional items and tax (I-II)</b>  |          | <b>2,534,813</b>                      | <b>5,772,635</b>                      |
| <b>IV Exceptional Items</b>  |          | -                                     | -                                     |
| <b>V Profit before tax (III-IV)</b>  |          | <b>2,534,813</b>                      | <b>5,772,635</b>                      |
| <b>VI Tax expense:</b>   |          |                                       |                                       |
| (1) Current tax.   | 16A      | 750,000                               | 1,100,000                             |
| (2) Tax Of Earlier years   |          | -                                     | -                                     |
| (3) Deferred tax   |          | -                                     | -                                     |
| <b>Total tax expenses</b>  |          | <b>750,000</b>                        | <b>1,100,000</b>                      |
| <b>VII Profit for the year</b>   |          | <b>1,784,813</b>                      | <b>4,672,635</b>                      |
| <b>Other Comprehensive Income</b>  |          |                                       |                                       |
| (i) Other Comprehensive Income that will not<br>be reclassified to profit or loss in subsequent periods: |          |                                       |                                       |
| (a) Remeasurements of the defined benefit plans  |          | -                                     | -                                     |
| Income Tax effect  |          | -                                     | -                                     |
| (ii) Other Comprehensive Income that will be reclassified<br>to profit or loss in subsequent periods:    |          |                                       |                                       |
| Income Tax effect  |          | -                                     | -                                     |
| VIII Total Other Comprehensive Income (i+ii)   |          | -                                     | -                                     |
| <b>IX Total Comprehensive Income for the year (VII+VIII)</b>   |          | <b>1,784,813</b>                      | <b>4,672,635</b>                      |
| Earning per share (Face Value of ` 10 each)  |          |                                       |                                       |
| - Basic & Diluted  | 32       | 0.27                                  | 0.72                                  |

**The accompanying notes form an integral part of the financial statements**

As per our report of even date

**For B.M. Modi & Co.**

Chartered Accountants

**Firm registration number: 0106477W**

**(B.M. Modi)**

Proprietor.

M.No. : 034060

Place : Mehsana

Date : 30/05/2018

**For and on behalf of the Board of Director**

**Ankitbhai J. Patel**

(Director)

DIN : 02351167

**Nikitaben J. Patel**

(Managing Director)

DIN : 03092770

**Vipul F. Bhavsar**

(CFO)

Place : Ahmedabad

Date : 30/05/2018



STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31<sup>ST</sup> MARCH, 2018

| Particulars  | (In `)             |                    |
|--|--------------------|--------------------|
|  | 31/03/2018         | 31/03/2017         |
| <b>A CASH FLOW FROM OPERATING ACTIVITIES:</b>                          |                    |                    |
| <b>Net profit before Tax &amp; Extra ordinary items</b>                | <b>25,34,813</b>   | <b>57,72,635</b>   |
| Adjustments for:   |                    |                    |
| Depreciation   | 6,37,782           | 6,37,781           |
| Financial Charges  | 84,89,046          | 1,53,55,388        |
| Profit/ Loss on Sales of Fixed Assets (Net).                           | -1,544,737         | -5,282,377         |
| Dividend Income  | -412,538           | -412,538           |
| Interest Received.   | -3,468,370         | -8,861,735         |
| Duty Drawback Receivable   | 0                  | -105,300           |
| Other Income Received  | -379,771           | -10,140            |
| <b>Operating Profit before working capital changes</b>                 | <b>58,56,225</b>   | <b>70,93,714</b>   |
| Adjustment for :   |                    |                    |
| Trade & other receivables / Sundry Debtors                             | -2,768,530         | -6,173,391         |
| Inventories  | 0                  | 0                  |
| Loans & Advances & Deposits  | 4,37,00,540        | -20,690,931        |
| Current liabilities (Trade Payable)                                    | 36,41,348          | 3,61,88,967        |
| <b>Cash generated from operations</b>                                  | <b>5,04,29,583</b> | <b>1,64,18,359</b> |
| Direct taxes paid  | -831,590           | -1,128,857         |
| <b>Net Cash from operating activities (A)</b>                          | <b>4,95,97,993</b> | <b>1,52,89,502</b> |
| <b>B CASH FLOW FROM INVESTING ACTIVITIES:</b>                          |                    |                    |
| Purchase of Fixed Assets/Capital Work in Progress                      | -                  | -                  |
| Sale of Fixed Assets.. (Less Profit /Loss)                             | 13,67,763          | 63,07,194          |
| Profit on Sales of fixed Assets (Net)                                  | 0                  | 0                  |
| Increase/(Decrease) in Investment                                      | 0                  | 0                  |
| Dividend, Interest & other income                                      | 58,05,416          | 93,89,713          |
| <b>Net Cash used in Investing Activities (B)</b>                       | <b>71,73,179</b>   | <b>1,56,96,907</b> |
| <b>C CASH FLOW FROM FINANCING ACTIVITIES:</b>                          |                    |                    |
| Increase/(Decrease) in cash credit                                     | -                  | -                  |
| Increase/(Decrease) in Industrial O.D.                                 | -58,276,397        | -1,936,554         |
| Increase/(Decrease) in term loan                                       | 0                  | -15,353,938        |
| Receipt/(Repayment) of loans/deposits                                  | 1,07,81,075        | 28,09,310          |
| Inter Corporate Deposits Received /(Placed)                            | 0                  | 0                  |
| Current Year Tax   | -750,000           | -1,100,000         |
| Financial Charges  | -8,489,046         | -15,355,388        |
| <b>Net Cash used in Financing Activities ( C )</b>                     | <b>-56,734,368</b> | <b>-30,936,570</b> |
| <b>Net increase / (Decrease) in Cash &amp; Cash Equivalent (A+B+C)</b> | <b>36,804</b>      | <b>49,839</b>      |
| <b>Opening Cash &amp; Cash Equivalent-Opening Balance</b>              | <b>99,777</b>      | <b>49,939</b>      |
| <b>Closing cash &amp; Cash Equivalent-Closing Balance</b>              | <b>1,36,582</b>    | <b>99,777</b>      |

**Notes on Cash Flow Statement for the year ended 31st March 2018;**

- The Cash Flow Statement is prepared in accordance with the format prescribed in Accounting Standard-3 issued by the Institute of Chartered Accountants of India.
- In part A of the Cash Flow Statement, figures in brackets indicate deductions made from Net Profit for deriving cash flow from operating activities. In Parts (B) and (C), figures in brackets indicate cash outflows.
- Figures of the previous year have been regrouped wherever necessary, to conform to current year's presentation

As per our report of even date

**For B.M. Modi & Co.**

Chartered Accountants

Firm registration number: 0106477W

**(B.M. Modi)**

Proprietor.

M.No. : 034060

Place : Mehsana

Date : 30/05/2018

**For and on behalf of the Board of Director**

**Ankitbhai J. Patel**

(Director)

DIN : 02351167

**Nikitaben J. Patel**

(Managing Director)

DIN : 03092770

**Vipul F. Bhavsar**

(CFO)

Place : Ahmedabad

Date : 30/05/2018

## STATEMENT OF CHANGES IN EQUITY FOR THE YEAR ENDED 31ST MARCH 2018

(In `)

| Particulars                            | Attributable to the equity holders of the company |  |                  |                            |                     | Total               |
|--|---|--|------------------|----------------------------|---------------------|---------------------|
|  | Reserves & Surplus                                |  |                  |                            |                     |                     |
|  | Equity share capital                              | Retained Earnings<br>Net Surplus in Statement of Profit & Loss | General Reserve  | Securities premium Account | Revaluation reserve |                     |
| <b>As at April 1, 2016</b>             | <b>65,118,000</b>                                 | <b>(105,517,701)</b>   | <b>9,096,527</b> | -                          | -                   | <b>(31,303,174)</b> |
| Add: Profit for the year               | -   | 4,672,635  | -                | -                          | -                   | 4,672,635           |
| Add [Less]: Other Comprehensive income |   | -  |                  |                            | -                   | -                   |
| <b>Total Comprehensive Income</b>      | -   |  |                  |                            |                     | -                   |
| <b>As at March 31, 2017</b>            | <b>65,118,000</b>                                 | <b>(100,845,066)</b>   | <b>9,096,527</b> | -                          | -                   | <b>(26,630,539)</b> |
| Add: Profit for the year               | -   | 1,784,813  | -                | -                          | -                   | 1,784,813           |
| Add [Less]: Other Comprehensive income |   | -  |                  |                            |                     | -                   |
| <b>Total Comprehensive Income</b>      |   |  |                  |                            |                     |                     |
| <b>As at March 31, 2018</b>            | <b>65,118,000</b>                                 | <b>(99,060,253)</b>  | <b>9,096,527</b> | -                          | -                   | <b>(24,845,726)</b> |

The accompanying notes form an integral part of the financial statements

As per our report of even date

**For B.M. Modi & Co.**

Chartered Accountants

Firm registration number: 0106477W

**(B.M. Modi)**

Proprietor.

M.No. : 034060

Place : Mehsana

Date : 30/05/2018

For and on behalf of the Board of Director

**Ankitbhai J. Patel**

(Director)

DIN : 02351167

**Nikitaben J. Patel**

(Managing Director)

DIN : 03092770

**Vipul F. Bhavsar**

(CFO)

Place : Ahmedabad

Date : 30/05/2018



NOTES TO ACCOUNTS

1. Corporate Information

Promact Plastics Limited, a listed company at Bombay Stock Exchange Ltd. The company is engaged in manufacturing of HDPE / PP Woven Bags, Fabrics and Tarpauline at Dediyaan G.I.D.C. Mehsana, Gujarat, India since more than Thirty Three years, but at present discontinue the same.

A. SINGIFICANT ACCOUNTING POLICIES:

(a) ACCOUNTING CONCEPT

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under Section 133 of the Companies Act, 2013, read together with paragraph 7 of the Companies (Accounts) Rules, 2014. The financial statements have been prepared on accrual basis and under the historical cost convention.

The accounting policies adopted in the preparation of financial statements are consistent with those of previous year.

(b) USE OF ESTIMATES

The preparation of financial statements in conformity with Accounting Standards requires, the management to make judgments, estimates and assumptions that affects the reported amounts, at the end of the reporting period. Although these estimated are based on the management's best knowledge of current events and actions, uncertainty about the assumptions and estimates could result in the outcome requiring a material adjustments to the carrying amounts of assets or liabilities in future periods.

(c) REVENUE RECOGNITION

(a) The company has discontinue the running business of HDPE/PP Woven Bags, Fabrics and tarpaulin at present. But made a trading in agriculture commodities, minerals and Rent income shown as business income.

(b) Other Income in form of interest is recognized on accrual basis.

(d) PROPERTY, PLANT AND EQUIPMENT

1. Tangible Fixed assets are shown at their historical cost less depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing cost relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use, if any.

2. Intangible Assets: No intangible asset is accounted in books of accounts as intangible assets.

3. Depreciation has been provided on the basis of useful life of assets as per Schedule II of companies Act 2013, the assets used for the business purpose but no depreciation is provided on the assets not used in the year under consideration because of closedown of manufacturing activities.

(e) IMPAIRMENT OF ASSETS

Whenever events indicates that assets may be impaired, the assets are subject to a test of recoverability based on estimates of future cash flows arising from continuing use of assets and from its ultimate disposal. A provision for impairment loss is recognized where it is probable that the carrying value of an asset exceeds the amount to be recovered through use or sales of the asset.

(f) INVENTORIES

As running business is discontinue, the old closing stock of Raw Materials, Stores & Spares and Packing Materials are valued at Cost or net realizable value whichever is lower. Cost of inventories comprises of cost of purchase and others cost incurred in bringing them to their respective present location and condition. Cost is determined on a first in first out basis, if any but no stock at the year end.

Finished Goods and work in progress are valued at Cost or Market Value whichever is lower. Cost of Finished Goods and work in progress include direct materials plus labour and manufacturing overheads, if any but no stock at the year end.

**(g) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS**

Provisions are recognized in respect of obligations which are based on the evidence available, their existence at the balance sheet date is considered not probable.

Contingent liabilities are shown by way of Notes to the Accounts in respect of obligations where, based on the evidence available, their existence at the Balance Sheet date is considered not probable.

Any contingent asset is not recognized in the Accounts.

**(h) RETIREMENT BENEFITS**

1. Short Term Employee Benefits: The undiscounted amount of short term employee benefits expected to be paid in exchange for the service rendered by employee is recognized during the period when the employee render the service.
2. Post Employee Benefits: Contribution to defined contribution scheme such as provident fund etc is charged to P & L Account as incurred.

**(i) INCOME TAX**

Income taxes comprises of current and deferred Tax. Current taxes are measured at the amount expected to be paid to the income tax authorities in accordance with the Income Tax Act, 1961. Deferred income tax reflects the impact of current year timing differences between taxable income and accounting income for the year and reversal of timing differences of earlier years. Deferred tax is measured based on the tax rates and the tax laws enacted or substantially enacted at the balance sheet date. Deferred tax assets are recognized only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized. But current year deferred tax assets (net) has not provided in books because of uncertainty.

**(j) INVESTMENTS.**

Long-term investments are valued at cost.

**(k) RESEARCH AND DEVELOPMENT.**

No such expenditure incurred during the year.

**(l) FOREIGN CURRENCY TRANSACTIONS.**

Foreign currency transactions are recorded in reporting currency at the date of transaction and exchange difference arise from initial transaction on settlement recorded as income or expenses in the year in which arise and have no foreign currency contract and also not have transaction on capital account if any.

**(m) CONTINGENT LIABILITIES AND PROVISION.**

Contingent Liabilities are not provided for in the accounts and are disclosed separately in Notes to Accounts if any.

**(n) BORROWING COST.**

No such cost has been made during the year.

**(o) CSR PLOLCY.**

The provision of section 135 of companies Act, 2013, the corporate Social Responsibility is not applicable.

**(p) OTHER ACCOUNTING POLICIES.**

Accounting policies not specifically referred to, are consistent with the generally Accepted accounting principal.



# PROMACT PLASTICS LIMITED

## Property, Plant and Equipment (Refer Note No 02)

(in `)

Capital Work-  
in-progress

| Gross Carrying Amount            | Lease hold Land | Building | Plant Machinery | Electrica Installation | Air Conditioner | Computer | Equipment | Staff Quarter | Furniture & Fixture | Mobile | Total    | Others | Total CWP |
|----------------------------------|-----------------|----------|-----------------|------------------------|-----------------|----------|-----------|---------------|---------------------|--------|----------|--------|-----------|
| Cost as at 1st April, 2016       | 1446568         | 19269104 | 57936134        | 3421175                | 354185          | 132590   | 237633    | 804818        | 156352              | 22475  | 83781034 | 0      | 0         |
| Additions                        | 0               | 0        | 0               | 0                      |                 |          |           |               |                     |        | 0        | 0      | 0         |
| Disposals                        | 0               | 0        | 27833776        |                        |                 |          |           |               |                     |        | 27833776 | 0      | 0         |
| At 31st March, 2017              | 1446568         | 19269104 | 30102358        | 3421175                | 354185          | 132590   | 237633    | 804818        | 156352              | 22475  | 55947258 | 0      | 0         |
| Additions                        | 0               | 0        | 0               | 0                      | 0               | 0        | 0         | 0             | 0                   | 0      | 0        | 0      | 0         |
| Disposals                        | 0               | 0        | 444785          | 3421175                | 0               | 0        | 0         | 0             | 0                   | 22475  | 3888435  | 0      | 0         |
| Discard                          | 0               | 0        | 0               | 0                      | 0               | 0        | 0         | 0             | 0                   | 0      | 0        | 0      | 0         |
| At 31st March, 2018              | 1446568         | 19269104 | 29657573        | 0                      | 354185          | 132590   | 237633    | 804818        | 156352              | 0      | 52058823 | 0      | 0         |
| <b>Depreciation</b>              |                 |          |                 |                        |                 |          |           |               |                     |        |          |        |           |
| At 1st April, 2016               | 0               | 10875417 | 41921656        | 2445728                | 336476          | 132590   | 161294    | 249031        | 78954               | 21351  | 56222497 | 0      | 0         |
| Depreciation charge for the year | 0               | 607374   | 0               | 0                      | 0               | 0        | 0         | 30407         | 0                   | 0      | 637781   | 0      | 0         |
| Disposals                        | 0               | 0        | 26808959        | 0                      | 0               | 0        | 0         | 0             | 0                   | 0      | 26808959 | 0      | 0         |
| At 31 Mar 2017                   | 0               | 11482791 | 15112697        | 2445728                | 336476          | 132590   | 161294    | 279438        | 78954               | 21351  | 30051319 | 0      | 0         |
| Depreciation charge for the year | 0               | 607381   | 0               | 0                      | 0               | 0        | 0         | 30401         | 0                   | 0      | 637782   | 0      | 0         |
| Disposals                        | 0               | 0        | 53593           | 2445728                | 0               | 0        | 0         | 0             | 0                   | 21351  | 2520672  | 0      | 0         |
| Discard                          | 0               | 0        | 0               | 0                      | 0               | 0        | 0         | 0             | 0                   | 0      | 0        | 0      | 0         |
| At 31 Mar 2018                   | 0               | 12090172 | 15059104        | 0                      | 336476          | 132590   | 161294    | 309839        | 78954               | 0      | 28168429 | 0      | 0         |
| <b>Net carrying value</b>        |                 |          |                 |                        |                 |          |           |               |                     |        |          |        |           |
| At 31st March, 2018              | 1446568         | 7178932  | 14598469        | 0                      | 17709           | 0        | 76339     | 494979        | 77398               | 0      | 23890396 | 0      | 0         |
| At 31st March, 2017              | 1446568         | 7786313  | 14989661        | 975447                 | 17709           | 0        | 76339     | 525380        | 77398               | 1124   | 25895939 | 0      | 0         |
| At 1st April, 2016               | 1446568         | 8393687  | 16014478        | 975447                 | 17709           | 0        | 76339     | 555787        | 77398               | 1124   | 27558537 | 0      | 0         |

## NOTES TO THE FINANCIAL STATEMENTS

| Particulars  | 31st March,<br>2018 | 31st March,<br>2017 | 1st April<br>2016 |
|--|---------------------|---------------------|-------------------|
| <b>3 Non-current Investments</b>   |                     |                     |                   |
| <b>(I) Investment in equity instruments (Unquoted)</b>   |                     |                     |                   |
| The Mehsana Urban Co-Op. Bank Ltd.<br>1,10,020 (PY : 1,10,020) Share of ₹ 25/- each  | 2,750,500           | 2,750,500           | 2,750,500         |
| <b>Sub Total ( I )</b>   | <b>2,750,500</b>    | <b>2,750,500</b>    | <b>2,750,500</b>  |
| AGGREGATE AMOUNT OF QUOTED INVESTMENTS   | -                   | -                   | -                 |
| AGGREGATE AMOUNT OF UNQUOTED INVESTMENTS (in ₹)  | 2,750,500           | 2,750,500           | 2,750,500         |
| FAIR VALUE OF QUOTED INVESTMENTS (in ₹)  | -                   | -                   | -                 |
| AGGREGATE AMOUNT OF IMPAIRMENT IN<br>VALUE OF INVESTMENTS (in ₹)   | -                   | -                   | -                 |
| <b>4 Other Non-current Financial Assets</b>  |                     |                     |                   |
| Security deposits  | 1,092,850           | 1,092,850           | 1,092,850         |
| Margin Money Fixed Deposits with original maturity<br>of more than 12 months   | -                   | -                   | -                 |
|  | <b>1,092,850</b>    | <b>1,092,850</b>    | <b>1,092,850</b>  |
| <b>5 Other Non-current Assets</b>  |                     |                     |                   |
| Capital Advances   | -                   | -                   | -                 |
|  | -                   | -                   | -                 |
| <b>6 Inventories (valued at lower of cost and net realizable value)</b><br>(Refer Note No 1.13)  |                     |                     |                   |
| Raw materials  | -                   | -                   | -                 |
| Work-in-progress   | -                   | -                   | -                 |
| Finished goods   | -                   | -                   | -                 |
| Waste  | -                   | -                   | -                 |
| Stores & spares, Fuel  | -                   | -                   | -                 |
|  | -                   | -                   | -                 |
| <b>7 Trade receivables</b>   |                     |                     |                   |
| Trade receivables  |                     |                     |                   |
| Secured - Considered Good  |                     |                     |                   |
| Unsecured - Considered Good  | 12,557,172          | 9,788,642           | 3,615,251         |
| Considered Doubtful  | -                   | -                   | -                 |
| Less : Allowance for Doubtful trade receivables  | -                   | -                   | -                 |
|  | <b>12,557,172</b>   | <b>9,788,642</b>    | <b>3,615,251</b>  |
| No trade or other receivables are due from director or other officers of the company either severally or jointly with any other person. Nor any trade receivables are due from firms or private companies respectively in which any director is a partner, a director or a member. |                     |                     |                   |
| <b>Reconciliation of allowances for doubtful debts</b>   |                     |                     |                   |
| Balance at the beginning of the year   | -                   | -                   | -                 |
| Add: Allowance for the year  | -                   | -                   | -                 |
| (Less): Actual Write off during the year (net of recovery)   | -                   | -                   | -                 |
| <b>Balance at the end of the year</b>  | <b>-</b>            | <b>-</b>            | <b>-</b>          |
| <b>8 Cash and Cash Equivalents</b>   |                     |                     |                   |
| Cash on hand   | 105,227             | 68,817              | 32,269            |
| Balances with banks  |                     |                     |                   |
| (i) On current accounts  | 31,355              | 30,960              | 17,670            |
| (ii) Margin Money Fixed Deposits with original<br>maturity of less than 3 months   | -                   | -                   | -                 |
| <b>Total</b>   | <b>136,582</b>      | <b>99,777</b>       | <b>49,939</b>     |



# PROMACT PLASTICS LIMITED

| Particulars   | 31st March,<br>2018           | 31st March,<br>2017      | 1st April<br>2016             |                   |                       |                   |
|---|-------------------------------|--------------------------|-------------------------------|-------------------|-----------------------|-------------------|
| <b>9 Balances with banks other than Cash and Cash Equivalents</b>   |                               |                          |                               |                   |                       |                   |
| (i) On unpaid dividend account  |                               |                          |                               |                   |                       |                   |
| (ii) Margin Money Fixed Deposits with original of maturity more than 3 months but less than 12 months   |                               |                          |                               |                   |                       |                   |
| <b>Total</b>  | <u>-</u>                      | <u>-</u>                 | <u>-</u>                      |                   |                       |                   |
| Cash at banks earns interest at floating rates based on daily bank deposit rates. Short term deposit rates are made for varying periods of between one day to three months, depending on the immediate cash requirements of the company and earn interest at the respective short term deposit rates. |                               |                          |                               |                   |                       |                   |
| <b>10 Other Current Financial Assets (Unsecured, considered good unless otherwise stated)</b>   |                               |                          |                               |                   |                       |                   |
| Security deposits   | 323,931                       | 323,931                  | 323,931                       |                   |                       |                   |
| Balances with Government Authorities  | 4,142,721                     | 4,043,840                | 3,659,008                     |                   |                       |                   |
| Export Incentive Receivable   | -                             | -                        | -                             |                   |                       |                   |
| Subsidy Receivable  | -                             | -                        | -                             |                   |                       |                   |
| Loans to Employees  | 92,300                        | 59,300                   | 57,300                        |                   |                       |                   |
| Interest accrued on Fixed Deposits  | -                             | -                        | -                             |                   |                       |                   |
| Other assets (includes other receivables, etc.)   | 4,256,570                     | 47,256,220               | 25,823,283                    |                   |                       |                   |
| <b>Total</b>  | <u><b>8,815,522</b></u>       | <u><b>51,683,293</b></u> | <u><b>29,863,522</b></u>      |                   |                       |                   |
| <b>11 Other Current Assets</b>  |                               |                          |                               |                   |                       |                   |
| Deferred borrowing cost   | -                             | -                        | -                             |                   |                       |                   |
| Prepaid expenses  | -                             | 1,181                    | 1,163                         |                   |                       |                   |
|   | <u>-</u>                      | <u><b>1,181</b></u>      | <u><b>1,163</b></u>           |                   |                       |                   |
| <b>12 Equity Share Capital</b>  |                               |                          |                               |                   |                       |                   |
| <b>Authorised</b>   |                               |                          |                               |                   |                       |                   |
| 70,00,000 (31 <sup>st</sup> March, 2017: 70,00,000)   |                               |                          |                               |                   |                       |                   |
| Equity Shares of ₹ 10/- each  | 70,000,000                    | 70,000,000               | 70,000,000                    |                   |                       |                   |
| <b>Issued, Subscribed and Fully Paid-up Equity Shares</b>   |                               |                          |                               |                   |                       |                   |
| 65,11,800 (31 <sup>st</sup> March, 2017 - 65,11,800)  |                               |                          |                               |                   |                       |                   |
| Equity Shares of ₹ 10/- each  | 65,118,000                    | 65,118,000               | 65,118,000                    |                   |                       |                   |
| <b>Total Issued, Subscribed and Fully Paid-up Equity Share Capital</b>  | <u><b>65,118,000</b></u>      | <u><b>65,118,000</b></u> | <u><b>65,118,000</b></u>      |                   |                       |                   |
| <b>a. Reconciliation of the Shares Outstanding at the beginning and at the end of the Reporting Period</b>  |                               |                          |                               |                   |                       |                   |
| <b>Equity Shares</b>  | <b>As at 31st March, 2018</b> |                          | <b>As at 31st March, 2017</b> |                   | <b>1st April 2016</b> |                   |
|   | <b>No. of shares</b>          | <b>Amount (₹)</b>        | <b>No. of shares</b>          | <b>Amount (₹)</b> | <b>No. of shares</b>  | <b>Amount (₹)</b> |
| Outstanding at the beginning of the period  | 6,511,800                     | 65,118,000               | 6,511,800                     | 65,118,000        | 6,511,800             | 65,118,000        |
| Add: Issued shares during the year  | -                             | -                        | -                             | -                 | -                     | -                 |
| Outstanding at the end of the period  | 6,511,800                     | 65,118,000               | 6,511,800                     | 65,118,000        | 6,511,800             | 65,118,000        |
| <b>b. Terms/rights attached to Equity Shares</b>  |                               |                          |                               |                   |                       |                   |
| The company has only one class of equity shares having a par value of ₹ 10 per share. Each holder of equity shares is entitled to one vote per share.   |                               |                          |                               |                   |                       |                   |
| In the event of liquidation of the company, the holders of equity shares will be entitled to receive remaining assets of the company, after distribution of all preferential amounts. The distribution will be in proportion to the number of equity shares held by the shareholders.                 |                               |                          |                               |                   |                       |                   |

## c. Details of shareholders holding more than 5% shares in the Company.

| Equity Shares<br>of ` 10 each<br>fully paid | As at 31st March, 2018 |                           | As at 31st March, 2017 |                           | 1st April 2016   |                           |
|---|------------------------|---------------------------|------------------------|---------------------------|------------------|---------------------------|
|   | No. of<br>shares       | % holding<br>in the class | No. of<br>shares       | % holding<br>in the class | No. of<br>shares | % holding<br>in the class |
| <b>Name of the Shareholder</b>              |                        |                           |                        |                           |                  |                           |
| Jayantilal S. Patel                         | 329,480                | 5.06%                     | 329,480                | 5.06%                     | 329,480          | 5.06%                     |

As per records of the Company, including its register of shareholders/members and other declarations received from shareholders regarding beneficial interest, the above shareholding represents legal ownerships of shares

| Particulars   | 31st March,<br>2018 | 31st March,<br>2017  | 1st April<br>2016    |
|---|---------------------|----------------------|----------------------|
| <b>13 Other Equity</b>  |                     |                      |                      |
| <b>General Reserve</b>  |                     |                      |                      |
| Balance as per the last financial statements                          | 9,096,527           | 9,096,527            | 9,096,527            |
| Add: Amount transferred from surplus balance in the statement of P&L  | -                   | -                    | -                    |
|   | <b>9,096,527</b>    | <b>9,096,527</b>     | <b>9,096,527</b>     |
| <b>Securities Premium Account</b>                                     |                     |                      |                      |
| Balance as per the last financial statements                          | -                   | -                    | -                    |
| <b>Other Comprehensive Income</b>                                     |                     |                      |                      |
| Balance as per last financial statements                              |                     |                      |                      |
| Revaluation of Land.  | -                   | -                    | -                    |
| Remeasurement of Employee Benefit                                     |                     |                      |                      |
| Add/(Less) OCI for the year   |                     |                      |                      |
| <b>Closing Balance</b>  | -                   | -                    | -                    |
| <b>Surplus in the Statement of Profit &amp; Loss</b>                  |                     |                      |                      |
| Balance as per last financial statements                              | (100,845,066)       | (105,517,701)        | (100,733,748)        |
| Profit for the year   | 1,784,813           | 4,672,635            | (4,783,953)          |
| IND AS Adjustments  | -                   | -                    | -                    |
| OCI for the year  |                     |                      |                      |
| <b>Closing Balance</b>  | <b>(99,060,253)</b> | <b>(100,845,066)</b> | <b>(105,517,701)</b> |
| <b>Total Other Equity</b>   | <b>(89,963,726)</b> | <b>(91,748,539)</b>  | <b>(96,421,174)</b>  |
| <b>14 Non-current Borrowings</b>                                      |                     |                      |                      |
| <b>Term Loan</b>  |                     |                      |                      |
| <b>From Bank - Secured</b>  | -                   | -                    | 15,353,938           |
| <b>Other Loans</b>  |                     |                      |                      |
| Loans from directors (unsecured)                                      | 45,246,557          | 34,465,482           | 31,656,172           |
| Inter Corporate Loans (unsecured)                                     | -                   | -                    | -                    |
|   | <b>45,246,557</b>   | <b>34,465,482</b>    | <b>47,010,110</b>    |
| <b>The above amount includes</b>                                      |                     |                      |                      |
| Amount disclosed under the head "Other Current Financial Liabilities" |                     |                      |                      |
|   | <b>45,246,557</b>   | <b>34,465,482</b>    | <b>47,010,110</b>    |
| <b>15 Non-current Provisions</b>                                      |                     |                      |                      |
| (a) <b>Provision for Employee Benefits</b>                            |                     |                      |                      |
| Compensated Absences  | -                   | -                    | -                    |
| Gratuity  | -                   | -                    | -                    |
| <b>Total</b>  | <b>-</b>            | <b>-</b>             | <b>-</b>             |



# PROMACT PLASTICS LIMITED

| Particulars   | 31st March,<br>2018 | 31st March,<br>2017 | 1st April<br>2016 |
|---|---------------------|---------------------|-------------------|
| <b>16 Income tax</b>  |                     |                     |                   |
| <b>A. Income tax recognised in Statement of Profit or Loss:</b>   |                     |                     |                   |
| <b>Current Tax:</b>   |                     |                     |                   |
| Current tax   | 750,000             | 1,100,000           | -                 |
| Tax in respect of earlier year  | -                   | -                   | -                 |
| <b>Total Current Tax</b>  | <b>750,000</b>      | <b>1,100,000</b>    | -                 |
| <b>Deferred Tax:</b>  |                     |                     |                   |
| Deferred tax  | -                   | -                   | -                 |
| MAT credit entitlement  | -                   | -                   | -                 |
| <b>Total deferred tax</b>   | <b>-</b>            | <b>-</b>            | <b>-</b>          |
| <b>Total tax expense/(benefit)</b>  | <b>750,000</b>      | <b>1,100,000</b>    | -                 |
| <b>Effective income tax rate</b>  | <b>29.59%</b>       | <b>19.06%</b>       | -                 |
| <b>B. A reconciliation of income tax expense applicable to accounting profit/ (loss) before tax at the statutory income tax rate to recognised income tax expense for the year indicated are as follows:</b>  |                     |                     |                   |
| Profit/ (loss) before tax   | -                   | -                   | -                 |
| Enacted tax rate in India (Normal rate)   | 0.00%               | 0.00%               | 0.00%             |
| <b>Expected income tax expense/ (benefit) at statutory tax rate</b>   | <b>-</b>            | <b>-</b>            | <b>-</b>          |
| Expenses disallowed for tax purposes  | -                   | -                   | -                 |
| Income exempt from tax  | -                   | -                   | -                 |
| Tax pertaining to prior years   | -                   | -                   | -                 |
| Other adjustments   | -                   | -                   | -                 |
| <b>Tax expense for the year</b>   | <b>-</b>            | <b>-</b>            | <b>-</b>          |
| <b>17 Current Borrowings</b>  |                     |                     |                   |
| <b>From Bank - Secured</b>  |                     |                     |                   |
| Cash credit from The Mehsana Urban Co-Op, Bank Ltd. A/c. No. 13/10/51.  | -                   | 58,276,397          | 60,212,951        |
| Loan Against Fixed Assets .   | -                   | -                   | -                 |
| <b>Unsecured</b>  |                     |                     |                   |
| Inter Corporate Loans   | -                   | -                   | -                 |
|   | <b>-</b>            | <b>58,276,397</b>   | <b>60,212,951</b> |
| Cash Credit Loan are secured by way of mortgagate of Factory Land and Building and Equitable mortgage for lease hold land & factory building situted at Plot No. 392 to 403, G.I.D.C. Phase -II, Dediyanan, Mehsana -384002. Gujarat. The cash credit is repayable on demand. (Also guarenteed by two Dirctor of the company) |                     |                     |                   |
| <b>18 Trade and other payables</b>  |                     |                     |                   |
| Trade payables  | 4,253,376           | -                   | 227,300           |
| Micro, Small & Medium Enterprises   | -                   | -                   | -                 |
|   | <b>4,253,376</b>    | <b>-</b>            | <b>227,300</b>    |
| <b>19 Other Financial Liabilities (Current)</b>   |                     |                     |                   |
| Current maturities of long-term borrowings (Secured) (Refer Note No. 16)  | -                   | -                   | -                 |
| Statutory Liabilities   | 1,771,038           | 2,383,158           | 897,650           |
| Interest accrued  | -                   | -                   | -                 |
| MTM liabilities on Derivaties   | -                   | -                   | -                 |
| Other Liability   | -                   | -                   | -                 |
| <b>Total other financial liabilities</b>  | <b>1,771,038</b>    | <b>2,383,158</b>    | <b>897,650</b>    |





|           |   |                  |                   |
|-----------|---|------------------|-------------------|
| <b>27</b> | <b>Changes in inventories of finished goods,<br/>Stock-in -Trade and work-in- progress<br/>Inventories at the Closing of the year</b> |                  |                   |
|           | Work-in-Progress  | -                | -                 |
|           | Finished Goods  | -                | -                 |
|           | Waste   | -                | -                 |
|           | <b>Sub Total (i)</b>  | -                | -                 |
|           | <b>Inventories at the Beginning of the year</b>   |                  |                   |
|           | Work-in-Progress  | -                | -                 |
|           | Finished Goods  | -                | -                 |
|           | Waste   | -                | -                 |
|           | <b>Sub Total (ii)</b>   | -                | -                 |
|           | <b>Sub Total (ii-i)</b>   | -                | -                 |
| <b>28</b> | <b>Excise duty on sale of goods</b>   |                  |                   |
|           | Excise duty   | -                | -                 |
|           |   | -                | -                 |
| <b>29</b> | <b>Employee Benefit Expenses</b>  |                  |                   |
|           | Salaries, wages and bonus   | 457,615          | 410,305           |
|           | Contribution to provident fund  | -                | -                 |
|           | Gratuity expense (refer note 45)  | -                | -                 |
|           | Staff welfare expenses  | -                | -                 |
|           |   | <b>457,615</b>   | <b>410,305</b>    |
| <b>30</b> | <b>Finance costs</b>  |                  |                   |
|           | <b>a. Interest Expenses</b>   |                  |                   |
|           | Working capital loan (Term Loan)  | -                | 1,280,752         |
|           | Working capital loan (Cash Credit)  | 3,491,262        | 8,046,285         |
|           | L.C.Interest Payment.   | -                | 1,695,287         |
|           | Bank Interest(Bill Collection)  | -                | 495,183           |
|           | Interest on other borrowing.  | 4,991,821        | 3,373,240         |
|           | <b>b. Other Borrowing costs</b>   |                  |                   |
|           | L.C. Issue Commission Charges   | -                | 431,403           |
|           | Bank & other charges  | 5,963            | 33,238            |
|           |   | <b>8,489,046</b> | <b>15,355,388</b> |

# ANNUAL REPORT 2017-2018

For the year ended  
31st March, 2018    31st March, 2017

| 31 Other Expenses                      |                  |                  |
|--|------------------|------------------|
| Advertisement Expenses                 | 19,710           | 22,680           |
| Audit Fees                             | 50,000           | 60,000           |
| Statutory Audit Fee.                   | 50,000           | -                |
| Building Repairing                     | 15,210           | 49,900           |
| Certificate Fees                       | -                | 10,000           |
| Consultant Expenses.                   | 193,200          | 225,750          |
| G.I.D.C. Services Charges.             | 148,631          | 742,754          |
| Diesel /Petrol Exp.                    | 12,200           | -                |
| Donation                               | 11,000           | -                |
| Electrical Expenses (Electricity Bill) | 89,686           | 83,226           |
| Export Expenses                        | -                | 24,884           |
| Filing expenses                        | 21,414           | 43,500           |
| G.I.D.C. Association Services Charges. | 21,180           | 17,650           |
| Insurance                              | 6,443            | 94,522           |
| Kasar/Vatav.                           | 9,496            | 28,150           |
| Legal and Consultancy charges          | 102,381          | 118,340          |
| Listing Fees                           | 250,000          | 200,000          |
| Office Expnses.                        | 21,980           | 17,710           |
| Postage expenses                       | 490              | 25,430           |
| Professional Tax                       | 2,400            | 2,400            |
| Security Expenses.                     | 113,151          | 117,264          |
| Stamp Expenses                         | -                | 700              |
| Sales Tax.                             | -                | 15,745           |
| Stationery And Printing                | 25,632           | 23,088           |
| Tea & Water Expenses.                  | 15,500           | 22,100           |
| Telephone Expenses                     | 14,670           | 30,310           |
| Travelling Expenses                    | 291,970          | 439,041          |
| Water Charges                          | 19,200           | 16,000           |
|  | <b>1,505,545</b> | <b>2,431,144</b> |

### 32 Earnings per Share (EPS) as per Indian Accounting Standard 33:

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the parent by the weighted average number of Equity shares outstanding during the year. Diluted EPS amounts are calculated by dividing the profit attributable to equity holders of the parent (after adjusting for interest on the convertible preference shares) by the weighted average number of Equity shares outstanding during the year plus the weighted average number of Equity shares that would be issued on conversion of all the dilutive potential Equity shares into Equity shares.

The following reflects the income and share data used in the basic and diluted EPS computations:

| Particulars   | For the year ended |                  |
|---|--------------------|------------------|
|   | 31st March, 2018   | 31st March, 2017 |
| Net Profit as per Statement of Profit & Loss              | 1,784,813          | 4,672,635        |
| No. of weighted average outstanding Equity Shares         | 6,511,800          | 6,511,800        |
| Earning per Equity Share of ` 10/- each (Basic & Diluted) | 0.27               | 0.72             |

### 33. CONTINGENT LIABILITIES

|  | 2017-18 ( ` ) | 2016-17 ( ` ) |
|--|---------------|---------------|
| Contingent Liability (Bank Guarantee ) | NIL           | NIL           |

34. During the year the company has incurred cash profit of ` 31.73 Lacs and at the end of the year negative net worth of the company is ` 248.46 Lacs and the accounts are prepared on Going Concern basis. As per the information and explanations given to us, the company is taking positive steps to move further for survival and development.



**35. MICRO AND SMALL SCALE BUSINESS ENTERPRISES**

The management has initiated the process of identifying enterprises which have been providing goods and services to the company and which qualify under the definition of micro and small enterprises, as defined under Micro, Small and Medium Enterprise Development Act, 2006. Accordingly, the disclosure requirement here under is not furnished.

36. Balance conformations in respect of debtors, creditors and loan & Advance granted / taken are subject to confirmation and reconciliation.

**37. SEGMENT REPORTING POLICIES**

**Business Segment**

The company has discontinued the running business, but earned income from trading, interest income from advance given as such segment reporting policy not considered in the year under consideration.

38. As per Information and explanation given to us the company has set off the deferred tax liability against the deferred tax assets and net result of deferred tax assets have not been recognized since there is no reasonable certainty that sufficient future taxable income will be available against which such deferred tax asset can be realized and as such not accounted in Books of Accounts.

|   | <u>As at<br/>31-03-2018 ( ` )</u> | <u>As at<br/>31-03-2017 ( ` )</u> |
|---|-----------------------------------|-----------------------------------|
| <b>Deferred Tax Liability</b>   |                                   |                                   |
| Related to Fixed Assets   | (2,24,43,828)                     | (2,44,49,371)                     |
| <b>Deferred Tax Assets</b>  |                                   |                                   |
| Carried Forward Loss allowable for tax purposes in the following years                            | 6,29,14,336                       | 6,34,99,518                       |
| Disallowance under the Income Tax Act 1961  | 4,04,70,508                       | 3,90,50,147                       |
| Net Deferred Tax Assets (Liability)   | <u>1,25,05,387</u>                | <u>1,20,66,495</u>                |
|   | <u>2017-18 ( ` )</u>              | <u>2016-17 ( ` )</u>              |
| <b>39. MANAGERIAL REMUNERATION</b>  |                                   |                                   |
| Paid to Director  | <u>0.00</u>                       | <u>1,16,538</u>                   |
| Total   | <u>0.00</u>                       | <u>1,16,538</u>                   |
| <b>40. AUDITORS' REMUNERATION</b>   |                                   |                                   |
| For Auditor Remuneration  | <u>50,000</u>                     | <u>70,000</u>                     |
| TOTAL   | <u>50,000</u>                     | <u>70,000</u>                     |
| <b>41. SEGMENT REPORTING</b>  |                                   |                                   |
| Geographical Segment is identified as the secondary segment and details are given below:          |                                   |                                   |
| Domestic Sales & Services (Net)   | 7,63,28,782                       | 42,80,800                         |
| Export Sales  | 0.00                              | 12,22,57,083                      |
| <b>Total</b>  | <u>7,63,28,782</u>                | <u>12,65,37,883</u>               |
| <b>42. DONATION TO POLITICAL PARTIES</b>  |                                   |                                   |
| TOTAL   | <u>Nil</u>                        | <u>Nil</u>                        |
|   | <u>Nil</u>                        | <u>Nil</u>                        |
| <b>43. EARNING PER SHARE</b>  |                                   |                                   |
| Profit attributable to the Equity Shareholders  | 17,84,813                         | 46,72,635                         |
| Weighted average number of Equity shares of ` 10/- each fully paid up outstanding during the year | 65,11,800                         | 65,11,800                         |
| Basic / Diluted earning per share of ` 10/- each fully paid up                                    | 0.27                              | 0.72                              |

**44. CONSUMPTION OF IMPORTED AND INDIGENOUS RAW MATERIALS**

| Particulars | 2017 – 18  |     | 2016 – 17  |     |
|-------------|------------|-----|------------|-----|
|             | Amount (₹) | %   | Amount (₹) | %   |
| Indigenous  | Nil        | Nil | Nil        | Nil |
| Imported    | Nil        | Nil | Nil        | Nil |

**45. CONSUMPTION OF IMPORTED & INDIGENOUS STORES & SPARES**

| Particulars | 2017 – 18 |     | 2016 – 17 |     |
|-------------|-----------|-----|-----------|-----|
|             | (₹)       | %   | (₹)       | %   |
| Indigenous  | Nil       | Nil | Nil       | Nil |
| Imported    | Nil       | Nil | Nil       | Nil |

**46. EARNINGS / EXPENDITURE IN FOREIGN CURRENCY**

|                                 | 2017-18 (₹) | 2016-17 (₹) |
|---------------------------------|-------------|-------------|
| FOB Value of Exports            | Nil         | Nil         |
| Expenditure in foreign Currency | Nil         | Nil         |

**47. CIF VALUE OF IMPORTS**

|                      |     |     |
|----------------------|-----|-----|
| CIF Value of Imports | Nil | Nil |
|----------------------|-----|-----|

**48. RELATED PARTY DISCLOSURES****A. List of related parties with whom transactions have taken place during the year**

| I.  | Name of the related parties | Short name | Nature of the relationship |
|-----|-----------------------------|------------|----------------------------|
|     | Prabhu Steel Corporation.   | PSC        | Relative                   |
|     | Prabhu Ispat Pvt. Limited   | PIPL       | Relative                   |
| II. | Key Managerial Personnel:   |            |                            |
|     | Mr. Miteshkumar A. Patel    |            | Chairman                   |
|     | Ms. Nikitabhen J. Patel     |            | Managing Director          |
|     | Mr. Ankitbhai J. Patel      |            | Director                   |
|     | Mr. Ravikumar L. Patel      |            | Director                   |
|     | Mr. Akashbhai D. Patel      |            | Director                   |



**B. Transactions with related parties**

( In ₹ )

| Particulars   |                                      | PSC        | PIPL                         | KMP           |
|---|--------------------------------------|------------|------------------------------|---------------|
| Sales Service and other income                                | <b>Current Year</b><br>Previous Year | -<br>-     | -<br>-                       | -<br>-        |
| Purchase of raw Material and Components and Services          | <b>Current Year</b><br>Previous Year | -<br>-     | -<br>-                       | -<br>-        |
| Interest and other expenditure                                | <b>Current Year</b><br>Previous Year | -<br>4,932 | <b>12,88,016</b><br>3,22,416 | -<br>-        |
| Interoperate Deposits Placed/ (Received) net amount and Other | <b>Current Year</b><br>Previous Year | -<br>-     | -<br>-                       | -<br>-        |
| Interest income   | <b>Current Year</b><br>Previous Year | -<br>-     | -<br>-                       | -<br>-        |
| Salary Commission On profit                                   | <b>Current Year</b><br>Previous Year | -<br>-     | -<br>-                       | -<br>1,16,538 |
| Purchase of capital assets                                    | <b>Current Year</b><br>Previous Year | -<br>-     | -<br>-                       | -<br>-        |
| Share Purchase / Sales  | <b>Current Year</b><br>Previous Year | -<br>-     | -<br>-                       | -<br>-        |
| Due to Company  | <b>Current Year</b><br>Previous Year | -<br>-     | -<br>-                       | -<br>-        |
| Payable by Company  | <b>Current Year</b><br>Previous Year | -<br>-     | -<br>-                       | -<br>-        |

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

As per our report of even date

**For B.M. Modi & Co.**

Chartered Accountants

**Firm registration number: 0106477W**

**(B.M. Modi)**

Proprietor.

M.No. : 034060

Place : Mehsana

Date : 30/05/2018

**For and on behalf of the Board of Director**

**Ankitbhai J. Patel**

(Director)

DIN : 02351167

**Nikitaben J. Patel**

(Managing Director)

DIN : 03092770

**Vipul F. Bhavsar**

(CFO)

Place : Ahmedabad

Date : 30/05/2018

**PROMACT PLASTICS LIMITED**

[CIN: L25200GJ1985PLC007746]

Registered Office: 106, Harikrupa Chambers, Behind National Chambers, Ashram Road, Ahmedabad – 380 009

FORM MGT-11

**PROXY FORM**

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

|                            |  |
|----------------------------|--|
| Name of the member (s):    |  |
| Registered Address:        |  |
| Email Id:                  |  |
| Folio No./ DPID-Client ID: |  |

I/We, being the member (s) of ..... Shares of the above named Company, hereby appoint:

- Name: .....  
Address: .....  
Email Id: ..... Signature: ..... or failing him
- Name: .....  
Address: .....  
Email Id: ..... Signature: .....

as my/ our proxy to attend and vote for me as me/us and on my/ our behalf at the 34<sup>th</sup> Annual General Meeting of the Company, to be held on Monday, the 17<sup>th</sup> September, 2018 at 3.00 p.m. at Banquet Hall of Hotel Kanak, Opp. Gujarat College, Ellisbridge, Ahmedabad – 380 006 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution No.           | Resolution   | Optional |         |
|--------------------------|--|----------|---------|
|                          |  | For      | Against |
| <b>Ordinary Business</b> |  |          |         |
| 1                        | Ordinary Resolution for adoption of the Audited Financial Statements of the Company for the financial year ended 31st March, 2018, the reports of the Board of Directors and Auditors thereon. |          |         |
| 2                        | Ordinary Resolution for Re-Appointment of Mr. Ankit J. Patel, who is liable to retire by rotation and being eligible, offers himself for re-appointment.                                       |          |         |
| 3                        | Ordinary Resolution for Ratification of appointment of Statutory Auditors of the Company.  |          |         |
| <b>Special Business</b>  |  |          |         |
| 4                        | Ordinary Resolution for Appointment of Mr. Akash D. Patel as Independent Director of the Company   |          |         |
| 5                        | Ordinary Resolution for Appointment of Mr. Ravi L. Patel as Independent Director of the Company  |          |         |
| 6                        | Special Resolution for Elevation of Ms. Nikita J. Patel as Managing Director of the Company for a period of three years from 23 <sup>rd</sup> September, 2017                                  |          |         |
| 7                        | Special Resolution for authorising the Board of Directors under Section 186 of the Companies Act, 2013.  |          |         |
| 8                        | Special Resolution for Alteration/ amendment in existing Main Object Clause of the Memorandum of Association of the Company  |          |         |
| 9                        | Special Resolution for Change in the name of the Company from 'Promact Plastics Limited' to 'Promact Impex Limited'  |          |         |

Signed this ..... day of ..... 2018

Signature of Shareholder .....

Signature of Proxy Holders (1).....(2).....

|                           |
|---------------------------|
| Affix<br>Revenue<br>Stamp |
|---------------------------|

**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.**

**AGM VENUE MAP – 2018**



**PROMACT PLASTICS LIMITED**

[CIN: L25200GJ1985PLC007746]

Registered Office: 106, Harikrupa Chambers, Behind National Chambers, Ashram Road, Ahmedabad – 380 009

**FORM MGT-12****ATTENDANCE / BALLOT FORM****(TO BE USED BY SHAREHOLDERS PERSONALLY PRESENT/THROUGH PROXY AT THE MEETING AND HAVE NOT OPTED FOR E-VOTING)**

| 1                        | Name and Registered Address:<br>of the Sole/First named Shareholder  |               |  |  |
|--------------------------|--|---------------|--|--|
| 2                        | Name(s) of the Joint Holder(s) (if any)  |               |  |  |
| 3                        | Registered Folio No./ DPID-Client ID   |               |  |  |
| 4                        | Number of Shares(s) held   |               |  |  |
| 5                        | I/We hereby exercise my/our attendance/ vote(s) in respect of the resolutions set out in the Notice of 34 <sup>th</sup> Annual General Meeting (AGM) of the Company to be held on Monday, 17 <sup>th</sup> September, 2018, by sending my/our assent or dissent to the said Resolutions by placing the tick (✓) mark at the appropriate box below: |               |  |  |
| Resolution No.           | Resolutions  | No. of Shares | (FOR)<br>I/We assent<br>to the<br>resolution | (AGAINST)<br>I/We dissent<br>the<br>resolution |
| <b>Ordinary Business</b> |  |               |  |  |
| 1                        | Ordinary Resolution for adoption of the Audited Financial Statements of the Company for the financial year ended 31 <sup>st</sup> March, 2018, the reports of the Board of Directors and Auditors thereon.   |               |  |  |
| 2                        | Ordinary Resolution for Re-Appointment of Mr. Ankit J. Patel, who is liable to retire by rotation and being eligible, offers himself for re-appointment.   |               |  |  |
| 3                        | Ordinary Resolution for Ratification of appointment of Statutory Auditors of the Company.  |               |  |  |
| <b>Special Business</b>  |  |               |  |  |
| 4                        | Ordinary Resolution for appointment of Mr. Akash D. Patel as Independent Director of the Company   |               |  |  |
| 5                        | Ordinary Resolution for appointment of Mr. Ravi L. Patel as Independent Director of the Company  |               |  |  |
| 6                        | Special Resolution for Elevation of Ms. Nikita J. Patel as Managing Director of the Company for a period of three years from 23 <sup>rd</sup> September, 2017  |               |  |  |
| 7                        | Special Resolution for authorising the Board of Directors under section 186 of the Companies Act, 2013.  |               |  |  |
| 8                        | Special Resolution for Alteration/ amendment in existing Main Object Clause of the Memorandum of Association of the Company  |               |  |  |
| 9                        | Special Resolution for Change in the name of the Company from 'Promact Plastics Limited' to 'Promact Impex Limited'  |               |  |  |

Place :

Date :

(Signature of the Shareholder/Proxy)

**Note: This Form is to be used for exercising attendance/ voting at the time of 34<sup>th</sup> Annual General Meeting to be held on Monday, the 17<sup>th</sup> September, 2018 by shareholders/proxy. Duly filled in and signed ballot form should be dropped in the Ballot box kept at the venue of AGM.**

*If undelivered, please return to :*

**PROMACT PLASTICS LIMITED**

**Regd. Office** : 106, Harikrupa Chambers,  
Behind National Chambers, Ashram Road,  
Ahmedabad - 380 009.