POLYMECHPLAST MACHINES LTD.

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32nd Annual Report 2018-2019

A Promise to Commitment & Growing Satisfaction

GOLD COIN ®

THIRTY SECOND ANNUAL REPORT 2018-19

BOARD OF DIRECTORS

Mr. K. R. Bhuva	(Chairman & Managing Director)
Mr. M. R. Bhuva	(Executive Director)
Mr. H. P Bhuva	(Executive Director)
Mrs. H. D. Pathak	(Independent Director)
Mr. A. N. Shah	(Independent Director)
Mr. B. J. Vyas	(Independent Director)

REGISTERED OFFICE & WORKS

CIN : L27310GJ1987PLC009517
"Gold Coin House"
Plot No. 775, G.I.D.C. Industrial Estate,
Makarpura,Vadodara - 390 010.
Ph. : (0265) 2632210
E-mail : goldcoin@ polymechplast.com
Visit us at : www. polymechplast.com

BAMANGAM UNIT

Plot No. 515,520,521 & 519A
At & Post. Bamangam, Tal. Karjan, Dist. Vadodara

MUMBAI BRANCH OFFICE

D-103, Lata Annexe, Goyal Complex,
Near National Park, On Western Express Highway
Borivali (E), Mumbai - 400066.

DELHI BRANCH OFFICE

411, Aggrawal Prestige Mall,
Plot No.2, Community Centre, Road No. 44,
Pitampura (Near M2K), New Delhi - 110034
Phone : (011) 27028101, 65170869

KOLKATA BRANCH OFFICE

Room No. 4 C, 4th Floor, Sunderam Building,
46 F Rafi Ahmed Kidwai Road, Kolkata - 700016.
Ph. : (033)22298400 Fax : (033)22216650

BANGALORE BRANCH OFFICE

Swastik Manandi Arcade,
401/2, T/2, Subedar Chatram Road,
Seshadripuram, Bangalore - 560020.

STATUTORY AUDITORS

CNK & Associates LLP, Chartered Accountants
C-201-202, Shree Siddhi Vinayak Complex,
Opp Aklapuri Side Railway Station,
Faramji Road, Alkapuri,Vadodara 390005

SECRETARIAL AUDITOR

Devesh Pathak & Associates
Practising Company Secretaries, First Floor,
51, Udyognagar Society, Nr. Ayurvedic College,
Outside Panigate, Vadodara-390019

BANKERS

INDIAN OVERSEAS BANK
Makarpura Branch,
Erda Road,
Vadodara - 390 010.

HDFC BANK LTD
Arunoday Society,
Alkapuri,
Vadodara. - 390 007.

REGISTRAR & SHARE TRANSFER AGENT

MCS Share Transfer Agent Ltd.
1st Floor, Neelam Apartment,
88, Sampatrao Colony,
Above Chappanbhog Sweet,
12, Sampatrao Colony, B/h Laxmi Hall,
Alkapuri, Vadodara, Gujarat
Tel: +91 265 2314757
E-mail: mcsltdbaroda@gmail.com

Contents **Pages**

NOTICE

NOTICE is hereby given that the 32nd ANNUAL GENERAL MEETING of the Members of the Company will be held on the Friday, 28th September, 2019 at 11.00 a.m. at VCCI Commercial Complex 73 GIDC, MAKARPURA, VADODARA- 390010 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Financial Statement for the year ended on 31st March, 2019 and the Reports of the Auditors' and Board of Directors' thereon.
2. To appoint a Director in place of Mr. M. R. Bhuva who retires by rotation and being eligible, offers himself for re-appointment.
3. To declare dividend at 8% i.e. Rs. 0.80 per equity share.

SPECIAL BUSINESS:

4. TO REAPPOINT MR. ASHOK KUMAR SHAH AS AN INDEPENDENT DIRECTOR (DIN: 06977676)

To consider and if thought fit, to pass the following resolution as a special resolution:

"**RESOLVED THAT** pursuant to the provisions of Sections 149, 150 and 152 and other applicable provisions, if any, of the Companies Act, 2013 ('the Act'), and the Companies (Appointment and Qualification of Directors) Rules, 2014 [including any statutory modification(s) or re-enactment(s) thereof for the time being in force], and Clause 17 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Mr. Ashok Kumar Shah (DIN 06977676), whose term as an independent director expires on 28th September, 2019 and who has submitted a declaration, to the effect that he meets the criteria for independence as provided in Section 149(6) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160 of the Act from a member proposing his candidature for the office of Director, be and is hereby appointed as a Non-Executive Independent Director of the Company w.e.f 29th September, 2019 for a period of 5 years.

RESOLVED FURTHER THAT any Director or the Company Secretary of the Company be and is hereby authorised to do all such acts, deeds and things as may be necessary and expedient to give effect to these resolutions.

5. TO REAPPOINT MR. KANTILAL R. BHUVA AS A MANAGING DIRECTOR (DIN: 00054532)

To consider and if thought fit to pass following resolution as a Special Resolution

RESOLVED THAT the approval, be and is, hereby accorded to the reappointment of Mr. Kantilal R. Bhuva (DIN: 00054532) as a Managing Director of the Company for a term of three years w.e.f 1st October, 2019 upto 30th September, 2022 pursuant to Section 196, 197, and 203 read with Schedule V of the Companies Act, 2013, at the remuneration of Rs. 2,00,000 p.m. (Rupees Two Lakhs only) with the perquisites as well as other terms and conditions of his appointment as set out in the draft agreement and as recommended by Nomination & Remuneration Committee and approved by the Board of Directors at their respective meeting held on 28th May, 2019.

RESOLVED FURHTER THAT the Board of Directors will have liberty to alter and/or vary the terms and conditions of the remuneration which shall not exceed the limits specified in Schedule V of the Companies Act, 2013 including any statutory modification(s) or re-enactment(s) thereof, for time being in force as may be agreed to between the Board and Mr. Kantilal R Bhuva.

RESOLVED FURTHER THAT in case of no profit or inadequacy of profits in any financial year during the currency of his tenure, the remuneration as aforesaid will be paid as minimum remuneration.

RESOLVED FURTHER THAT pursuant to Regulation 17(6)(e) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, applicable provisions of the Companies Act, 2013 read with rules made thereunder and other laws applicable, if any [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] as also pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, Approval be and is hereby accorded, to the continuation of payment of remuneration to Mr. Kantilal R. Bhuva (DIN: 00054532) (belonging to promoter group) as a Whole Time Director on the existing terms and conditions as approved by the shareholders of the Company at their 31st Annual General meeting held on 28th September, 2018 for his residual term ending on 30th September, 2019 and on the aforesaid terms of reappointment for his proposed tenure ending on 30th September, 2022, notwithstanding:

(a) the annual remuneration payable to him exceeds Rs. 5 Crores or 2.5 percent of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013, whichever is higher, OR

(b) the aggregate annual remuneration of all the Executive Directors exceeds 5 percent of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013.

FURTHER RESOLVED THAT any Director or Company Secretary of the Company be and is, hereby authorized to do all the acts and deeds necessary and expedient for the purpose.

6 TO REAPPOINT MR. MAHENDRA R. BHUVA AS AN EXECUTIVE DIRECTOR (DIN: 00054562)

To consider and if thought fit to pass following resolution as a Special Resolution

"**RESOLVED THAT** the approval, be and is, hereby accorded to the reappointment of Mr. Mahendra R. Bhuva (DIN: 00054562) as an Executive Director of the Company for a term of three years w.e.f 1st October, 2019 upto 30th September, 2022 pursuant to Section 196, 197, and 203 read with Schedule V of the Companies Act, 2013, at the remuneration of Rs. 2,00,000 p.m. (Rupees Two Lakhs only) with the perquisites as well as other terms and conditions of his appointment as set out in the draft agreement and as recommended by Nomination & Remuneration Committee and approved by the Board of Directors at their respective meeting held on 28th May, 2019.

RESOLVED FURHTER THAT the Board of Directors will have liberty to alter and/or vary the terms and conditions of the remuneration which shall not exceed the limits specified in Schedule V of the Companies Act, 2013 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force as may be agreed to between the Board and Mr. Mahendra R Bhuva.

RESOLVED FURTHER THAT in case of no profit or inadequacy of profits in any financial year during the currency of his tenure, the remuneration as aforesaid will be paid as minimum remuneration.

RESOLVED FURTHER THAT pursuant to Regulation 17(6)(e) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, applicable provisions of the Companies Act, 2013 read with rules made thereunder and other laws applicable, if any [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] as also pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, Approval be and is hereby accorded, to the continuation of payment of remuneration to Mr. Mahendra R. Bhuva (DIN: 00054562) (belonging to promoter group) as a Whole Time Director on the existing terms and conditions as approved by the shareholders of the Company at their 31st Annual General meeting held on 28th September, 2018 for his residual term ending on 30th September, 2019, and on the aforesaid terms of reappointment for his proposed tenure ending on 30th September, 2022, notwithstanding:

(a) the annual remuneration payable to him exceeds Rs. 5 Crores or 2.5 percent of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013, whichever is higher,

OR

(b) the aggregate annual remuneration of all the Executive Directors exceeds 5 percent of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013.

FURTHER RESOLVED THAT any Director or Company Secretary of the Company be and is, hereby authorized to do all the acts and deeds necessary and expedient for the Purpose."

7 REAPPOINT MR. HIMMATLAL P. BHUVA AS AN EXECUTIVE DIRECTOR (DIN:00054580)

To consider and if thought fit to pass following resolution as a Special Resolution

"**RESOLVED THAT** the approval, be and is, hereby accorded to the reappointment of Mr. Himmatlal P. Bhuva (DIN: 00054580) as an Executive Director of the Company for a term of three years w.e.f 1st October, 2019 upto 30th September, 2022 pursuant to Section 196, 197, and 203 read with Schedule V of the Companies Act, 2013, at the remuneration of Rs. 2,00,000 p.m. (Rupees Two Lakhs only) with the perquisites as well as other terms and conditions of his appointment as set out in the draft agreement and as recommended by Nomination & Remuneration Committee and approved by the Board of Directors at their respective meeting held on 28th May, 2019.

RESOLVED FURHTER THAT the Board of Directors will have liberty to alter and/or vary the terms and conditions of the remuneration which shall not exceed the limits specified in Schedule V of the Companies Act, 2013 including any statutory modification(s) or re-enactment(s) thereof for the time being in force, as may be agreed to between the Board and Mr. Himmatlal P. Bhuva.

RESOLVED FURTHER THAT in case of no profit or inadequacy of profits in any financial year during the currency of his tenure, the remuneration as aforesaid will be paid as minimum remuneration.

"**RESOLVED FURTHER THAT** pursuant to Regulation 17(6)(e) of SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015, applicable provisions of the Companies Act, 2013 read with rules made thereunder and other laws applicable, if any [including any statutory modification(s) or re-enactment(s) thereof for the time being in force] as also pursuant to the recommendation of the Nomination & Remuneration Committee and the Board of Directors of the Company, APPROVAL be and is hereby accorded, to the continuation of payment of remuneration to Mr. Himmatlal P. Bhuva (DIN: 00054580) (belonging to promoter group) as a Whole Time Director on the existing terms and conditions as approved by the shareholders of the Company through at their 31st Annual General meeting held on 28th September, 2018 for his residual term ending on 30th September, 2019 and on aforesaid terms of reappointment, for his proposed tenure notwithstanding:"

(a) the annual remuneration payable to him exceeds Rs. 5 Crores or 2.5 percent of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013, whichever is higher,

OR

(b) the aggregate annual remuneration of all the Executive Directors exceeds 5 percent of the net profits of the Company calculated as per the provisions of Section 198 of the Companies Act, 2013.

FURTHER RESOLVED THAT any Director or Company Secretary of the Company be and is, hereby authorized to do all the acts and deeds necessary and expedient for the Purpose."

8. TO APPROVE CONTRIBUTION TO VARIOUS BONA FIDE AND CHARITABLE FUNDS ETC

To consider and if thought fit to pass following resolution as a Special Resolution

"RESOLVED THAT pursuant to the provisions of Section 181 and other applicable provisions, if any of the Companies Act, 2013, approval be and is hereby accorded to contribution to various bona fide and charitable funds including community development activities up to Rs. 10,00,000/- (Rs. Ten Lakhs) per annum in aggregate even if it would exceed five percent of its average net profits for the three immediately preceding financial years to any organization

RESOLVED FURTHER THAT the Board of Directors of the Company, be and is, hereby authorized to make contributions or donations for the purpose stated above, within the monetary limit of Rs. 10,00,000/- per annum and to authorize any person(s) to give effect to this resolution."

FOR AND ON BEHALF OF THE BOARD

Date : 28-05-2019 **Gauri Bapat**

Place : Vadodara Company Secretary

NOTES

1. ANY MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING OF THE COMPANY MAY APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF / HERSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING PROXY SHOULD BE LODGED WITH THE COMPANY AT THE REGISTERED OFFICE OF THE COMPANY NOT LATER THAN FORTY EIGHT (48) HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

   A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBERS NOT EXCEEDING FIFTY AND HOLDING IN AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS A PROXY, PROVIDED THAT SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
2. Corporate Members intending to send their authorised representatives to attend the meeting pursuant to Section 113 of the Companies Act, 2013 are requested to send to the Company, a certified copy of the relevant Board Resolution together with their respective specimen signatures authorising their representative(s) to attend and vote on their behalf at the Meeting.
3. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, relating to the Special Business enumerated under Item No. 4 to 8 of the accompanying Notice is annexed hereto.
4. The Register of Members and Share Transfer Books of the Company will remain closed from 21st September, 2019 to 28th September, 2019 (both days inclusive).
5. Subject to provisions of the Act, dividend as recommended by the Board, if declared at the meeting will be paid within a period of 30 days from the date of declaration to those members whose names appear on the Register of Members on 28th September, 2019.
6. Members wishing to claim dividends that remains unclaimed are requested to correspond with Registrar and Share transfer agents as mentioned above, or to the Company Secretary at the Company’s registered office. Members are requested to note that dividends that are not claimed within seven years from the date of transfer to the Company’s Unpaid Dividend Account will as per Section 124 of the Act, be transferred to the Investor Education and protection Fund (IEPF). Moreover Shares on which dividend remains unclaimed for seven consecutive years will also be transferred to the IEPF as per Section 124 of the Act, and the applicable rules.
7. Members are requested to notify immediately any change in their address to MCS Share Transfer Agent Limited, Registrar & Share Transfer Agent of the Company.
8. Members desirous of getting any information about the accounts of the Company are requested to write to the Company at least seven working days prior to the date of AGM so that information can be kept ready at the meeting.
9. **E-Voting:**

   Pursuant to Section 108 of the Companies Act, 2013 ('the Act') and rules framed thereunder read with Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 (‘LODR’), the Company is pleased to provide E-voting facility through Central Depository Services (India) Limited (‘CDSL’) as an alternative, for all members of the Company to enable them to cast their votes electronically on the resolutions mentioned in the notice of 32nd Annual General Meeting of the Company scheduled to be held on 28th September, 2019 ('the AGM Notice’). The Company has appointed CS Mr. Devesh A. Pathak, of M/s Devesh Pathak & Associates, Practising Company Secretaries as the Scrutinizer for conducting the e-voting process in a fair and transparent manner. E-voting is optional. The E-voting rights of the shareholders/beneficial owners shall be reckoned on the equity shares held by them as on 21st September, 2019. The e-voting will commence on 25th September, 2019 at 9.00 a.m. and will end on 27th September, 2019 at 5.00 p.m. The Members desiring to vote through electronic mode may refer to the detailed procedure on e-voting given hereinafter.

   PROCEDURE FOR E-VOTING

A. In case a Member receives an e-mail from CDSL (for Members whose e-mail addresses are registered with the Company/Depositories):

i. The voting period begins on 25th September, 2019 at 9:00 a.m. and ends on 27th September, 2019 at 5.00 p.m. During this period, shareholders of the Company, holding shares either in physical form or in dematerialized form, as on 21st September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

ii. Shareholders who have already voted prior to the meeting date, would not be entitled to vote at the meeting venue.

iii. The shareholders should log on to the e-voting website www.evotingindia.com.

iv. Click on Shareholders.

v. Now Enter your User ID

   a. For CDSL: 16 digits beneficiary ID,

   b. For NSDL: 8 Character DP ID followed by 8 Digits Client ID,

   c. Members holding shares in Physical Form should enter Folio Number registered with the Company.

vi. Next enter the Image Verification as displayed and Click on Login.

vii. If you are holding shares in demat form and had logged on to www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.

viii. If you are a first time user follow the steps given below:

EVOTING INSTRUCTIONS

	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) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the serial number printed in address slip. • In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN field.
Dividend Bank Details OR Date of Birth (DOB)	Enter the Date of Birth as registered with the DP/RTO in dd/mm/yyyy format or Enter the Dividend Bank Detail as recorded with your DP/RTA. 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 (iv).

ix. After entering these details appropriately, click on “SUBMIT” tab

x. 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.

xi. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

xii. Click on the 190821016 (EVSN) for the relevant Polymechplast Machines Ltd. on which you choose to vote.

xiii. 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.

xiv. Click on the “RESOLUTIONS FILE LINK” if you wish to view the entire Resolution details.

xv. 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.

xvi. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.

xvii. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.

xviii. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password & enter the details as prompted by the system.

xix. **Note for Non – Individual Shareholders and Custodians**

- Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to 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.
- After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
- The list of accounts linked in the login should be mailed to helpdesk.evoting@cdslindia.com 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.

xx. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at www.evotingindia.com under help section or write an email to helpdesk.evoting@cdslindia.com.

A. In case of members receiving the physical copy:

(A) Please follow all steps from sr. no. (i) to sr. no. (xviii) above to cast vote.

(B) The voting period will begin on 25th September, 2019 at 9:00 a.m. and will end on 27th September, 2019 at 5:00 p.m. During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of 21st September, 2019 may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(C) In case you have any queries or issues regarding e-voting, you may refer the ‘Frequently Asked Questions’ (“FAQs”) and e-voting manual available at www.evotingindia.co.in under help section or write an email tohelpdesk.evoting@cdslindia.com.

Other Instructions:

i. The e-voting period will commence on 25th September, 2019 and will end on 27th September, 2019. During this period, Members of the Company, holding shares either in physical form or in dematerialized form, as on 21st September, 2019 may cast their vote electronically, The e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the Member, he shall not be allowed to change it subsequently.

ii. The voting rights of Members shall be in proportion to their shares of the paid up equity share capital of the Company as on 21st September, 2019.

iii. Mr. Devesh A Pathak, Practising Company Secretary (Membership No. FCS 4559) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner.

iv. The Scrutinizer shall, within a period not exceeding three working days from the conclusion of the e-voting period, unblock the votes in the presence of at least two witnesses not in the employment of the Company and make a Scrutinizer's Report of the votes cast in favour or against, if any, forthwith to the Chairman of the Company.

A Member can opt for only one mode of voting i.e. either through e-voting or by Ballot at the meeting. If a Member casts votes by both modes, then voting done through e-voting shall prevail and Ballot shall be treated as invalid.

v. The results declared along with the Scrutinizer's Report shall be placed on the Company's website www.polymechplast.com and on the website of CDSL www.evoting.cdsl.com within two days of the passing of the resolutions at the 32nd AGM of the Company on and communication to the stock exchanges, where the shares of the Company are listed.

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013

Item No. 4

The Board of Directors, in terms of the recommendation of Nomination and Remuneration Committee approved reappointment of Mr. Ashok Kumar Shah at its meeting held on 28th May, 2019 w.e.f 29th September, 2019 for the period of five years as a Non-Executive Independent Director.

The brief resume of Mr. Ashok Kumar Shah together with other details as required under Regulation 36 of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR') is provided in the Annexure to this notice. In the opinion of the Board, he fulfils the conditions specified in Section 149 (6) of the Companies Act, 2013 ('the Act') and rules made thereunder read with Regulations 16 (1)(b) of LODR for his appointment as a Non-Executive Independent Director of the Company and is independent of the management. The copy of the draft letter for his appointment as a Non-Executive Independent Director would be available for inspection by the members at the Registered Office of the Company during normal business hours on any working day, excluding Saturdays, Sundays and Public Holidays upto the date of meeting.

The Board considers his continued association would be of immense benefit to the Company and it is desirable to avail his services as a Non-Executive Independent Director. Accordingly, the Board recommends the resolutions in respect of his reappointment as a Non-Executive Independent Director, for your approval by way of Special Resolution. The Company has received requisite notice pursuant to section 160 of the Act for his reappointment as an Independent Director.

None of the Directors/Key Managerial Personnel(s) or their relatives, except Mr. Ashok Kumar Shah and his relatives shall be deemed to be interested or concerned, financially or otherwise, in his resolution.

Item no. 5 to 7

By keeping in view responsibilities shouldered as well as valuable contributions made by Mr. K. R. Bhuva, Chairman &Managing Director, Mr. M. R. Bhuva as well as Mr. H. P. Bhuva, Executive Directors in the progress of the Company, your Directors as well as Nomination and Remuneration Committee have recommended their re appointments with no revision in their remuneration for the period of three years with effect from 1st October, 2019 upto 30th September, 2022 on major terms and conditions as follows:

Part –A Remuneration

PARTICULARS	K. R. BHUVA	M. R. BHUVA	H. P.BHUVA
Monthly Salary	Rs. 2,00,000 p.m.	Rs. 2,00,000 p.m.	Rs. 2,00,000 p.m.

Part –B Allowances & perquisites

House rent allowance	Rs. 18000 p.m.	Rs. 16,500 p.m.	Rs. 16,500 p.m.
Leave Travel Concession (once in a year)	10% of basic salary p.a	10% of basic salary p.a	10% of basic salary p.a
Conveyance	Rs. 800 p.m	Rs. 800 p.m	Rs. 800 p.m
Medical Reimbursement	Maximum of Rs. 1,250 p.m (for self and family)	Maximum of Rs. 1,250 p.m (for self and family)	Maximum of Rs. 1,250 p.m (for self and family)
Tuition Fee	Rs. 100/- p.m	Rs. 200/- p.m	Rs. 300/- p.m
Exgratia Payment as per the Company's Policy	Rs. 750/- p.m	Rs. 750/- p.m	Rs. 750/- p.m

Part –C Retiral Benefits

Leave and Leave Encashment	They will be entitled to leave encashment at the end of their tenure as per the Company's policy.
Contribution to P.F, Superannuation& Gratuity.	Contribution to provident fund, superannuation and Annuity to the extent either singly or put together are not taxable under the Income Tax Act; Gratuity payable shall not exceed half a month's salary for each completed year of service

Part - D

Other allowances	Car facility provided by the Company for personal use and car maintenance up to Rs. 3000/- p.m
	Telephone, internet including Mobile phone at residence will be considered as perquisites
	Membership fee Rs. 350/- p.m.
	Electricity Bill of residence will be considered as perquisites

Your Directors seek your approval to the resolutions as set out in item 5 to 7 of the accompanying notice as Special Resolution.

Mr. K. R. Bhuva and Mr. M. R. Bhuva, being related to each other, shall be deemed to be interested or concerned financially or otherwise in the resolution as set out in item no. 5 and 6. Mr. H .P. Bhuva shall be deemed to be interested or concerned financially or otherwise in the resolution as set out in Item no. 7.

No other Director/Key Managerial Personnel or their relatives shall be deemed to be interested or concerned financially or otherwise in any of the aforesaid resolutions.

Particulars as required under Schedule V of the Companies Act, 2013 :

Statement in compliance with Clause no. iv of sub paragraph B, Section II, of Part II of Schedule V of the Companies Act, 2013

GENERAL INFORMATION

1. Nature of Industry : Plastic Processing Machines
2. Date or expected date of commencement of commercial Production Company : Already Commenced
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 indicator
   - (a) Net Profit : Rs. 219.42 lacs
   - (b) Effective Capital : Rs. 1362.55 lacs
   - (c) Total Income : Rs. 5430.91 lacs
5. Foreign investments or Collaborations, if any : N.A.

INFORMATION ABOUT THE APPOINTEES:

Name of Directors	**Mr. K. R. Bhuva**	**Mr. M. R. Bhuva**	**Mr. H. P. Bhuva**
1.Background details	Exposure of around 33 years	Exposure of around 28 years	Exposure of around 28 years
2.Past remuneration	Rs. 2,00,000 p.m plus perquisites	Rs. 2,00,000 p.m plus perquisites	Rs. 2,00,000 p.m p.m plus perquisites
3.Recognition or awards	N.A.	N.A.	N.A.
4. Job profile and his sustainability	1. Chairman and Managing Director 2. Suitable in view of his experience and contribution	1. Executive Director 2. Suitable in view of his experience and contribution	1. Executive Director 2. Suitable in view of his experience and contribution
5. Remuneration proposed	As appearing in the explanatory statement	As appearing in the explanatory statement	As appearing in the explanatory statement
6.Comparative remuneration	Not Available	Not Available	Not Available
7. Pecuniary relationship directly or indirectly with the Company, or relationship with the managerial personnel, if any.	Related to Mr. M. R. Bhuva	Related to K.R. Bhuva	Not related

(III) (i) Reasons of loss or inadequate profits

It can be mainly attributed to increase in the cost of materials consumed which could not be passed to the customers.

(ii) Steps taken or proposed to be taken for improvement

(iii) Expected increase in productivity and profits in measurable terms

(IV) DISCLOSURES:

The following disclosures shall be mentioned in the Board of Director's report under the heading "Corporate Governance", if any, attached to the financial statement:

1. All elements of remuneration package such as salary benefits bonuses, stock options, pension etc. of all the directors.	As detailed in the explanatory statement
2. details of fixed component and performance linked incentives along with the performance criteria.	As detailed in the explanatory statement
3. Service contracts, notice period, severance fees	(i) service contracts for 3 years (ii) Notice period : 3 months (iii) No severance fees
4. Stock option details, if any	N.A.

INFORMATION ABOUT THE APPOINTEES:

Pursuant to clause 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 read with clause 1.2.5 of secretarial standards-2

Name of Directors	Mr. K. R. Bhuva	Mr. Ashokkumar Shah	Mr. M. R. Bhuva	Mr. H. P. Bhuva
NO. of Board Meeting Attended	8	7	8	8
(A)DIN: Date of Birth Date of Appointment Experience (Yrs.)	00054532 07/12/1956 27/09/1990 33 years	06977676 23/07/1954 29/09/2014 30 years	00054562 22/07/1963 01/10/1998 28 years	00054580 01/06/1964 01/10/1998 28 years
(b)Expertise in specific functional areas	Industrialist	Account/ Finance	Industrialist	Industrialist
Qualification	Diploma in Mechanical Engineering	B Com, LLB, DTP	Diploma in Pharmaceuticals	Diploma in Pharmaceuticals
Directorship held in other Companies	None	None	None	None
Membership? Chairmanship held in Board Committees of other Companies	None	None	None	None
No. of Equity Shares held in the Company	273325	nil	270943	272650
(C)Disclosure of Relationship interest	Related to Mr. M R Bhuva	Not related	Related to Mr. K R Bhuva	Not related
Terms and conditions of appointment or reappointment	Reappointment as a Managing Director for a period of 3 years w.e.f. 1.10.2019	Reappointment as an Independent Director for period of five years w.e.f. 29.09.2019	Reappointment as an Executive Director for a period of 3 years w.e.f. 01.10.2019	Reappointment as an Executive Director for a Period of 3 years w.e.f. 01.10.2019
Details of remuneration to be paid	As per Explanatory statement	Sitting fees	As per Explanatory Statement	As per Explanatory Statement
Details of last remuneration drawn	Rs. 2,00,000 p.m. plus perquisites	Sitting fees	Rs. 2,00,000 p.m. plus perquisites	Rs. 2,00,000 P.m. plus perquisites

Item no. 8

Your Company would like to contribute, donate, subscribe or otherwise provide assistance from time to time to any bona fide charitable, social, benevolent including community development activities etc. for charitable purposes. In terms of the provisions of Section 181 of the Companies Act, 2013, any amount contributed to any charitable and other funds in excess of 5% of the Company's average net profits during the three immediately preceding financial years need prior approval of the Members of the Company.

Accordingly, your approval is now being sought pursuant to Section 181 of the Companies Act, 2013, authorising the Board of Directors or any authorized person of the Company to make contributions in any financial year for a total amount of up to Rs. 10 lakhs p.a. even if it may exceed 5% of the Company's average net profits of the three immediately preceding financial years.

None of the Directors /Key Managerial Personnel or their relatives shall deemed to be interested or concerned materially or other wise in the resolution.

BOARD'S REPORT

To
The Members of
POLYMECHPLAST MACHINES LIMITED

Your Directors have pleasure in presenting the Board's Report of your Company together with the Financial Statements for the financial year ended 31st March, 2019.

1. FINANCIAL & OPERATIONAL RESULTS:

PARTICULARS	2018-19 (Rs. In Lakhs)	2017-18 (Rs. In Lakhs)
Profit/(Loss) before Depreciation, Exceptional Item and Tax	**346.05**	257.48
(Less) Depreciation	(37.87)	(36.77)
Profit/(Loss) before Tax	**308.18**	220.71
Add/(Less)Tax expense		
(i) Current tax	(93.28)	(68.65)
(ii) Deferred tax	6.79	(26.69)
(less)Income tax adjustments relating to earlier year	2.25	(1.69)
Net Profit for the Year	219.42	123.68
Add: BALANCE BROUGHT FORWARD	555.71	435.68
(Less): Remeasurement of the Net Defined Benefit	(00.30)	(3.66)
(less) Dividend Paid	(46.12)	-
PROFIT CARRIED FORWARD TO BALANCE SHEET	729.32	555.71

During the year under review, total income of Rs. 5480.91 lacs as against Rs. 4864.95 lacs in the previous year exhibits growth of about 12.66%. Net profit of Rs. 219.42/- as against Rs 123.68 in the previous year has grown by about 77.41% which can be mainly attributed to changes in inventory and change in indirect tax structure.

2. DIVIDEND

Your Directors are pleased to recommend dividend at the rate of 8% i.e. Rs. 0.80 per equity share for the year ended 31st March, 2019 subject to approval of shareholders.

3. INFORMATION ABOUT SUBSIDIARY/ JV/ ASSOCIATE COMPANY

Neither the Company has any Subsidiary, Joint venture nor Associate Company nor any other Company has become or ceased to be Subsidiary/Joint Venture/ Associate Company of the Company during the year.

4. TRANSFER OF AMOUNT TO INVESTOR EDUCATION AND PROTECTION FUND

Since there was no unpaid/unclaimed amount to be transferred to Investor Education & Protection Fund(IEPF) during the year under review pursuant to provisions of Section 125 of the Companies Act, 2013 ('the Act') and accordingly no amount is transferred to IEPF.

5. EXPLANATION(S)/COMMENT(S) ON QUALIFICATION(S)/ RESERVATION(S)/ ADVERSE REMARK(S)/ DISCLAIMER BY STATUTORY AUDITOR/SECRETARIAL AUDITOR IN THEIR RESPECTIVE REPORT

There are neither any qualification/ reservation/ adverse remark nor any disclaimer by Statutory Auditor or Secretarial Auditor in their draft report and accordingly no explanation/ comment is required.

6. MATERIAL CHANGES AND COMMITMENTS

No material change and commitment affecting the financial position of the Company have occurred between the period of end of financial year to which this financial statement relates and the date of this report and hence not reported.

7. EXTRACT OF THE ANNUAL RETURN U/S 92(3) OF THE ACT AS PER FORM MGT-9

The Extract of Annual Return as required under section 92(3) of the Act, 2013 and Rule 12(1) of the Companies (Management and Administration) Rules, 2014, in Form MGT-9 is enclosed as per Annexure -A.

8. MEETING OF THE BOARD OF DIRECTORS DURING THE YEAR

During the Financial Year 2018-19, Eight meetings of the Board of Directors of the Company were held.

9. DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 134(5) of the Act, 2013, the Board of Directors of the Company confirms that

i. Your Directors have followed the applicable accounting standards along with proper explanation relating to material departure, if any, while preparing the annual accounts;

ii. Your Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of financial year and of the Profit & Loss of the Company for the period;

iii. Your Directors have taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

iv. Your Directors have prepared the annual accounts on a going concern basis.

v. Your Directors have laid down internal financial controls which are adequate & effectively operational.

vi. Your Directors have devised proper system to ensure compliance with the provisions of all applicable laws and that such systems were adequate and effectively operational.

10. AUDITORS

a) Statutory Auditors and Report

In accordance with the provisions of section 139 and other applicable provisions, if any of the Act and the relevant Rules framed thereunder, your Company has appointed M/s CNK & Associates, LLP Chartered Accountants, Vadodara as a Statutory Auditors of the Company to hold office up to the conclusion of 35th Annual General Meeting. In line with the amended section 139(1) of the Act, the requirement for ratification of appointment of auditors at every annual general meeting is done away with. Accordingly, no resolution is proposed for ratification of appointment of auditors.

The Auditors' Report for the Financial Year 2018-19 does not contain any qualification, reservation or adverse remark.

b) Secretarial Auditors and Report

The Company has appointed M/s Devesh Pathak & Associates, Practising Company Secretaries as Secretarial Auditors. Their report is enclosed as per Annexure-B.

c) Internal Audit and Report

The Company has appointed M/s JHS & Associates, Chartered Accountants as Internal Auditors.

d) Cost Audit and Report

There is no requirement for Cost Audit as the Company does not fall in the criteria for the same.

11) LOANS, GUARANTEES AND INVESTMENTS

The Company has not given any guarantees or securities covered under the provisions of Section 186 of the Companies Act, 2013('the Act').

However, the aggregate of loans and advances granted as also investments are within the limits of Section 186 of the Act.

12) RELATED PARTY TRANSACTIONS

The particulars of contracts or arrangements with related parties referred to in Section 188 (1) of the Act in the prescribed Form AOC-2, is enclosed as per Annexure-C forming part of this report.

13) CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE OUTGO:

(A) CONSERVATION OF ENERGY:

(i) the steps taken or impact on conservation of energy;

- Installation of Solar Photo Voltic system earlier helps in conservation of energy.

(ii) the steps taken by the Company for utilizing alternate sources of energy;

- Installation of Solar Photo Voltic system earlier helps in using alternative source of energy i.e. Solar Power

(B) TECHNOLOGY ABSORPTION:

Since the Company has not imported technology, the Company has no information to offer in respect of Technology absorption.

(C) FOREIGN EXCHANGE EARNINGS AND OUTGO:

During the year under review, actual inflow and actual outflow of foreign exchange was Rs. 1,10,55,835/- and Rs. 3,10,02,626/- respectively.

14) RISK MANAGEMENT

Risk Management Policy is in place.

15) DIRECTORS AND KMP

There was no change in the Directors and Key Managerial personnel.

The Board, in terms of the recommendation of Nomination and Remuneration Committee approved the re appointment of Mr. Ashokkumar Shah as a Non-Executive Independent Director subject to approval of shareholders.

The Board in terms of the recommendation of Nomination and Remuneration committee approved the reappointment of Mr. K R Bhuva as a Managing Director as well as reappointment of Mr. M R Bhuva and Mr. H P Bhuva as executive Directors for the period of three years w.e.f 1st October, 2019 subject to approval of shareholders

Mr. M.R. Bhuva, Director retires by rotation at the ensuing Annual General Meeting and being eligible offers himself for re election as a Retiring Director.

16) Deposits:

The Company has neither accepted nor renewed any deposit within the meaning of the Companies (Acceptance of Deposits) Rules, 2014.

17) CORPORATE SOCIAL RESPONSIBILITY

The Company does not fall in any of the criteria of Section 135(1) of Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014 and hence the Company is not required to comply with the same.

18) MEDIAN EMPLOYEE DETAILS

The information required pursuant to Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 will be made available to any member on request.

19) ANNUAL EVALUATION

Pursuant to the provisions of the Companies Act, 2013 read with SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('LODR'), the Board has carried out an evaluation of its own performance, the directors individually as well as the evaluation of the working of its Audit, Appointment& Remuneration Committees.

20) CORPORATE GOVERNANCE REPORT

In view of paid up capital and Net Worth of the Company being lesser than Rs. 10 Crores and Rs. 25 Crores respectively, Corporate Governance Report as prescribed in Clause C of schedule V to LODR is not included in the Annual Report in terms of Regulations 15(2) of LODR.

21) INDEPENDENT DIRECTORS AND DECLARATION

Mrs. H. D. Pathak, Mr. A. N. Shah and Mr. B.J. Vyas have been appointed as the Independent Directors of the Company pursuant to Section 149(10) of the Companies Act, 2013

The Board of Directors of the Company hereby confirms that all the Independent directors duly appointed by the Company have given the declaration and they meet the criteria of independence as provided under section 149(6) of the Companies Act, 2013.

22) NOMINATION AND REMUNERATION COMMITTEE

The Company has duly constituted Nomination & Remuneration committee pursuant to section 178(1) of the Act and accordingly formulated the policy on Directors' Appointment and Remuneration.

23) REMUNERATION POLICY

Remuneration to Executive Directors:

The detail of remuneration paid to Executive Directors are provided in the Extract of Annual Return i.e. Form No. MGT-9 as per Annexure-A.

Remuneration to Non Executive Directors:

The Non Executive Directors are paid remuneration by way of Sitting Fees for each meeting of the Board and Committee of Directors attended by them.

Name of the Director	Position held in the Committee	Category of the Director
Mr. Ashokkumar Shah	Chairman	Non Executive Independent Director
Mr. Bhasker J. Vyas	Member	Non Executive Independent Director
Mrs. Hemangini Pathak	Member	Non Executive Independent Director

It is hereby affirmed that the remuneration paid during the year is as per the Remuneration Policy of the Company.

24. CODE OF CONDUCT

The Company has suitably laid down the code of conduct for all Board members and senior management personnel of the Company. The declaration by Managing Director and CFO of the Company relating to the compliance of the aforesaid code of conduct forms an integral part of this annual report.

25. VIGIL MECHANISM

In accordance with Section 177(9) and (10) of the Companies Act, 2013, and Regulation 22(1) of LODR, the Company has formulated the Vigil Mechanism for Directors and employees to report genuine concerns and made provisions for direct access to the chairperson of the Audit Committee.

26. INSIDER TRADING POLICY

The Insider Trading Policy has been amended in line with SEBI (Prohibition of Insider Trading) (Amendment) Regulation, 2018. The key changes include inter alia change in the definition of designated persons. Maintenance of digital data base, internal controls and policy and procedure for inquiry in case of leak of UPSI.

27. POLICY FOR DETERMINING MATERIALITY FOR DISCLOSURE

This policy applies to disclosures of the material events affecting the Company.

28. NO SIGNIFICANT OR MATERIAL ORDER

No significant or material order was passed by any regulator, court or tribunal impacting the going concern status or Company's operations in future during the year under review.

29. REPORTING OF FRAUDS

There has been no instances of fraud reported by the Statutory Auditors under section 143(12) of the Act and Rules framed there under either to the Company or to the Central Government.

30. TRANSFER TO GENERAL RESERVE

The Company is not required to transfer any amount to its reserves. Hence, no amount is transferred to reserves during the year under review.

31. CHANGE IN THE NATURE OF BUSINESS

There is no change in the nature of business during the year under review.

32. PARTICULARS OF EMPLOYEES

There was no employee drawing remuneration of Rs 1,02,00,000 or more per annum or Rs. 8,50,000 per month for any part of the year or more and hence no particulars have been furnished as required under Section 197 of the Companies Act, 2013 read with Rule 5(2) and 5(3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

33. DISCLOSURE UNDER THE SEXUAL HARASSEMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT 2013

The Company has in place an Anti Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at the Workplace (Prevention, Prohibition and Redressal) Act, 2013. Internal Complaints Committee has been set up to redress complaints received regarding sexual harassment. All employees (permanent, contractual, temporary, trainees) are covered under this policy.

The summary of sexual harassment complaints received and disposed off during the financial year2018-2019 is as under:

- Number of Complaints Received NIL
- Number of Complaints Disposed off NIL

34. MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Management Discussion & Analysis Report as stipulated under Para B of Schedule V of LODR is attached to this Report as per Annexure.

35. INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has an adequate system of internal controls in place. It has documented procedures covering all financial and operating functions. These controls have been designed to provide a reasonable assurance with regard to maintaining of proper accounting controls, monitoring of operations, protecting assets from unauthorized use or losses, compliances with regulations and for ensuring reliability of financial reporting. The Company has continued its efforts to align all its processes and controls with global best practices in these areas as well.

Audit Committee of the Board of Directors, regularly reviews the audit plans, significant audit findings, adequacy of internal controls, compliance with Accounting Standards as well as reasons for changes in accounting policies and practices, if any.

36. STATEMENT ON COMPLIANCES OF APPLICABLE SECRETARIAL STANDARDS

Your Directors state that the Company has been Compliant of applicable Secretarial Standards during the year under review.

37. ACKNOWLEDGEMENT

Your Directors take opportunity to express their gratitude to government, bankers, advisers, employees and shareholders for their valuable support and co-operation,

FOR AND ON BEHALF OF THE BOARD

Date : 28/05/2019 **K. R. Bhuva**

Place: Vadodara Chairman & Managing Director

ANNEXURE-A TO THE BOARD'S REPORT

FORM NO. MGT.9

EXTRACT OF ANNUAL RETURN

as on the financial year ended on 31-03-2019

[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

i) CIN:- L27310GJ1987PLC009517
ii) Registration Date:- 24-03-1987
iii) Name of the Company :- POLYMECHPLAST MACHINES LIMITED
iv) Category / Sub-Category of the Company :- Company Limited by shares
v) Address of the Registered office and contact details:- 775 GIDC INDUSTRIAL ESTATE,
MAKARPURA,
BARODA- 390010. Ph.: 0265-2632210
vi) Whether listed company Yes / No:- Yes
vii) Name, Address and Contact details of Registrar and Transfer Agent, if any :
M/s. MCS Share Transfer Agent Limited.
1st Floor, Neelam Apartments, 88, Sampatrao Colony, Above Chappanbhog Sweet,
Alkapuri, Vadodara, Gujarat,
Tel.:+91 265 2314757, 2350490
E-mail: mcsltdbaroda@gmail.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

All the business activities contributing 10% or more of the total turnover of the company shall be stated;-

Sr No.	Name and Description of main products / services	NIC Code of the Product / service	% to total turnover of the company
1	Industrial Machinery	84773000	99.53%

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

Sr. No	NAME AND ADDRESS OF THE COMPANY	CIN/GLN	HOLDING SUBSIDIARY /ASSOCIATE	% of Shares held	Applicable Section
-	-	-	-	-	-

IV. SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)

Category of Shareholders	No. of Shares held at the beginning of the Year				No. of Shares held at the end of the year				%Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	%of Total Shares	
A. Promoters									
(1) Indian									
a) Individual/HUF	1828034	-	1828034	38.23	18,28,034	-	18,28,034	38.23	-
b) Central Govt.	-	-	-	-	-	-	-	-	-
c) State Govt(s)	-	-	-	-	-	-	-	-	-
d) Bodies Corp.	140000	-	140000	2.93	140000	-	140000	2.93	-
e) Banks/FI									
f) Any Other....									
Sub-total (A)(1) :-	1968034		1968034	41.16	1968034		1968034	41.16	-
(2) Foreign	-	-	-	-	-	-	-	-	-
a) NRIs Individuals	-	-	-	-	-	-	-	-	-
b) Other Individuals									
c) Bodies Corp.	-	-	-	-	-	-	-	-	-
d) Banks /FI	-	-	-	-	-	-	-	-	-
e) Any Other....	-	-	-	_	-	-	-	-	-
Sub-total (A) (2):-	–	–	–	–	–	–	–	–	–
Total shareholding of Promoter (A)= (A)(1)+(A)(2)	1968034	-	1968034	41.16	1968034	-	1968034	41.16	- 7.06
B. Public Shareholding	-	-	-	-	-	-	-	-	-
1. Institutions	-	-	-	-	-	-	-	-	-
a) Mutual Funds	-	-	-	-	-	-	-	-	-
b) Banks/FI	-	-	-	-	-	-	-	-	-
c) Central Govt	-	-	-	-	-	-	-	-	-
d) Sate Gov(s)	-	-	-	-	-	-	-	-	-
e) Value Capital Funds	-	-	-	-	-	-	-	-	-
F) Insurance Companies	-	-	-	-	-	-	-	-	-
g) Fills									
h) Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Sub-total (B)(1) ;-	-	-	-	-	-	-	-	-	-
2. Non-Institutions									
a) Bodies Corp.	94217	165700	259917	5.43	54662	165700	220362	4.61	0.82
i) Indian	-	-	-	-	-	-	-	-	-
ii) Overseas	-	-	-	-	-	-	-	-	-
b) Individuals									
i) Individual shareholders holding nominal share capital upto Rs.2 lakh	791577	928560	1720137	35.97	846054	782359	1628413	34.05	1.92
ii) Individual shareholders holding nominal share capital in excess of Rs. 2 lakh	655748	-	655748	13.71	785017	-	785017	16.42	(2.71)
c) Others (specify)	110864	67000	177865	2.96	112874	67000	179874	3.72	(0.76)

Sub-total (B)(2):- Total Public Shareholding (B) (B)(1)+(B)(2) Shares held by Custodian for GDRs & ADRs	1652406 1652406	1161260 1161260	2831666 2831666	58.84 58.84	1798607 1798607	1015059 1015059	2813666 2813666	58.84 58.84	
Grand Total (A+B+C)	3620440	1161260	4781700	100	3620440	1161260	4781700	100	-

(ii) Shareholding of Promoters

Sl No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year	1968034	41.16%	1968034	41.16%
	Date wise Increase/ Decrease in Promoters Share holding during the year specifying the reasons for increase/decrease (e.g. allotment /transfer/bonus/ sweat equity etc):	Nil	Nil	Nil	Nil

Sl No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of 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	% change in share holding during the year
1	K R Bhuva	2,73,325	5.72	NIL	2,73,325	5.72	NIL	NIL
2	M R Bhuva	2,70,943	5.67	NIL	2,70,943	5.67	NIL	NIL
3	H P Bhuva	2,72,650	5.70	NIL	2,72,650	5.70	NIL	NIL
4	H K Bhuva	2,70,500	5.66	NIL	2,70,500	5.66	NIL	NIL
5	H M Bhuva	2,70,600	5.66	NIL	2,70,600	5.66	NIL	NIL
6	M H Bhuva	2,73,950	5.73	NIL	2,73,950	5.73	NIL	NIL
7	A M Bhuva	81,600	1.71	NIL	81,600	1.71	NIL	NIL
8	S H Bhuva	79,530	1.66	NIL	79530	1.66	NIL	NIL
9	G K Bhuva	29,709	0.62	NIL	29709	0.62	NIL	NIL
10	H D Pathak	200	0.00	NIL	200	0.00	NIL	NIL
11	Plastomech Equ Pvt. Ltd.	1,40,000	2.93	NIL	1,40,000	2.93	NIL	NIL
12	Hansaben K. Bhuva	5,027	0.11	NIL	5,027	0.11	NIL	NIL
	Total	19,68,034	41.16	NIL	19,68,034	41.16	NIL	NIL

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

(iv) Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs & ADRs):

SI No.	Name of Share Holder	As on 31.03.2019	%
1	S. D. F. C. Ltd.	1,50,000	3.14
2	Nimit Patel	103228	2.15
3	Patel Dilipbhai	91313	1.91
4	Dilipbhai B Patel	64842	1.36
5	Shailesh Natvarlal Gandhi	62,244	1.30
6	Tirathdas J Khetwani (HUF)	60,101	1.26
7	Neha Mukesh Khetwani	58721	1.23
8	Gunjan G. Gandhi	57651	1.20
9	Fatehsinh Vaghela	43778	0.92
10	Vahidbhai F Vaghela	43219	0.90

(v) Shareholding of Directors and Key Managerial Personnel:

SI No.	Shareholder's Name	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
	For Each or the Directors and KMP	No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year				
1	Kantilal R, Bhuva	2,73,325	5.72	2,73,325	5.72
2	Mahendrakumar R. Bhuva	2,70,943	5.67	2,70,943	5.67
3	Himmatlal P. Bhuva	2,72,650	5.70	2,72,650	5.70
4	Hemangini D. Pathak	200*	0.00*	200*	0.00*
	Date wise Increase / Decrease in Share holding during the year specifying the reasons for increase / decrease (e.g. allotment / transfer / bonus / sweat equity etc):	NIL	NIL	NIL	Nil
	At the End of the year				
1	Kantilal R. Bhuva	2,73,325	5.72	2,73,325	5.72
2	Mahendrakumar R. Bhuva	2,70,943	5.67	2,70,943	5.67
3	Himmatlal P. Bhuva	2,72,650	5.70	2,72,650	5.70
4	Hemangini D. Pathak	200*	0.00*	200*	0.00*

* Negligible

V. INDEBTEDNESS

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

SI No.	Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
	Indebtedness at the beginning of the financial year	6,40,16,693	NIL	NIL	6,40,16,693
i)	Principal Amount				
ii)	Interest due but not paid				
iii)	Interest accrued but not due				
	Total (i+ii+iii)	**6,40,16,693**	**NIL**	**NIL**	**6,40,16,693**
*	Change in indebtedness during				
*	the financial year				
	Addition	NIL	NIL	NIL	NIL
	Reduction	9,55,480	NIL	NIL	9,55,480
	Net Change	9,55,480	NIL	NIL	9,55,480
	Indebtedness at the end of the financial year				
i)	Principal Amount	6,30,61,213	NIL	NIL	6,30,61,213
ii)	Interest due but not paid	NIL	NIL	NIL	NIL
iii)	Interest accrued but not due	NIL	NIL	NIL	NIL
	Total (i+ii+iii)	6,30,61,213	NIL	NIL	6,30,61,213

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

A. Remuneration to Managing Director, Whole-time Directors, Executive Director and/or Manager:

SI No.	Particulars of Remuneration	Name of MD/WTD/Executive Director/Manager			Total Amount
		Shri Kantilal R. Bhuva, MD	Shri Himmatlal P. Bhuva, WTD	Shri Mahendrakumar R. Bhuva WTD	
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	28,23,000.00	28,07,400.00	28,06,200.00	84,36,600.00
2	Stock Option				
3	Sweat Equity				
4	Commission - as % of profit - others, specify...				
5	Other, please specify Total (A) Ceiling as per the Act (Schedule V)	28,23,000.00 84,00,000.00	28,07,400.00 84,00,000.00	28,06,200.00 84,00,000.00	84,36,600.00 2,52,00,000.00

B. Remuneration to other directors:

SI No.	Particulars of Remuneration	Name of Directors			Total Amount
	Independent Directors	Mrs. Hemangini D. Pathak	Mr. B. J. Vyas	Mr. Ashokkumar N. Shah	
*	Fee for attending Board/ Board committee meetings	12000.00	16500.00	12000.00	40500.00
*	Commission	NIL	NIL	NIL	NIL
*	Other, please specify	NIL	NIL	NIL	NIL
	Total (1)	12000.00	16500.00	12000.00	40500.00
4.	Other Non-Executive Directors				
*	Fee for attending board committee meetings	NIL	NIL	NIL	NIL
*	Commission	NIL	NIL	NIL	NIL
*	Others, please specify	NIL	NIL	NIL	NIL
	Total(2)				
	Total (B) = (1+2)	12000.00	16500.00	12000.00	40500.00
	Total Managerial Remuneration				84,77,100.00
	Overall Ceiling as per the Act				2,52,00,000.00

C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD

SI No.	Particulars of Remuneration	Key Managerial Personnel		
	Independent Directors	Company Secretary	CFO	Total
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	4,71,280.00 Ms. Gauri Y Bapat	4,73,840.00 Mr. Dinesh Punjabi	9,45,120.00
2	Stock Option	-	-	-
3	Sweat Equity	-	-	-
4	Commission			
	- as % of profit - others, specify...	- -	- -	- -
5	Others, please specify			
	Total	4,71,280.00	4,73,840.00	9,45,120.00

VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

Type	Section of the Companies	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority [RD/NCLT/ COURT]	Appeal made, if any (give Details)
A. COMPANY:	N.A				
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
B. DIRECTORS:	N.A.				
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-
C. OTHER OFFICERS IN DEFAULT:	N.A.				
Penalty	-	-	-	-	-
Punishment	-	-	-	-	-
Compounding	-	-	-	-	-

FOR AND ON BEHALF OF THE BOARD

Date : 28/05/2019

K. R. Bhuva

Place: Vadodara

Chairman & Managing Director

ANNEXURE - B TO THE BOARD'S REPORT

Form No. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED 31ST March, 2019

[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,
POLYMECHPLAST MACHINES LIMITED.
775, GIDC Industrial estate, Makarpura,
Vadodara, Gujarat-390010.

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by the Company. 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 POLYMECHPLAST MACHINES LIMITED's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2019 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, minutes books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2019 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, 1992; [presently: The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015.]

(c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;

(d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999; [presently: The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014.]

(e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;

(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; and

(h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;[Presently: The Securities and Exchange Board of India(Buy back of Securities)Regulations,2018]

(vi) Having regard to the products, processes and locations of the Company as also having regard to the compliance system prevailing in the Company and on examination of the relevant documents and records in pursuance thereof, on test check basis, we further report that the Company has complied with the following laws applicable specifically to the Company:

1. The Employees Provident Fund & Miscellaneous Provisions Act, 1952
2. The Employees State Insurance Act, 1948
3. The Factories Act, 1948
4. The Gujarat Labour Welfare Fund Act, 1953
5. The Contract Labour (Regulation and Abolition) Act,1970
6. The Payment of Bonus Act, 1965
7. The Gujarat State Tax on Professions, Trades, Callings and Employments Act, 1976
8. The payment of Gratuity Act, 1972
9. The Apprentices Act, 1961

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

(i) Secretarial Standards issued by The Institute of Company Secretaries of India.

(ii) The Listing Agreements entered into by the Company with BSE Ltd. Including The Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015(‘LODR’).

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, if any, 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 (by way of information) that during the audit period:

(a) The Company has not issued any securities during the period under review and accordingly

- The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 and
- The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 were not applicable during the audit period.

(b) The company has not issued any stock options to the employees and accordingly The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 were not applicable.

(c) The Company has neither got delisted Equity Shares nor bought back any security of the Company and accordingly

- The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 and
- The Securities and Exchange Board of India (Buyback of Securities) Regulations, 2018

were not applicable during the audit period.

(d) We further report that the Corporate Governance provisions under LODR are not applicable to the Company.

(e) Corporate Governance provisions as specified in LODR were not applicable during the period under review to the Company in terms of Regulation 15(2)(a) of LODR as the Paid-up Equity Capital and Net Worth of the Company as at 31st March, 2019 did not exceed Rs. 10 Crores and Rs. 25 Crores, respectively.

For Devesh Pathak & Associates
Practising Company Secretaries

CS Devesh A. Pathak
Sole proprietor
FCS No. 4559
CP No.: 2306

Date : 28th May, 2019
Place : Vadodara

Note: This report is to be read with our letter of even date which is enclosed as forming integral part of this report.

ANNEXURE - B TO THE BOARD'S REPORT

To,

The Members,
POLYMECHPLAST MACHINES LIMITED
775 GIDC Industrial Estate, Makarpura,
Vadodara, Gujarat – 390 010

Ref: Secretarial Audit Report dated 28th May, 2019 pursuant to Section 204(1) of the Companies Act, 2013 read with Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014.

1. Maintenance of secretarial records is the responsibility of 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 the processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial records. The verification was done on the test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and the practices we followed provided reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and books of Accounts of the Company and have relied upon the reports of designated professionals including Statutory Auditors for the purpose.
4. Wherever required, we have obtained the Management representation about the compliance of laws, rules, regulations and happenings 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. 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 Devesh Pathak & Associates
Practising Company Secretaries

CS Devesh A. Pathak
Sole Properitor
FCS No. 4559
CP No.: 2306

Date : 28th May, 2019
Place : Vadodara

ANNEXURE – C TO THE BOARD'S REPORT

Pursuant to clause (h) of sub-section (3) of section 134 of the Act and Rule 8(2) of the Companies (Accounts) Rules, 2014

Form for Disclosure of particulars of contracts/arrangements entered into by the company with related parties referred to in sub section (1) of section 188 of the Companies Act, 2013 including certain arms length transaction under third proviso thereto.

1. Details of contracts or arrangements or transactions not at Arm's length basis.
   There were no contracts or arrangements or transactions entered into during the year ended 31st March, 2019 which were not at arm's length basis.
2. Details of contracts or arrangements or transactions at Arm's length basis.

SI No.	Particulars	Details
a.	Name(s) of the related party & nature of relationship	Plastomech Equipments Pvt. Ltd.
b.	Nature of contracts/arrangements/transaction	Sales Purchase
c.	Duration of the contracts/ arrangements /transactions	N.A.
d.	Salient terms of the contracts or arrangements or transaction including the value, if any	Sales Rs. 8,795/- Purchase Rs. nil
e.	Date of approval by the Board	29/05/2015
f.	Amount paid as advances, if any	Nil

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

INDUSTRY STRUCTURE AND DEVELOPMENTS

Globally, Indian Plastic Industry exported about US $ 449.72 millions in 2015 comprising of about 2000 Exporters. On domestic front, size of the plastic industry was about Rs. 1.02 lakh crore. Indian Plastic Industry has been witnessing tremendous growth of about 13% annually since around last five years and similar growth rate is expected to continue.

OPPORTUNITIES

As against per capita consumption of 28 kg in the world, per capita consumption of plastic in India is 11 kg only. Thus India has big potential to grow. Slowly, but steadily plastic consumption is increasing in India. Your Company is presently manufacturing plastic processing machinery up to 450T capacity and the Company has developed 650T machine and successfully launched this year. Higher capacity machines have better margin and marketing prospects. It would add to the goodwill of the Company also.

THREATS

Globally and domestically, plastic processing machineries industry is prone to cut throat competition. China poses competition to the Indian Plastic Processing Machineries Industry with lower cost and good quality. Overseas countries like Taiwan, Korea and other European countries equipped with latest technology pose the competition on quality front with variety of features.

SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

The Company has been operating mainly in the one segment of plastic processing machines engaged in manufacturing and trading.

OUT LOOK

Over 30,000 plastic processing units, 85.90% of them being small and medium sized enterprises, employ about 4 million people. Govt. of India also encourages the industry as it helps in generation of employment. Your Company is also poised for constant upgradation in the quality of its products in order to offer the quality products at par with international standard.

RISK & CONCERNS

Weakening rupee against dollar and volatility in the cost of raw materials have made imports costlier. Increasing cost also blocks export in view of availability of products in the overseas market at competitive prices. Ban on using plastic in some states as well as natural calamities like bad monsoon are also risk factor on which the Company has no control. It would also exert pressure on margin.

INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

The Company has an adequate system of Internal Control and checks supported and monitored by well developed Management Information System to ensure and every business transaction is carried out effectively and efficiently as per laid down procedure and appropriately delegated authority.

The Company also has a system of Annual Business Plan including budged and signification variation for the annual plan and budget are reported on quarterly basis to the Board through the Audit Committee.

DISCUSSION ON FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

During the year under review, total income of Rs. 5480.91 lacs as against Rs. 4864.85 lacs in the previous year exhibits growth of about 12.66%. Net profit of Rs 219.42 /- as against Rs 123.68 in the previous year has grown by about 77.41% which can be mainly attributed to reduction in finance cost.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES / INDUSTRIAL RELATIONS FRONT, INCLUDING NUMBER O PEOPLE EMPLOYED

The Company has been organizing various seminar & workshop on Personality development for increasing productive efficiency of the workers.

These seminars have helped the employees of the Company in achieving the higher efficiency leading to achievement of organizational goals of the Company as a whole.

It has also created an environment of proximity and mutual understanding among the employees in the Company apart from morale boosting. Resultantly, industrial relations remained cordial throughout the year. The Company had 116 employees including apprentice during the period under review.

INDEPENDENT AUDITOR'S REPORT

To
The Members of
Polymechplast Machines Limited

Report on the Audit of the Financial Statements

Opinion

We have audited the accompanying financial statements of Polymechplast Machines Limited("the Company"), which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flows for the year then ended and notes to the financial statements, including a summary of significant accounting policies and other explanatory information. (here in after referred to as "the financial statements").

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 Companies Act, 2013 (the "Act") in the manner so required and give a true and fair view in conformity with the Indian Accounting Standards prescribed under section 133 of the Act read with the Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at March 31, 2019, the profit and total comprehensive income, changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor's Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the independence requirements that are relevant to our audit of the financial statements under the provisions of the Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on the financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters. We have determined the matters described below to be the key audit matters to be communicated in our report.

Sr. No.	Key Audit Matter	Auditor's Response
1	Accuracy of recognition, measurement, presentation and disclosures of revenues and other related balances in view of adoption of Ind AS 115 "Revenue from Contracts with Customers" (new revenue accounting standard) The application of the new revenue accounting standard involves certain key judgments relating to identification of distinct performance obligations, determination of transaction price of the identified performance obligations, the appropriateness of the basis used to measure revenue recognized over a period. Additionally, new revenue accounting standard contains disclosures which involve collation of information in respect of disaggregated revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date. Refer Note No. 2(K) and 27 to the Financial Statements.	**Principal Audit Procedures** We assessed the company's process to identify the impact of adoption of the new revenue recognition standard. Our audit approach consisted testing of design and effectiveness of internal controls and substantive testing as follows: • We evaluated the design of internal controls relating to implementation of new revenue accounting standard, the effectiveness of key control over measurement of revenue transactions. • Examined the process and controls for assessment of timing of revenue recognition as well as performed testing of sample of revenue to supporting evidence. • Selected a sample of continuing and new contracts, and tested the operating effectiveness of the internal control, relating to identification of the distinct performance obligations and determination of transaction price. We carried out a combination of procedures involving enquiry and observation, re-performance and inspection of evidence in respect of operation of these controls.

Sr. No.	Key Audit Matter	Auditor's Response
		• Our procedures include data analysis of the expected flows of revenue transactions and performing testing over transactions that deviated from our expectation. • Relied on management judgements, key assumptions and estimations regarding revenue recognition on contracts that are not completed for the year ended.

Information other than the Financial Statement and Auditor's Report thereon

The Company's Board of Directors is responsible for preparation the other information. The other information included in the Management Discussion and Analysis, including Annexure to Board's Report, and Shareholder's Information, but does not include the financial statements and our auditor's report thereon.

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

In connection with our audit of the financial statements, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and Those Charged with Governance for the 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, financial performance, total comprehensive income, changes in equity and cash flows of the Company in accordance with the Ind AS and other accounting principles generally accepted in India, including the accounting Standards specified under Section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

Those Board of Directors are also responsible for overseeing the company's financial reporting process.

Auditor's Responsibilities for the Audit of Financial Statements

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

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

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

Materiality is the magnitude of misstatements in the financial statements that, individually or in aggregate, makes it probable that the economic decisions of a reasonably knowledgeable user of the financial statements may be influenced. We consider quantitative materiality and qualitative factors in (i) planning the scope of our audit work and in evaluating the results of our work; and (ii) to evaluate the effect of any identified misstatements in the financial statements.

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

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

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

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Companies Act, 2013, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.
2. As required by Section 143(3) of the Act, we report that:
   (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
   (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
   (c) The Balance Sheet, the Statement of Profit and Loss including other comprehensive income, statement of changes in equity 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, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 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 B
   (g) With respect to the other matters to be included in the Auditor's Report in accordance with the

requirements of section 197(16) of the Act, as amended:

In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.

(h) With respect to the other matters to be included in the Auditor's 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 – Refer Note 40 to the financial statements.

ii. The Company did not have any long-term contracts including derivatives contracts for which there were any material foreseeable losses.

iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For C N K & Associates LLP
Chartered Accountants
FRN: 101961W/W-100036

Alok Shah
(Partner)
Membership Number: 42005

Place : Vadodara
Date : 28th May, 2019

ANNEXURE - A TO THE INDEPENDENT AUDITORS' REPORT

Referred to in Para 1 'Report on Other Legal and Regulatory Requirements' in our Independent Auditor's Report to the members of the Company on the Financial Statements for the year ended March 31, 2019.

On the basis of such checks as considered appropriate and in terms of the information and explanations given to us, we state as under:

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets;

   (b) As informed to us, the Company has the policy and programme of physical verification of its fixed assets over a period of three years. In accordance with this programme, certain fixed assets were verified during the year and no material discrepancies were noticed on such verification. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets;

   (c) According to the information and explanations given to us, the records examined by us and based on the examination of the conveyance deeds provided to us, we report that, the title deeds, comprising all the immovable properties of land and buildings which are freehold, are held in the name of the Company as at the balance sheet date. In respect of immovable properties of land and building that have been taken on lease and disclosed as property plant and equipment in the financial statements, the lease agreements are in the name of the Company;

2. As per the information and explanations given to us, the inventories held by the company have been physically verified by the management. In our opinion, having regard to the nature and location of stocks, the frequency of the physical verification is reasonable;

2 (a) In our opinion and according to the information and explanations given to us, the Company is maintaining proper records of inventories and the discrepancies noticed on physical verification of the same were not material in relation to the operations of the Company and the same have been properly dealt with in the books of accounts;

3 According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured to Companies, Firms, Limited Liability Partnership or any other parties covered in the register maintained under section 189 of the Act. Hence, clause 3(a), 3(b) and 3(c) are not applicable for the year;

4 In our opinion and according to the information and explanations given to us, provisions of Sections 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities have been complied with;

5 The Company has not accepted any deposits within the meaning of sec 73 to 76 of the Act and the Companies (Acceptance of Deposit) Rules, 2014 (as amended). Accordingly, the provisions of this clause of the Order are not applicable;

6 We have broadly reviewed the cost records maintained by the Company as prescribed by the Central Government under sub section (1) of Section 148 of the Companies Act, 2013 and are of the opinion that, prima facie, the prescribed cost records have been made and maintained by the company. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete;

7 (a) According to the information and explanations given to us and the records examined by us, the Company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, employees' state insurance, income-tax, sales-tax, goods and service tax (GST), service tax, custom duty, excise-duty, value added tax (VAT), cess and other statutory dues and there are no undisputed statutory dues outstanding as at 31st March 2019, for a period of more than six months from the date they became payable, except following:

Nature of Statutory Dues	Amount (Rs. in lakhs)
Professional Tax	0.84

(b) According to the information and explanation given to us, there are no disputed statutory dues payable in respect of provident fund, employees' state insurance, income tax, sales tax, goods and service tax (GST) , custom duty, excise duty, service tax, value added tax (VAT) cess or any other statutory dues with the appropriate authorities to the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, except following:

Name of Stature	Nature of Dues	Amount (₹ In lakhs)	Forum where dispute
Code of Civil procedure & Companies Act, 1956	Under Writter Commission	0.86	Civil Court – Mumbai
The West Bengal Value Added Tax' department	Penalty	4.56	The West Bengal Taxation Tribunal Act, 1987
Income Tax Act, 1961	Income Tax	29.43	Income Tax Appellate Tribunal, Ahmedabad

*Net of amount paid under protest

8. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of any dues to financial Institution or Bank and there are no dues to debenture holders during the year;
9. According to the information and explanations given to us, no moneys during the year were raised by way of initial public offer or further public offer (including debt instruments) and term loans were applied for the purpose for which the loans were obtained;
10. During the course of our examination of the books of account and records of the company, carried out in accordance with generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any incidence of fraud by the Company or any fraud on the Company by its officers or employees noticed or reported during the year, nor have we been informed of any such case by the management;
11. According to the information and explanations given to us and based on our examination of the records of the Company, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V of the Act;
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, this clause of the Order is not applicable;
13. According to the information and explanations given to us and based on our examination of the records of the Company, transactions with the related parties are in compliance with sections 177 and 188 of the Act, where applicable and details of such transactions have been disclosed in the 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 paid convertible debentures and hence reporting under this clause is not applicable to the Company;
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 as referred to in section 192 of the Act;
16. The company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For C N K & Associates LLP
Chartered Accountants
FRN: 101961W/W-100036

Alok Shah
(Partner)
Membership Number: 42005

Date : 28th May, 2019
Place : Vadodara

ANNEXURE - B TO THE INDEPENDENT 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 **Polymechplast Machines Limited** ("the Company") as of March 31, 2019 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting issued by the Institute of Chartered Accountants of India. These responsibilities include the design, implementation and maintenance of internal financial controls with reference to financial statements of the company that were operating effectively for ensuring the orderly and efficient conduct of its business, 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 prescribed under section 143(10) of the Companies Act, 2013, to the extent applicable to an audit of internal financial controls. 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 internal financial controls with reference to financial statements of the company 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 internal financial controls with reference to financial statements of the company and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditor's 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 authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an internal financial controls with reference to financial statements of the company and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, 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 C N K & Associates LLP
Chartered Accountants
FRN: 101961W/W-100036

Alok Shah
(Partner)
Membership Number: 42005

Date : 28th May, 2019
Place : Vadodara

CIN No. L27310GJ1987PLC009517

BALANCE SHEET AS AT 31ST MARCH, 2019

All Amounts Are In Rs. Lakhs Unless Otherwise Stated

Sr. No.	Particulars	Note No.	As on 31st March, 2019	As on 31st March, 2018
	ASSETS			
(1)	**Non-current assets**			
	(a) Property, Plant and Equipment	4	676.72	667.63
	(b) Capital work-in-progress	5	281.23	118.97
	(c) Financial Assets			
	(i) Investments	6	0.00	0.00
	(ii) Loans	7	29.07	23.56
	(iii) Other financial assets	8	192.01	176.72
	(d) Deferred tax assets (Net)	20	5.53	-
(2)	**Current assets**			
	(a) Inventories	9	1,090.83	696.82
	(b) Financial Assets			
	(i) Trade receivables	10	299.38	317.70
	(ii) Cash and cash equivalents	11	171.92	324.39
	(iii) Bank balances other than (ii) above	12	54.71	42.90
	(iv) Loans	13	0.78	1.04
	(v) Other financial assets	14	-	10.86
	(c) Other current assets	15	75.40	128.74
	Total Assets		**2,877.58**	**2,509.33**
	EQUITY AND LIABILITIES			
	EQUITY			
	(a) Equity Share capital	16	478.17	478.17
	(b) Other Equity	17	778.81	605.20
	Total equity attributable to equity holders of the Company		**1,256.98**	**1,083.37**
	LIABILITIES			
(1)	**Non-current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	18	105.57	2.94
	(b) Provisions	19	21.11	21.93
	(c) Deferred tax liabilities (net)	20	-	1.14
(2)	**Current liabilities**			
	(a) Financial Liabilities			
	(i) Borrowings	21	480.38	593.25
	(ii) Trade payables			
	(A) Total outstanding dues of micro enterprises and small enterprise	22	101.79	24.71
	(B) Total Outstanding dues of creditors other than micro enterprise and small enterprises	22	435.20	196.22
	(iii) Other financial liabilities	23	62.22	34.33
	(b) Other current liabilities	24	359.17	485.43
	(c) Provisions	25	53.35	45.50
	(d) Current Tax Liabilities (Net)	26	1.82	20.50
	Total Liabilities		**1,620.60**	**1,425.96**
	Total Equity and Liabilities		**2,877.58**	**2,509.33**

Note: See accompanying notes referred to above which form an integral part of the Financial Statements.

As per our report of even date
For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/100036W

Alok Shah
(Partner)
Membership No 42005

Place : Vadodara
Date : 28th May, 2019

For and on behalf of the Board of Directors
FOR **POLYMECHPLAST MACHINES LTD.**

K. R. Bhuva
Chairman &
Managing Director (DIN:00054532)

M. R. Bhuva
Director (DIN:00054562)

Gauri Y. Bapat
Company Secretary
(ACS 22782)

D.K. Punjabi
Chief Financial Officer

Place : Vadodara
Date : 28th May, 2019

CIN No. L27310GJ1987PLC009517

Statement of Profit and Loss For the Year Ended 31st March, 2019

All Amounts Are In Rs. Lakhs Unless Otherwise Stated

Sr. No.	Particulars	Note No.	Year Ended 31st March, 2019	Year Ended 31st March, 2018
I	Revenue from operations	27	5,450.65	4,840.47
II	Other income	28	30.27	24.49
III	**Total Income (I + II)**		**5,480.91**	**4,864.95**
IV	**EXPENSES**			
	Cost of materials consumed	29	4,084.54	3,213.54
	Purchases of Stock-in-Trade	30	-	24.21
	"Changes in inventories of finished goods, Work-in-progress and Stock-in-Trade"	31	(252.77)	91.95
	Excise Duty on Sale of Goods		-	116.44
	Employee benefits expenses	32	485.51	436.44
	Finance costs	33	44.50	40.47
	Depreciation and amortization expense	4	37.87	36.77
	Other expenses	34	773.08	684.44
	Total expenses (IV)		**5,172.73**	**4,644.24**
V	**Profit before tax (III-IV)**		**308.18**	**220.71**
VI	**Tax Expense:**	35		
	(1) Current tax		93.29	68.65
	(2) Deferred tax		(6.79)	26.69
	(3) Income tax adjustments relating to earlier year		2.25	1.69
			88.76	**97.03**
VII	**Profit after tax (V-VI)**		**219.42**	**123.68**
VIII	**Other Comprehensive Income**			
	A (i) Items that will not be reclassified to profit or loss			
	- Remeasurement of Defined benefit plans		(0.41)	5.07
	A (ii) Income tax relating to items that will not be reclassified to profit or loss			
	- Remeasurement of Defined benefit plans		0.11	(1.41)
	Total other comprehensive income (A (i - ii))		**(0.30)**	**3.66**
IX	**Total comprehensive income for the period (VII + VIII)**		**219.13**	**127.34**
X	Earnings per equity share (for continuing operation):			
	(1) Basic	36	4.59	2.29
	(2) Diluted	36	4.59	2.29

Note: See accompanying notes referred to above which form an integral part of the Financial Statements.

As per our report of even date
For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/100036W

Alok Shah
(Partner)
Membership No 42005

Place : Vadodara
Date : 28th May, 2019

For and on behalf of the Board of Directors
FOR **POLYMECHPLAST MACHINES LTD.**

K. R. Bhuva
Chairman &
Managing Director (DIN:00054532)

M. R. Bhuva
Director (DIN:00054562)

Gauri Y. Bapat
Company Secretary
(ACS 22782)

D.K. Punjabi
Chief Financial Officer

Place : Vadodara
Date : 28th May, 2019

CIN No. L27310GJ1987PLC009517

Statement of Changes in Equity For the Year Ended 31st March, 2019

All Amounts Are In Rs. Lakhs Unless Otherwise Stated

a. Statement of Changes in Equity:

Balance as at the 31st March 2017	**527.66**
Changes in equity share capital during the year	(49.49)
Balance as at the 31st March 2018	**478.17**
Changes in equity share capital during the year	-
Balance as at the 31st March 2019	**478.17**

b. Other Equity

Particulars	Capital Reserve	Retained Earnings	Total Equity
As at 1st April, 2017	**-**	**435.69**	**435.69**
Profit for the year	-	123.68	123.68
Amount transferred during the year	49.49	-	49.49
Remeasurement of the Net Defined benefit liability/asset, net of tax effect	-	(3.66)	(3.66)
As at 31st March, 2018	**49.49**	**555.71**	**605.20**
As at 1st April, 2018	49.49	555.71	605.20
Profit for the year	-	219.42	219.42
Amount transferred during the year	-	-	-
Remeasurement of the Net Defined benefit liability/asset, net of tax effect	-	0.30	0.30
Dividend on Equity shares including tax thereon	-	(46.12)	(46.12)
As at 31st March, 2019	**49.49**	**729.32**	**778.81**

Note: See accompanying notes referred to above which form an integral part of the Financial Statements.

As per our report of even date
For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/100036W

Alok Shah
(Partner)
Membership No 42005

Place : Vadodara
Date : 28th May, 2019

For and on behalf of the Board of Directors
FOR **POLYMECHPLAST MACHINES LTD.**

K. R. Bhuva
Chairman &
Managing Director (DIN:00054532)

M. R. Bhuva
Director (DIN:00054562)

Gauri Y. Bapat
Company Secretary
(ACS 22782)

D.K. Punjabi
Chief Financial Officer

Place : Vadodara
Date : 28th May, 2019

CIN No. L27310GJ1987PLC009517

Statement of Cash Flows For the Year Ended 31st March, 2019

All Amounts Are In Rs. Lakhs Unless Otherwise Stated

Sr. No.	Particulars	For the Year Ended 31st March, 2019	For the Year Ended 31st March, 2018
A	**Cash flow from operating activities**		
	Profit before income tax	**308.18**	**220.71**
	Adjustments for :		
	Depreciation and amortization expense	37.87	36.77
	Interest Income	(14.82)	(14.77)
	Finance Cost	44.50	40.47
	Allowance for doubtful debts (Expected Credit Loss Allowance)	2.39	4.80
	(Gain) / Loss on disposal of Property, Plant and Equipment	0.18	-
	Fair valuation of other financial assets through FVTPL	(0.54)	(2.91)
	Operating profit before working capital changes	**377.76**	**285.07**
	Movements in working capital:		
	(Increase) / Decrease in trade receivables	15.93	(16.71)
	(Increase) / Decrease in inventories	(394.01)	5.95
	(Increase) / Decrease in other financial assets	(5.25)	1.34
	(Increase) / Decrease in other current assets	50.99	(123.76)
	Increase / (Decrease) in trade payables	316.07	90.15
	Increase /(Decrease) in other payables	(118.83)	210.93
	Increase / Decrease in other financial liabilities	(0.46)	13.83
	Cash generated from operations :	**242.20**	**466.81**
	Direct taxes paid (net)	(111.86)	(68.10)
	Net cash from operating activities (A)	**130.33**	**398.71**
B	**Cash flows from investing activities**		
	Payment for property, plant and equipment (PPE) (including Capital work-in-progress)	(209.54)	(138.60)
	Loans and other financial assets	-	0.00
	Proceeds from sale of Property plant and equipment	0.15	-
	Bank deposits not considered as cash and cash equivalent	(26.55)	26.43
	Interest received	25.68	9.83
	Net cash (used) in Investing activities (B)	**(210.28)**	**(102.33)**
C	**Cash flow from financing activities :**		
	Receipt/(Repayment) of long term borrowings	130.98	(13.39)
	Receipt/(Repayment) of Short term borrowings	(112.88)	74.91
	Interest paid	(44.50)	(40.47)
	Dividend Paid	(46.12)	-
	Net cash (used) in financing activities (C)	**(72.52)**	**21.05**
	NET INCREASE IN CASH AND CASH EQUIVALENTS [(A) + (B) + (C)]	**(152.47)**	**317.44**
	CASH AND CASH EQUIVALENTS AT THE BEGINNING OF THE YEAR		
	Balances with banks in current accounts and deposit account	323.15	5.57
	Cash on hand	1.24	1.39
	CASH AND CASH EQUIVALENTS AS PER NOTE 11	**324.39**	**6.95**
	CASH AND CASH EQUIVALENTS AT THE END OF THE YEAR		
	Balances with banks in current accounts and deposit account	169.30	323.15
	Cash on hand	2.62	1.24
	CASH AND CASH EQUIVALENTS AS PER NOTE 11	**171.92**	**324.39**

Note: See accompanying notes referred to above which form an integral part of the Financial Statements.

As per our report of even date
For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/100036W

Alok Shah
(Partner)
Membership No 42005

Place : Vadodara
Date : 28th May, 2019

For and on behalf of the Board of Directors
FOR **POLYMECHPLAST MACHINES LTD.**

K. R. Bhuva
Chairman &
Managing Director (DIN:00054532)

M. R. Bhuva
Director (DIN:00054562)

Gauri Y. Bapat
Company Secretary
(ACS 22782)

D.K. Punjabi
Chief Financial Officer

Place : Vadodara
Date : 28th May, 2019

NOTES FORMING PART OF THE Ind AS FINANCIAL STATEMENTS

1. COMPANY OVERVIEW AND SIGNIFICANT ACCOUNTING POLICIES:

1.2 CORPORATE INFORMATION

POLYMECHPLAST MACHINES LIMITED (‘the Company’) is into the manufacturing and export of various range of plastic processing machines.

The Financial Statements of the Company for the year ended 31st March, 2019 were authorized for issue in accordance with a resolution of the Board of Directors on 28th May, 2019.

1.3 BASIS OF PREPARATION

i. Compliance with Ind AS

The financial statements comply in all material aspects with Indian Accounting Standards (“Ind AS”) notified under section 133 of the Companies Act, 2013 (“the Act”), Companies (Indian Accounting Standards) Rules, 2015 as amended and other relevant provisions of the Act as applicable.

ii. Historical cost convention

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

- Certain financial assets and liabilities that are measured at fair value;
- Defined benefit plans – plan assets measured at fair value.

iii. Functional and presentation currency

These financial statements are presented in Indian Rupees, which is the Company’s functional currency, and all values are rounded to the nearest lakhs, except otherwise indicated.

iv. Composition of Financial Statements

The financial statements comprise:

- Balance Sheet
- Statement of Profit and Loss
- Statement of Cash Flow
- Statement of Changes in Equity
- Notes to Financial Statements

2. SIGNIFICANT ACCOUNTING POLICIES

A. Current versus non-current classification

The Company presents assets and liabilities in the balance sheet based on current/ non-current classification.

An asset is treated as current when it is:

- Expected to be realized or intended to be sold or consumed in normal operating cycle
- Held primarily for the purpose of trading
- Cash or cash equivalent unless restricted from being exchanged or used to settle a liability for at least twelve months after the reporting period

All other assets are classified as non-current.

A liability is current when:

- It is expected to be settled in normal operating cycle
- It is held primarily for the purpose of trading
- There is no unconditional right to defer the settlement of the liability for at least twelve months after the reporting period

The Company classifies all other liabilities as non-current.

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

Based on the nature of products and the time between acquisition of assets for processing and their realization in cash and cash equivalents, the Company has identified twelve months as its operating cycle for the purpose of current / noncurrent classification of assets and liabilities.

B. Property, Plant and Equipment:

Recognition and measurement

Freehold land is carried at historical cost. All other items of property, plant and equipment are stated at cost, which includes capitalized borrowing costs, less accumulated depreciation, and impairment loss, if any. Cost includes purchase price, including non-refundable duties and taxes, expenditure that is directly attributable to bring the assets to the location and condition necessary for its intended use and estimated costs of dismantling and removing the item and restoring the site on which it is located, if any.

Properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees, and for qualifying assets, borrowing costs capitalized in accordance with the Company's accounting policies. Such properties are classified to the appropriate categories of property, plant and equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the assets are ready for their intended use.

Spare parts are treated as capital assets when they meet the definition of property, plant and equipment. Otherwise, such items are classified as inventory.

If significant parts of an item of property, plant and equipment have different useful lives, then they are accounted for, as separate items (major components) of property, plant and equipment.

Any gains or losses on their disposal, determined by comparing sales proceeds with carrying amount, are recognised in the Statement of Profit or Loss.

Subsequent Expenditure;

Subsequent expenditure is capitalized only if it is probable that the future economic benefits associated with the expenditure will flow to the Company.

De-Recognition:

An item of property, plant and equipment is de-recognised upon disposal or when no future economic benefits are expected to arise from its use. Any gain or loss arising from its de-recognition is measured as the difference between the net disposal proceeds and the carrying amount of the asset and is recognised in Statement of Profit and Loss when the asset is de-recognised.

Depreciation methods, estimated useful lives and residual value:

Depreciation on property, plant and equipment is provided using the straight-line method based on the life and in the manner prescribed in Schedule II to the Companies Act, 2013, and is generally recognized in the statement of profit and loss. Freehold land is not depreciated.

Depreciation on property, plant and equipment is provided based on the useful life and in the manner prescribed in Schedule II to the Companies Act, 2013

Depreciation method, useful lives and residual values are reviewed at each financial year-end and adjusted if appropriate. Based on technical evaluation and consequent advice, the management believes that its estimates of useful lives as given above best represent the period over which management expects to use these assets. Depreciation on additions (disposals) is provided on a pro-rata basis i.e. from (up to) the date on which asset is ready for use (disposed of).

Capital Work-in-Progress

Plant and properties in the course of construction for production, supply or administrative purposes are carried at cost, less any recognized impairment loss. Cost includes professional fees and, for qualifying asset, borrowing costs capitalized in accordance with the Company's accounting policies. Such plant and Properties are classified and capitalized to the appropriate categories of Property, Plant and Equipment when completed and ready for intended use. Depreciation of these assets, on the same basis as other property assets, commences when the asset are ready for their intended use.

Advances paid towards the acquisition of property, plant and equipment outstanding at each balance sheet date is classified as capital advances under “Other Non-Current Assets” and the cost of assets not put to use before such date are disclosed under ‘Capital work-in-progress’.

C. Intangible Assets:

Recognition and measurement

Intangible assets are recognized only if it is probable that the future economic benefits that are attributable to the assets will flow to the enterprise and the cost of the assets can be measured reliably. Intangible Assets are stated at cost of acquisition less accumulated amortization and accumulated impairment, if any.

Research costs are expensed as incurred. Product development expenditure incurred on individual product project is recognized as an intangible asset when the Company can demonstrate:

- The technical feasibility of completing the intangible asset so that it will be available or use or sale;
- Its intention to complete the asset and use or sell it;
- its ability to use or sell the asset;
- the availability of adequate resources to complete the development and to use or sell the asset; and
- the ability to measure reliably the expenditure attributable to the intangible asset during development.

Amortization

Any expenditure capitalized as technical knowhow is amortized on a straight-line basis not exceeding over a period of ten years from the month of addition of the underlying product.

De- recognition of Intangible Assets:

Intangible asset is de-recognised on disposal or when no future economic benefits are expected from its use or disposal. Gains or losses arising from de-recognition of an intangible asset, measured as the difference between the net disposal proceeds and the carrying amount of the asset, and are recognised in the Statement of Profit and Loss when the asset is de-recognized.

D. Impairment of Non financial assets:

At the end of each reporting period, the Company reviews the carrying amounts of its tangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the assets is estimated in order to determine the extent of the impairment loss (if any). When it is not possible to estimate the recoverable amount of an individual asset, the Company estimates the recoverable amount of the cash generating unit (CGU) to which the asset belongs. When a reasonable and consistent basis of allocation can be identified, corporate assets are also allocated to individual CGU, or otherwise they are allocated to the smallest group of CGU for which a reasonable and consistent allocation basis can be identified.

The Company’s corporate assets do not generate independent cash inflows. To determine impairment of a corporate asset, recoverable amount is determined for the CGUs to which the corporate asset belongs.

An impairment loss is recognised if the carrying amount of an asset or CGU exceeds its estimated recoverable amount. Impairment losses are recognised in the statement of profit and loss. Impairment loss recognised in respect of a CGU is allocated first to reduce the carrying amount of any goodwill allocated to the CGU, and then to reduce the carrying amounts of the other assets of the CGU (or group of CGUs) on a pro rata basis.

E. Inventories:

Inventories are measured at lower of cost and net realizable value. Cost of inventories is determined on a FIFO (as mentioned below), after providing for obsolescence and other losses as considered necessary. Cost includes expenditure incurred in acquiring the inventories, reduction and conversion costs and other costs incurred in bringing them to their present location and condition.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

Raw materials and other supplies held for use in the production of finished products are not written down below cost except in cases where material prices have declined and it is estimated that the cost of the finished products will exceed their net realizable value.

Items of Inventory are valued on the principle laid down by the Ind AS 2 on Inventories on the basis given below:

(a)	Raw Materials, Stores & Spares (that are not capitalized) and Fuel	Lower of cost (determined on FIFO) and net realizable value.
(b)	Packing Material	Lower of cost (determined on FIFO) and net realizable value.
(c)	Traded Goods	Lower of cost and net realizable value.
(d)	Work-in-Progress	Lower of cost and net realizable value. Cost includes direct materials, labour and a proportion of manufacturing overheads based on normal operating capacity.
(e)	Finished Goods	Lower of cost and net realizable value. Cost includes direct materials, labour, a proportion of manufacturing overheads based on normal operating capacity and excise duty.

The comparison of cost and net realisable value is made on an item-by-basis.

F. Financial Instruments

A financial instrument is any contract that gives rise to a financial asset of one entity and a financial liability or equity instrument of another entity

Financial Assets:

Initial recognition, classification and measurement

All financial assets are recognized initially at fair value plus, in the case of financial assets not recorded at fair value through profit or loss, transaction costs that are attributable to the acquisition of the financial asset.

Debt instruments at amortised cost

A 'debt instrument' is measured at its amortised cost if both the following conditions are met:

a) The asset is held within a business model whose objective is to hold assets for collecting contractual cash flows, and

b) Contractual terms of the asset give rise on specified dates to cash flows that are solely payments of principal and interest (SPPI) on the principal amount outstanding.

After initial measurement, such financial assets are subsequently measured at amortised cost using the effective interest Rate (EIR) method. Amortised cost is calculated by taking into account any discount or premium on acquisition and feesor costs that are an integral part of the EIR. The EIR amortisation is included in other income in the statement of profit orloss. The losses arising from impairment are recognised in the statement of profit or loss.

Debt instrument at FVTOCI

A 'debt instrument' is classified at FVTOCI if both of the following criteria are met:

a) The objective of the business model is achieved both by collecting contractual cash flows and selling the financial Assets, and

b) The asset's contractual cash flows represent solely payments of principal and interest (SPPI) on the principal amount outstanding.

Debt instruments included within the FVTOCI category are measured initially as well as at each reporting date at fair value.Fair value movements are recognized in the other comprehensive income (OCI). However, the company recognizes interest income, impairment losses & reversals and foreign exchange gain or loss in the Profit and Loss. On derecognition of the asset, cumulative gain or loss previously recognised in OCI is reclassified from the equity to Profit and Loss. Interest earned whilst holding FVTOCI debt instrument is reported as interest income using the EIR method.

Debt instrument at FVTPL

FVTPL is a residual category for debt instruments. Any debt instrument, which does not meet the criteria for categorization as at amortized cost or as FVTOCI, is classified as FVTPL.

In addition, the company may elect to designate a debt instrument, which otherwise meets amortized cost or FVTOCI criteria, as at FVTPL. However, such election is allowed only if doing so reduces or eliminates a measurement or recognition inconsistency (referred to as 'accounting mismatch'). The company has designated certain debt instrument as at FVTPL.

Debt instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Equity investments

All equity investments in scope of Ind AS 109 are measured at fair value. Equity instruments which are held for trading are classified as at FVTPL. For all other equity instruments, the company may make an irrevocable election to present in other comprehensive income subsequent changes in the fair value. The company makes such election on an instrument-by instrument basis.

The classification is made on initial recognition and is irrevocable. If the company decides to classify an equity instrument as at FVTOCI, then all fair value changes on the instrument, excluding dividends, are recognized in the OCI. There is no recycling of the amounts from OCI to statement of profit and loss, even on sale of investment. However, the company may transfer the cumulative gain or loss within equity.

Equity instruments included within the FVTPL category are measured at fair value with all changes recognized in the statement of profit and loss.

Derecognition

A financial asset (or, where applicable, a part of a financial asset or part of a company of similar financial assets) is primarily derecognized (i.e. removed from the Company's balance sheet) when:

- The rights to receive cash flows from the asset have expired, or
- The company has transferred its rights to receive cash flows from the asset or has assumed an obligation to pay the received cash flows in full without material delay to a third party under a 'pass-through' arrangement; and either

(a) the company has transferred substantially all the risks and rewards of the asset, or

(b) the company has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

Impairment of financial assets

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

a) Financial assets that are debt instruments, and are measured at amortised cost e.g., loans, debt securities, deposits, trade receivables and bank balance

b) Financial assets that are debt instruments and are measured as at FVTOCI

c) Trade receivables or any contractual right to receive cash or another financial asset.

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

- Trade receivables and
- Other receivables

The application of simplified approach does not require the company to track changes in credit risk. Rather, it recognizes impairment loss allowance based on lifetime ECLs at each reporting date, right from its initial recognition.

ECL is presented as an allowance, i.e., as an integral part of the measurement of those assets in the balance sheet. The allowance reduces the net carrying amount. Until the asset meets write-off criteria, the company does not reduce impairment allowance from the gross carrying amount

Financial Liabilities:

Initial recognition and Measurement

The Company's financial liabilities include trade and other payables, loans and borrowings. All financial liabilities are recognized initially at fair value and in the case of loans, borrowings and payables recognized net of directly attributable transaction costs.

Subsequent measurement

The measurement of financial liabilities depends on their classification, as described below:

Financial liabilities at fair value through profit or loss

Financial liabilities at fair value through profit or loss include financial liabilities held for trading and financial liabilities designated upon initial recognition as at fair value through profit or loss. Financial liabilities are classified as held for trading if they are incurred for the purpose of repurchasing in the near term. This category also includes derivative financial instruments entered into by the company that are not designated as hedging instruments in hedge relationships as defined by Ind AS 109.Gains or losses on liabilities held for trading are recognised in the statement of profit and loss.

Loans and borrowings

After initial recognition, interest-bearing loans and borrowings are subsequently measured at amortised cost using the EIR method. Gains and losses are recognized in profit or loss when the liabilities are derecognized as well as through the EIR amortisation process.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an Integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit and loss.

Derecognition

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of an existing liability are substantially modified, such an exchange or modification is treated as the derecognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

Offsetting of financial instruments

Financial assets and financial liabilities are offset and the net amount is reported in the balance sheet if there is a currently enforceable legal right to offset the recognised amounts and there is an intention to settle on a net basis, to realise the assets and settle the liabilities simultaneously.

G. Derivative financial instruments

The Company uses derivative financial instruments such as forward contracts to hedge its foreign currency risks relating to highly probable transactions or firm commitments. Such forward Exchange Contracts are marked to market and resulting gains or losses are recorded in the statement of profit and loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

H. Cash and cash equivalents

Cash and cash equivalent in the balance sheet comprise cash at banks and on hand and short-term deposits with an original maturity of three months or less, which are subject to an insignificant risk of changes in value.

For the purpose of the statement of cash flows, cash and cash equivalents consist of cash and short-term deposits, as defined above, net of outstanding bank overdrafts as they are considered an integral part of the Company's cash management.

I. Cash dividend

The Company recognises a liability to make cash distributions to equity holders when the distribution is authorized and the distribution is no longer at the discretion of the Company. As per the corporate laws in India, a distribution is authorised when it is approved by the shareholders. A corresponding amount is recognised directly in equity.

J. Foreign Currency Translation:

Initial Recognition:

Foreign currency transactions are recorded in the reporting currency by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

Conversion:

Foreign currency monetary items are reported using the closing rate. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

K. Revenue recognition:

Effective April 1, 2018, the Company adopted Ind AS 115 "Revenue from Contracts with Customers" using the cumulative catch-up transition method, applied to contracts that were not completed as of April 1, 2018. In accordance with the cumulative catch-up transition method, the comparatives have not been retrospectively adjusted i.e. the comparative information continues to be reported under Ind AS 18 and Ind AS 11. The effect on adoption of Ind AS 115 was insignificant.

Revenue from contracts with customers is recognised when control of the goods or services are transferred to the customer at an amount that reflects the consideration to which the Company expects to be entitled in exchange for those goods or services. The Company assesses promises in the contract that are separate performance obligations to which a portion of transaction price is allocated.

Revenue from the sale of goods is recognized at the point in time when control of the asset is asset is transferred to the customer, generally on the delivery of the goods.

The Company considers whether there are other promises in the contract that are separate performance obligations to which a portion of the transaction price needs to be allocated. In determining the transaction price, the Company considers the effects of variable consideration, the existence of significant financing component, non-cash component and consideration payable to the customer like return, allowances, trade discounts and volume rebates.

Sales are disclosed excluding net of sales returns, service tax, value added tax and Goods and Service Tax (GST).

L. Other Income

Interest income

Interest income from the financial assets is recognized on a time basis, by reference to the principle outstanding using the effective interest method provided it is probable that the economic benefits associated with the interest will flow to the Company and the amount of interest can be measured reliably. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of that financial asset.

Dividend income

Revenue is recognised when the Company's right to receive the payment is established, which is generally when shareholders approve the dividend.

Insurance Claims:

Insurance claims are accounted on accrual basis when there is reasonable certainty of reliability of the claim amount.

Export Benefits

Duty free imports of raw materials under Advance License for imports as per the Import and Export Policy are matched with the exports made against the said licenses and the net benefit/obligation is accounted by making suitable adjustments in raw material consumption.

The benefits accrued under the duty drawback scheme as per the Import and Export Policy in respect of exports made under the said scheme are recognised where there is a reasonable assurance that the benefits will be received and the company shall comply with the attached conditions . The same have been included under the head 'Export Incentives'.

M. Employee benefits:

Employee benefits include short term employee benefits, contribution to defined contribution schemes, contribution to defined benefit plan and Compensated absences.

Short-term employee benefits

Liabilities for wages and salaries, including non-monetary benefits that are expected to be settled wholly within 12 months after the end of the period in which the employees render the related service are recognised in respect of employee's services up to the end of the reporting period and are measured at the amounts expected to be paid when the liabilities are settled. The liabilities are presented as current employee benefit obligations in the balance sheet.

Contribution towards defined benefit contribution schemes

Contribution towards provident fund and superannuation fund is made to the regulatory authorities. Contributions to the above scheme are charged to the Statement of profit and loss in the year when the contributions are due. Such benefits are classified as defined Contribution Schemes as the Company does not carry any further obligations, apart from the contributions to be made.

Defined benefit Plan

Gratuity plan

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service is eligible for gratuity on post-employment at 15 days salary (last drawn salary) for each completed year of service as per the rules of the Company. The aforesaid liability is provided for on the basis of an actuarial valuation on projected unit credit method made at the end of the financial year. The scheme is funded with an insurance Company in the form of a qualifying insurance policy. Current service cost, Past-service costs are recognised immediately in Statement of profit or loss.

Re-measurement gains and losses arising from experience adjustments and changes in actuarial assumptions are charged or credited to equity in other comprehensive income in the period in which they arise. They are included in retained earnings in the statement of changes in equity and in the balance sheet. Re-measurements are not reclassified to profit or loss in subsequent periods.

Compensated Absences

Accumulated compensated absences, which are expected to be availed or encashed within 12 months from the end of the year end are treated as short term employee benefits. The obligation towards the same is measured at the expected cost of accumulating compensated absences as the additional amount expected to be paid as a result of the unused entitlement as at the year end.

Accumulated compensated absences, which are expected to be availed or encashed beyond 12 months from the end of the year end are treated as other long term employee benefits. The Company's liability is determined on actual basis at the end of each year.

N. Borrowing costs:

Borrowing costs that are directly attributable to the acquisition, construction or production of a qualifying asset are capitalised during the period of time that is required to complete and prepare the asset for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale. All other borrowing costs are expensed in the period in which they are incurred.

Investment income earned on the temporary investment of specific borrowings pending their expenditure on qualifying assets is deducted from the borrowing costs eligible for capitalization.

O. Income taxes :

The tax expense comprises of current income tax and deferred tax.

Current income tax

Current income tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities. Current Income tax (including Minimum Alternate Tax(MAT) is measured at the amount expected to be paid to the tax authorities in accordance with the Income Tax Act, 1961 enacted in India. The tax rates and tax laws used to compute the amount are those that are enacted or substantively enacted, at the reporting date. Management periodically evaluates positions taken in the tax returns with respect to situations in which applicable tax regulations are subject to interpretation and establishes provisions where appropriate.

Deferred tax

Deferred tax is provided using the liability approach temporary differences between the tax bases of assets and liabilities and their carrying amounts for financial reporting purposes at the reporting date.

Deferred tax liabilities are recognised for all taxable temporary differences, except:

- When the deferred tax liability arises from the initial recognition of goodwill or an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss.
- In respect of taxable temporary differences associated with investments in subsidiaries, associates and interests in joint ventures, when the timing of the reversal of the temporary differences can be controlled and it is probable that the temporary differences will not reverse in the foreseeable future

Deferred tax assets are recognised for all deductible temporary differences, the carry forward of unused tax credits and any unused tax losses. Deferred tax assets are recognised to the extent that it is probable that taxable profit will be available against which the deductible temporary differences, and the carry forward of unused tax credits and unused tax losses can be utilised, except:

- When the deferred tax asset relating to the deductible temporary difference arises from the initial recognition of an asset or liability in a transaction that is not a business combination and, at the time of the transaction, affects neither the accounting profit nor taxable profit or loss

The carrying amount of deferred tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred tax asset to be utilised.

Unrecognised deferred tax assets are re-assessed at each reporting date and are recognised to the extent that it has become probable that future taxable profits will allow the deferred tax asset to be recovered.

Deferred tax assets and liabilities are measured at the tax rates that are expected to apply in the year when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Deferred tax relating to items recognised outside profit or loss is recognised outside profit or loss (either in other comprehensive income or in equity). Deferred tax items are recognised in correlation to the underlying transaction either in OCI or directly in equity.

Minimum Alternate Tax (MAT)

Minimum Alternate Tax (MAT) paid as per Indian Income Tax Act, 1961 is in the nature of unused tax credit which can be carried forward and utilized when the Company will pay normal income tax during the specified period. Deferred tax assets on such tax credit are recognised to the extent that it is probable that the unused tax credit can be utilized in the specified future period. The net amount of tax recoverable from, or payable to, the taxation authority is included as part of receivables or payables in the balance sheet. Taxation authorities in accordance with the Income-tax Act, 1961. The tax rates and tax laws used to compute the amount.

P. Provisions and Contingent liabilities and contingent assets :

a) Provisions:

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and are liable estimate can be made of the amount of the obligation. When the Company expects some or all of a provision to be reimbursed, for example, under an insurance contract, the reimbursement is recognised as a separate asset, but only when the reimbursement is virtually certain. The expense relating to a provision is presented in the statement of profit and loss net of any reimbursement.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

Provisions are reviewed at each balance sheet and adjusted to reflect the current best estimates.

b) Contingent Liabilities and Contingent assets:

A contingent liability is a possible obligation that arises from past events whose existence will be confirmed by the occurrence or non—occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation that is not recognized because it is not probable that an outflow of resources will be required to settle the obligation. A contingent liability also arises in extremely rare cases where there is a liability that cannot be recognized because it cannot be measured reliably. The Company does not recognize a contingent liability but discloses its existence in the financial statements.

A contingent assets is not recognised unless it becomes virtually certain that an inflow of economic benefits will arise. When an inflow of economic benefits is probable, contingent assets are disclosed in the financial statements.

Contingent liabilities and contingent assets are reviewed at each balance sheet date.

Q. Earnings per Share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

R. Leases:

Leases are classified as finance leases whenever the terms of the lease transfer substantially all the risk and rewards of ownership to the lessee. All other leases are classified as operating leases.

Company as a lessee

A lease is classified at the inception date as a finance lease or an operating lease. Finance leases are capitalized at the commencement of the lease at the inception date fair value of the leased property or, if lower, at the present value of the minimum lease payments. Lease payments are apportioned between finance charges and reduction of the lease liability so as to achieve a constant rate of interest on the remaining balance of the liability. Finance charges are recognised in finance costs in the statement of profit and loss, unless they are directly attributable to qualifying assets, in which case they are capitalized in accordance with the Company’s general policy on the borrowing costs. Contingent rentals are recognised as expenses in the periods in which they are incurred.

A leased asset is depreciated over the useful life of the asset. However, if there is no reasonable certainty that the company will obtain ownership by the end of the lease term, the asset is depreciated over the shorter of the estimated useful life of the asset and the lease term.

Operating lease payments are recognised as an expense in the statement of profit and loss on a straight-line basis over the lease term unless another systematic basis is more representative of the time pattern in which the benefit is derived from the leased assets or the payments to the lessor are structured to increase in the line with expected general inflation to compensate for the lessor’s expected inflationary cost increases.

As a lessor

Lease income from operating leases where the Company is a lessor is recognized in income on a straight line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases.

S. Segment reporting

Based on "Management Approach" as defined in Ind AS 108 -Operating Segments, the Chief Operating Decision Maker evaluates the Company's performance and allocates the resources based on an analysis of various performance. The analysis of geographical segments is based on the geographical location of the customers wherever required.

Unallocable items includes general corporate income and expense items which are not allocated to any business segment.

Segment Policies:

The Company prepares its segment information in conformity with the accounting policies adopted for preparing and presenting the financial statements of the Company as a whole. Common allocable costs are allocated to each segment on an appropriate basis.

T. Exceptional items:

Certain occasions, the size, type or incidence of an item of income or expense, pertaining to the ordinary activities of the Company is such that its disclosure improves the understanding of the performance of the Company, such income or expense is classified as an exceptional item and accordingly, disclosed in the notes accompanying to the financial statements.

Use of Judgments, Estimates and Assumptions

The preparation of the Company's separate financial statements requires management to make estimates and assumptions that affect the reported amounts of revenues, expenses, assets and liabilities, and the accompanying disclosures, and the disclosure of contingent liabilities. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities affected in future periods

Estimates and assumptions

The key assumptions concerning the future and other key sources of estimation uncertainty at the reporting date, that have a significant risk of causing a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are described below. The Company based its assumptions and estimates on parameters available when the separate financial statements were prepared. Existing circumstances and assumptions about future developments, however, may change due to market changes or circumstances arising that are beyond the control of the Company. Such changes are reflected in the assumptions when they occur.

a. Determination of the estimated useful life of tangible assets

Useful life of tangible assets is based on the life prescribed in Schedule II of the Companies Act, 2013. In cases, where the useful life are different from that prescribed in Schedule II, they are based on technical advice, taking into account the nature of the asset, the estimated usage of the asset, the operating conditions of the asset, past history of replacement, anticipated technological changes, manufacturers warranties and maintenance support.

b. Defined benefit plans (gratuity benefits)

A liability in respect of defined benefit plans is recognised in the balance sheet, and is measured as the present value of the defined benefit obligation at the reporting date less the fair value of the plan's assets. The present value of the defined benefit obligation is based on expected future payments which arise from the fund at the reporting date, calculated annually by independent actuaries. Consideration is given to expect future salary levels, experience of employee departures and periods of service.

c. Taxes

There are many transactions and calculations undertaken during the ordinary course of business for which the ultimate tax determination is uncertain. Where the final tax outcome of these matters is different from the amounts initially recorded, such differences will impact the current and deferred tax provisions in the period in which the tax determination is made. The assessment of probability involves estimation of a number of factors including future taxable income.

d. Fair value measurement of financial instruments

When the fair values of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgment is required in establishing fair values. Judgments include considerations of inputs such as liquidity risk, credit risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

e. Provision against obsolete and slow-moving inventories

The Company reviews the condition of its inventories and makes provision against obsolete and slow-moving inventory items which are identified as no longer suitable for sale or use. Company estimates the net realisable value for such inventories based primarily on the latest invoice prices and current market conditions. The Company carries out an inventory review at each balance sheet date and makes provision against obsolete and slow-moving items. The Company reassesses the estimation on each balance sheet date.

f. Impairment of financial assets

The Company assesses impairment based on expected credit losses (ECL) model on trade receivables. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables. The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed defaults rates are updated and changes in the forward-looking estimates are analyzed.

g. Impairment of non- financial assets

The Company assesses at each reporting date whether there is an indication that an asset may be impaired. If any indication exists, or when annual impairment testing for an asset is required, the Company estimates the asset's recoverable amount. An asset's recoverable amount is the higher of an asset's fair value less costs of disposal and its value in use. It is determined for an individual asset, unless the asset does not generate cash inflows that are largely independent of those from other assets or group of assets. Where the carrying amount of an asset exceeds its recoverable amount, the asset is considered impaired and is written down to its recoverable amount. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre- tax discount rate that reflects current market assessment of the time value of money and the risk specific to the asset. In determining fair value less cost of disposal, recent market transactions are taken into account. If no such transactions can be identified, an appropriate valuation model is used.

These calculations are corroborated by valuation multiples, quoted share price for publicly traded subsidiaries or other available fair value indicators.

h. Other Provisions

Significant estimates are involved in the determination of provisions. Legal proceedings often involve complex legal issues and are subject to substantial uncertainties. Accordingly, considerable judgment is part of determining whether it is probable that there is a present obligation as a result of a past event at the end of the reporting period, whether it is probable that such a Legal Proceeding will result in an outflow of resources and whether the amount of the obligation can e reliably estimated.

3. RECENT ACCOUNTING PRONOUNCEMENTS:

On 30 March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 – Leases and certain amendment to existing Ind AS.:

Ind AS 116: Leases

Ind AS 116 will replace the existing leases Standard, Ind AS 17 Leases, and related Interpretations. The Standard sets out the principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract. Ind AS 116 introduces a single lessee accounting model and requires a lessee to recognize assets and liabilities for all leases with a term of more than 12 months, unless the underlying asset is of low value. Currently, operating lease expenses are charged to the statement of Profit & Loss. The Standard also contains enhanced disclosure requirements for lessees.

The Company is in process of evaluating the impact of the same.

4. Property, Plant and Equipments

Notes to Financial Statements for the year ended 31st March, 2019
All Amounts Are In Rs. Lakhs Unless Otherwise Stated

Particulars	Freehold Land	Leasehold Land	Buildings	Plant & Machinery	Computer	Vehicles	Furniture	Office Equipment	Electrical Installation	Testing Equipment	Pattern Die & Mould	Air Conditioner	Total
Gross carrying amount As at 01-04-2018	**339.82**	**76.89**	**185.72**	**18.90**	**8.23**	**52.09**	**9.34**	**13.99**	**22.85**	**1.96**	**0.19**	**5.59**	**735.57**
Additions	-	-	29.13	-	3.77	-	-	10.12	4.16	-	-	0.11	47.29
Disposals	-	-	-	-	-	0.39	-	-	-	-	-	-	0.39
Gross carrying amount As at 31-03-2019	**339.82**	**76.89**	**214.85**	**18.90**	**12.00**	**51.70**	**9.34**	**24.11**	**27.01**	**1.96**	**0.19**	**5.70**	**782.47**
Closing accumulated depreciation As at 01-04-2018	**-**	**-**	**18.66**	**4.64**	**7.02**	**18.40**	**3.93**	**6.63**	**4.82**	**1.08**	**-**	**2.76**	**67.94**
Charge for the year	-	-	9.84	2.32	1.86	10.65	2.06	6.18	3.02	0.54	-	1.40	37.87
Òn Disposals	-	-	-	-	-	0.06		-	-	-	-	-	0.06
Closing accumulated depreciation As at 31-03-2019	**-**	**-**	**28.50**	**6.96**	**8.88**	**28.99**	**5.99**	**12.81**	**7.84**	**1.62**	**-**	**4.16**	**105.75**
Net Carrying Amount:													
As at 31-03-2019	**339.82**	**76.89**	**186.34**	**11.93**	**3.12**	**22.72**	**3.36**	**11.31**	**19.18**	**0.34**	**0.19**	**1.54**	**676.72**
As at 31-03-2018	**339.82**	**76.89**	**167.05**	**14.25**	**1.21**	**33.70**	**5.42**	**7.37**	**18.04**	**0.88**	**0.19**	**2.83**	**667.63**

Notes:

(i) Assets pledge as security and other restrictions :

The lease hold Land and Buildings , all movable Plant and Machineries and equipments are pledge as security on to the bankers under a mortgage against the term loans ,cash credit and other facilities availed or to be availed by the company.

The one of the factory office of the company having net value of Rs. 27.45 lakhs has been furnished as security to the satisfaction of the court , in relation to a court case of insurance claim. The Company is not allowed to sell this office building to other entity.

4. Property, Plant and Equipments

Particulars	Freehold Land	Leasehold Land	Buildings	Plant & Machinery	Computer	Vehicles	Furniture	Office Equipment	Electrical Installation	Testing Equipment	Pattern Die & Mould	Air Conditioner	Total
Gross carrying amount As at 01-04-2017	**339.82**	**76.89**	**185.72**	**18.90**	**2.77**	**43.94**	**9.01**	**5.18**	**22.74**	**1.96**	**0.19**	**5.59**	**712.71**
Additions	-	-	-	-	5.46	8.15	0.33	8.81	0.11	-	-	-	22.86
Disposals	-	-	-	-	-	-	-	-	-	-	-	-	-
Gross carrying amount As at 31-03-2018	**339.82**	**76.89**	**185.72**	**18.90**	**8.23**	**52.09**	**9.34**	**13.99**	**22.85**	**1.96**	**0.19**	**5.59**	**735.57**
Closing accumulated depreciation As at 01-04-2017	-	-	**9.33**	**2.32**	**2.20**	**8.56**	**1.87**	**2.68**	**2.31**	**0.54**	-	**1.36**	**31.17**
Charge for the year	-	-	9.33	2.32	4.82	9.84	2.06	3.95	2.51	0.54	-	1.40	36.77
Òn Disposals	-	-	-	-	-	-		-	-	-	-	-	-
Closing accumulated depreciation As at 31-03-2018	-	-	**18.66**	**4.64**	**7.02**	**18.40**	**3.93**	**6.63**	**4.82**	**1.08**	-	**2.76**	**67.94**
Net Carrying Amount:													
As at 31-03-2018	**339.82**	**76.89**	**167.05**	**14.25**	**1.21**	**33.70**	**5.42**	**7.37**	**18.04**	**0.88**	**0.19**	**2.83**	**667.63**
As at 31-03-2017	**339.82**	**76.89**	**176.38**	**16.57**	**0.57**	**35.39**	**7.15**	**2.51**	**20.44**	**1.42**	**0.19**	**4.23**	**681.55**

Notes:

(i) The Company has adopted Previous GAAP as the deemed cost as per the exemption under Ind AS 101. Accordingly, the company has set the Net Block as per Previous GAAP as on April 1, 2016 as the Gross Block under Ind AS.

(ii) Assets pledge as security and other restrictions :

The lease hold Land and Buildings , all movable Plant and Machineries and equipments are pledge as security on to the bankers under a mortgage against the term loans ,cash credit and other facilities availed or to be availed by the company.

The one of the factory office of the company having net value of Rs. 27.45 lakhs has been furnished as security to the satisfaction of the court , in relation to a court case of insurance claim.. The Company is not allowed to sell this office building to other entity.

5. Capital work-in-progress

Particulars	**As at 31st March, 2019**	**As at 31st March, 2018**	**As at 31st March, 2017**
Building Work in Progress	281.23	118.97	3.24

Notes:

(i) Borrowing cost capitalized during the year amounts to Rs. 8.52 Lakhs (FY 17-18: Rs. 0.97 lakhs)

Notes to Financial Statements for the year ended 31st March, 2019
All Amounts Are In Rs. Lakhs Unless Otherwise Stated

6. Investments

Particulars	As at 31st March, 2019	As at 31st March, 2018
Investments at fair value through other comprehensive income		
Investment in equity Instruments (Unquoted fully paid up)		
4 Equity shares of Makarpura Industrial Estate Co-operative Bank Ltd.	0.00	0.00
1 Equity share of Plastics Machinery Manufacturers Association of India	0.00	0.00
Total(*)	**0.00**	**0.00**
Aggregate Value of unquoted investment	**0.00**	**0.00**

(*) Value is Nil due to rounding off in lakhs.

7. Loans

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured, considered good		
Security deposits		
- Related parties	14.16	14.16
- Others	14.90	9.40
Total	**29.07**	**23.56**

8. Other financial assets

Particulars	As at 31st March, 2019	As at 31st March, 2018
Bank deposits with more than 12 months of original maturity *	174.44	159.70
Others	17.57	17.02
Total	**192.01**	**176.72**

(*) Includes following:

i. Bank deposit against overdrafts and margins Rs. 90.15 lakhs (As at 31st March 2018 Rs. 76.00 lakhs)
ii. Bank deposit under lien of National insurance company Rs. 76.21 lakhs(As at 31st March, 2018 Rs. 76.21 lakhs)
iii. Deposits pledged with government authorities Rs. 0.89 lakhs(As at 31st March 2018 Rs. 0.81 lakhs)

9. Inventories
(At lower of cost and net realizable value)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Raw Materials & Components	577.92	424.42
Work in Progress	433.95	183.23
Finished Goods	78.97	76.91
Stock in transit	-	12.26
Total	**1,090.83**	**696.82**

Notes:
(i) The above inventories are pledge as securities to the bankers against the fund based and non fund based credit limits availed or to be availed by the Company.

Notes to Financial Statements for the year ended 31st March, 2019
All Amounts Are In Rs. Lakhs Unless Otherwise Stated

10. Trade Receivables

Particulars	As at 31st March, 2019	As at 31st March, 2018
Trade Receivables considered Good-Secured	-	-
Trade Receivables considered Good-Unsecured		
- Receivable from Related Parties	40.92	40.85
- Others	266.33	282.08
Total	**307.26**	**322.93**
Trade Receivables which have significant increase in credit risk	6.95	7.21
Trade Receivables credit impaired	-	-
Total	**314.20**	**330.14**
Less : Expected Credit Loss Allowance	(14.82)	(12.44)
Total	**299.38**	**317.70**

Notes:
(i) The above trade receivables are pledge as securities to the bankers against the fund based and non fund based credit limits availed or to be availed by the Company.

11. Cash and cash equivalents

Particulars	As at 31st March, 2019	As at 31st March, 2018
Balances with banks		
In current accounts	169.30	323.15
Cash in hand	2.62	1.24
Total	**171.92**	**324.39**

12. Bank balances other than above

Particulars	As at 31st March, 2019	As at 31st March, 2018
Other Bank Balances		
Term deposits with original maturity for more than 3 months but less than 12 months:		
- Bank deposits.	47.48	42.83
Balances held in capital gain account	0.07	0.07
Unpaid Dividend	7.16	-
Total	**54.71**	**42.90**

13. Loans

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured, considered good		
Security Deposits	0.30	0.30
Advances to employees	0.48	0.74
Total	**0.78**	**1.04**

Notes to Financial Statements for the year ended 31st March, 2019
All Amounts Are In Rs. Lakhs Unless Otherwise Stated

14. Other financials assets

Particulars	As at 31st March, 2019	As at 31st March, 2018
Interest accrued on Fixed deposits	-	10.86
Total	**-**	**10.86**

15. Other current assets

Particulars	As at 31st March, 2019	As at 31st March, 2018
Unsecured, considered good		
Expenses paid in advance	1.26	2.94
Advances to customers	70.71	91.75
Balances with government authorities	3.42	34.06
Total	**75.40**	**128.74**

16. Share Capital

Authorized Share Capital

Particulars	Equity Shares	
	No. of Shares	Amount
At 31st March 2017	75,00,000	750
Increase /(decreased) during the year	-	-
At 31st March 2018	75,00,000	750
Increase /(decreased) during the year	-	-
At 31st March 2019	75,00,000	750

Issued Share Capital

Particulars	Equity Shares	
	No. of Shares	Amount
At 1st April 2017	**57,71,500**	**527.66**
Increase /(decreased) during the year on account of forfeiture of shares	(9,89,800)	(49.49)
At 31st March 2018	**47,81,700**	**478.17**
Increase /(decreased) during the year	-	-
At 31st March 2019	**47,81,700**	**478.17**

Reconciliation of the number of shares and amount outstanding at the beginning and at the end of the year

Equity Share Capital	Equity Shares	
	No. of Shares	Amount
At 1st April 2017	**57,71,500**	**527.66**
Add: Equity shares issued during the year	-	-
Less: Equity shares bought back during the year	-	-
Less: Equity shares forfeited during the year	(9,89,800)	(49.49)
At 31st March 2018	**47,81,700**	**478.17**
Add: Equity shares issued during the year	-	-
Less: Equity shares bought back during the year	-	-
Less: Equity shares forfeited during the year	-	-
At 31st March 2019	**47,81,700**	**478.17**

Notes to Financial Statements for the year ended 31st March, 2019
All Amounts Are In Rs. Lakhs Unless Otherwise Stated

Terms/Rights attached to Equity Shares

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 any remaining assets of the company, after distribution of all preferential amounts and repayment towards Preference share holders, if any.

Shares held by shareholders each holding more than 5% of the shares

Shareholders	As at 31 March, 2019		As at 31 March, 2018	
	No. of Shares	Percentage	No. of Shares	Percentage
Meetaben Himmatlal Bhuva	2,73,950	5.73%	2,73,950	5.73%
Mahendra Ravjibhai Bhuva	2,70,943	5.67%	2,70,943	5.67%
Hansaben Mahendrabhai Bhuva	2,70,600	5.66%	2,70,600	5.66%
Kantilal Ravjibhai Bhuva	2,73,325	5.72%	2,73,325	5.72%
Himmatbhai Parsottambhai Bhuva	2,72,650	5.70%	2,72,650	5.70%
Hansaben Kantilal Bhuva	2,70,500	5.66%	2,70,500	5.66%

17. Other Equity

Particulars	As at 31st March, 2019	As at 31st March, 2018
Capital reserve- on account of share forfeiture	49.49	49.49
Retained Earnings	729.32	555.71
Total	**778.81**	**605.20**

Other Equity	As at 31st March, 2019	As at 31st March, 2018
Capital Reserve		
Balance as per last Balance Sheet	49.49	-
Add: On account of forfeiture of 9,89,800 shares	-	49.49
	49.49	**49.49**
Retained Earnings		
As per last Balance Sheet	555.71	435.69
Add: Profit for the year	219.42	123.68
Add/(Less): Remeasurement of the Net Defined benefit liability/asset, net of tax effect	0.30	(3.66)
Less:Dividend on Equity shares including tax thereon	(46.12)	-
	729.32	**555.71**
Total	**778.81**	**605.20**

18. Borrowings

Particulars	As at 31st March, 2019	As at 31st March, 2018
Secured - at amortized cost		
Term Loans		
- from Banks (Refer note (i) and (ii))	105.57	2.94
Unsecured - at amortized cost		
- from directors	-	-
Total	**105.57**	**2.94**

(i) Nature of security: -The term loans are in nature of construction of office building loan and vehicle loan and are secured against the Property at plot no 764, 773, 774, 775 and 776 at GIDC, Makarpura, Vadodara and the vehicle purchased respectively.

Notes to Financial Statements for the year ended 31st March, 2019
All Amounts Are In Rs. Lakhs Unless Otherwise Stated

(ii) Maturity profile of Secured Term loans are set out below:
(*) Interest rate range from 8.75 % to 11.50 %

Particulars	Term loan - from banks
1-2 Years	38.57
2-3 Years	36.00
3-4 Years	31.00

19. Provisions

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provision for employee benefits		
Provision for gratuity (refer note no.38)	21.11	21.93
Total	**21.11**	**21.93**

20. Deferred tax liabilities(Net)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Deferred Tax Liability		
Related to Property, Plant and Equipments and Intangible asset	13.74	15.89
Financial Asset at FVTPL	0.15	0.81
Total	**13.89**	**16.69**
Deferred Tax Assets		
Expenses allowable u/s 43B of the Income Tax Act, 1961	17.29	11.25
Others	2.13	4.29
Total	**19.42**	**15.55**
Net deferred tax (assets) / liabilities	(5.53)	1.14

21. Borrowings

Particulars	As at 31st March, 2019	As at 31st March, 2018
Secured - at amortized cost		
Loans repayable on demand (Refer Note (i))		
- From banks (Cash Credit)	480.38	574.54
Other Loans (overdrafts)		
- from Banks	-	18.71
Total	**480.38**	**593.25**

(i) Nature of security:
The above cash credit facility from Indian Overseas Bank is secured By Stock & Book Debts and further secured by equitable mortgage of Factory Land, Building and Industrial Shed. Moreover, Directors have given personal guarantee for the said loan.

Notes to Financial Statements for the year ended 31st March, 2019
All Amounts Are In Rs. Lakhs Unless Otherwise Stated

22. Trade Payables

Particulars	As at 31st March, 2019	As at 31st March, 2018
Trade payables		
Total outstanding due of micro enterprises and small enterprise (refer note no.41)	101.79	24.71
Total Outstanding dues of creditors other than micro enterprise and small enterprises (refer note no.41)	435.20	196.22
Total	**537.00**	**220.93**

23. Other financial liabilities

Particulars	As at 31st March, 2019	As at 31st March, 2018
Current maturities of long-term debt [refer note 18 (i) and (ii) above]	44.67	16.32
Other expenses payable	10.39	18.01
Unpaid Dividends*	7.16	-
Total	**62.22**	**34.33**

(*) To be deposited with Investor Education and Protection Fund as when they became due.

24. Other current liabilities

Particulars	As at 31st March, 2019	As at 31st March, 2018
Advances from customers	259.55	348.44
Statutory dues payable	49.17	90.86
Salary & Wages Payable	50.44	45.95
Other payables	-	0.18
Total	**359.17**	**485.43**

25. Provisions

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provision for employee benefits		
- Provision for compensated absences (refer note 38)	21.98	20.74
- Provision for Bonus/exgratia	19.06	17.71
Other Provisions		
- Warranties (refer note 37)	12.30	7.05
Total	**53.35**	**45.50**

26. Current Tax Liabilities (Net)

Particulars	As at 31st March, 2019	As at 31st March, 2018
Provision for Current Taxation (Net of Advance Tax)	1.82	20.50
Total	**1.82**	**20.50**

Notes to Financial Statements for the year ended 31st March, 2019
All Amounts Are In Rs. Lakhs Unless Otherwise Stated

27. Revenue from Operations

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Sale of product	5,438.58	4,827.77
Sale of Services	12.07	12.70
Total	**5,450.65**	**4,840.47**

Note: Revenue from operations for the period of 1st April 2017 to 30th June 2017 includes excise duty recovered on sales of Rs. 116.44 lakhs.

Disaggregation of revenue
Revenue based on Geography

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Sale of product		
- Domestic Sales	5,269.39	4697.33
- Export Sales	169.18	130.44

28. Other Income

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Interest Income	14.82	14.77
Net gain on foreign currency transactions/translations	9.05	3.04
Fair value gain on other financial assets measured at FVTPL	0.54	2.91
Other Non-Operating Income (net of expenses)	5.85	3.77
Total	**30.27**	**24.49**

Details of Interest Income	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Interest income comprises:(measured at ammortised cost)		
Interest from Banks on fixed deposits	14.81	14.77
Interest capital gain account	0.00	0.00
Total - Interest income	**14.82**	**14.77**

(*) Value is Nil due to rounding off in lakhs.

Details of Other Non - Operating Income	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Other non-operating income comprises:		
Duty Draw Back	0.77	2.65
Other miscellaneous income	5.08	1.12
Total - Other non-operating income	**5.85**	**3.77**

Notes to Financial Statements for the year ended 31st March, 2019
All Amounts Are In Rs. Lakhs Unless Otherwise Stated

29. Cost of materials consumed

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Raw Material Consumption		
Opening Stock	424.42	348.26
Add: Purchases	4,238.04	3,289.70
	4,662.46	**3,637.96**
Less: Closing stock	577.92	424.42
Cost of Material Consumed	**4,084.54**	**3,213.54**
Total	**4,084.54**	**3,213.54**

30. Purchase of Stock in Trade

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Machines	-	24.21
Total	**-**	**24.21**

31. Changes in Inventories of finished goods and Work in Progress

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Inventories at the beginning of the year:		
Finished Goods	76.91	84.51
Semi Finished Goods	183.23	267.58
	260.14	**352.09**
Inventories at the end of the year:		
Finished Goods	78.97	76.91
Semi Finished Goods	433.95	183.23
	512.91	**260.14**
Net Change in Inventories	**(252.77)**	**91.95**

32. Employee Benefit expenses

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Salaries, wages , bonus, exgratia, allowances ,etc.	453.42	386.00
Contributions to Provident Fund and Other Funds	26.72	21.95
Gratuity expenses	2.16	23.04
Staff welfare expenses	3.21	5.45
Total	**485.51**	**436.44**

Notes to Financial Statements for the year ended 31st March, 2019
All Amounts Are In Rs. Lakhs Unless Otherwise Stated

33. Finance Costs

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Interest costs:		
(i) Interest on borrowings	37.42	34.15
(ii) Others	0.10	0.10
Other borrowing costs	6.98	6.22
Total	**44.50**	**40.47**

34. Other Expenses

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Power and Fuel	16.25	15.38
Labour Charges	351.23	272.43
Repairs and maintenance :		
- on building	-	6.48
- on machinery	3.89	3.89
- others	12.49	7.94
Rates and taxes	4.72	3.45
Consultancy charges	14.17	10.53
Auditor's Remuneration	1.86	1.86
Travelling and conveyance	30.87	47.19
Insurance	4.89	5.83
Selling and distribution expenditure	118.27	103.44
Freight Expenses	97.95	92.53
Sales Commission	11.04	9.85
Bad debts/advances written off	32.43	56.80
Loss allowance(refer note no. 43(A)(ii))	2.39	4.80
Loss on sale of asset	0.18	-
Miscellaneous expenses	70.45	42.04
Total	**773.08**	**684.44**

(i) Auditor's Remuneration

Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
(i) Payments to the auditors comprises :		
Statutory audit	1.15	1.15
Tax audit	0.45	0.45
Other Services	0.26	0.26
Total	**1.86**	**1.86**

Notes to Financial Statements for the year ended 31st March, 2019
All Amounts Are In Rs. Lakhs Unless Otherwise Stated

35. TAX EXPENSE

	Particulars	Year Ended 31st March, 2019	Year Ended 31st March, 2018
(a)	**Income tax expense**		
	Current tax		
	Current tax on profits for the year	93.29	68.65
	Income Tax adjustments for earlier years	2.25	1.69
		95.54	70.34
	Deferred tax		
	Deferred tax for the year	(6.79)	26.69
		(6.79)	26.69
		88.76	**97.03**
(b)	**Reconciliation of tax expense and the accounting profit multiplied by India's tax rate**		
	Profit before income tax expense	308.18	220.71
	Tax at the Indian tax rate of 27.82% (2017-2018 – 27.55%)	85.74	60.81
	Tax effect of amounts which are not deductible / (taxable) in calculating taxable income:		
	Non-deductible tax expenses (Disallowances under section , 43B, Capital Expenditure, Depreciation and other expenses as per the Income tax Act,1961)	9.16	46.02
	Deductible tax expenses under section 43B of the Income tax Act,1961)	(6.12)	(9.80)
	Income Tax Expense	**88.76**	**97.03**

36. Earnings per share (EPS)

Basic EPS amounts are calculated by dividing the profit for the year attributable to equity holders of the Company 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 Company by the weighted average number of Equity shares outstanding during the year.

i. Profit attributable to Equity holders of Company	March 31, 2019	March 31, 2018
Profit attributable to equity holders of the Company for basic and diluted earnings per share	**219.42**	**123.68**
ii. Weighted average number of ordinary shares	**March 31, 2019**	**March 31, 2018**
Weighted average number of shares at March 31 for basic and diluted earnings per shares	**47,81,700**	**53,97,274**
Basic earnings per share (in Rs.)	**4.59**	**2.29**

Notes to Financial Statements for the year ended 31st March, 2019
All Amounts Are In Rs. Lakhs Unless Otherwise Stated

37. Disclosure relating to Provision

Provision for warranty

Warranty cost are provided based on a technical estimated of the costs required to be incurred for repairs, replacement, material cost, servicing and past experience in respect of warranty costs. It is expected that this expenditure will be incurred over the contractual warranty period

The movement in the above provision are summarized below :

Particulars	Warranty	
	2018-2019	2017-2018
Balance as at 1st April, 2018	7.04	3.00
Provision:		
Created	12.30	7.04
Utilized	7.04	3.00
Balance as at 31st March, 2019	**12.31**	**7.04**

38. Employee benefits

[A] Defined benefit plan:

The Company has a defined benefit gratuity plan. Every employee who has completed five years or more of service gets a gratuity on departure at 15 days salary (last drawn salary) for each completed year of service. The scheme is funded. The following tables summaries the components of net benefit expense recognized in the Statement of profit and loss and the funded status and amounts recognized in the balance sheet for the gratuity plan.

Risks associated with defined benefit plan

Interest rate risk: A fall in the discount rate which is linked to the Government Securities rate will increase the present value of the liability requiring higher provision. A fall in the discount rate generally increases the mark to market value of the assets depending on the duration of asset.

Salary Risk: The present value of the defined benefit plan liability is calculated by reference to the future salaries of members. As such, an increase in the salary of the members more than assumed level will increase the plan's liability.

Investment Risk: The present value of the defined benefit plan liability is calculated using a discount rate which is determined by reference to market yields at the end of the reporting period on government bonds. If the return on plan asset is below this rate, it will create a plan deficit. Currently, for the plan in India, it has a relatively balanced mix of investments in government securities, and other debt instruments.

Asset Liability Matching Risk: The plan faces the ALM risk as to the matching cash flow. Since the plan is invested in lines of Rule 101 of Income Tax Rules, 1962, this generally reduces ALM risk.

Mortality risk: Since the benefits under the plan is not payable for life time and payable till retirement age only, plan does not have any longevity risk.

Concentration Risk: Plan is having a concentration risk as all the assets are invested with the insurance company and a default will wipe out all the assets. Although probability of this is very less as insurance companies have to follow regulatory guidelines.

Characteristics of defined benefit plans

During the year, there were no plan amendments, curtailments and settlements.

The following table sets out the status of the gratuity plan and the amounts recognized in the Company's financial statements as at March 31, 2019.

Notes to Financial Statements for the year ended 31st March, 2019
All Amounts Are In Rs. Lakhs Unless Otherwise Stated

a) Reconciliation in present value of obligations (PVO) - defined benefit obligation:

Particulars	Gratuity - Funded as on	
	31/03/2019	31/03/20187
PVO at the beginning of the year	98.28	68.51
Current service cost	1.98	2.10
Interest cost	7.43	5.48
Past Service cost	-	18.44
Actuarial (Gains)/Losses on obligations- Due to Change in Financial Assumption	0.10	1.95
Actuarial (Gains)/Losses on obligations- Due to Experience	(0.86)	3.68
Actuarial (Gains)/Losses on obligations- Due to Demographic Assumptions	-	(0.60)
Benefits paid	(2.65)	(1.28)
PVO at the end of the year	**104.29**	**98.28**

b) Change in fair value of plan assets:

Particulars	Gratuity - Funded as on	
	31/03/2019	31/03/2018
Fair value of plan assets at the beginning of the year	76.35	58.05
Interest Income	5.77	4.64
Return on Plan Assets, Excluding Interest Income	(0.35)	(0.04)
Contributions by the employer	4.06	14.97
(Benefits paid from the Fund)	(2.65)	(1.28)
Fair value of plan assets at the end of the year	**83.18**	**76.34**

c) Reconciliation of PVO and fair value of plan assets:

Particulars	Gratuity - Funded as on	
	31/03/2019	31/03/2018
PVO at the end of period	104.29	98.28
Fair value of planned assets at the end of year	83.18	76.34
Funded status	(21.11)	(21.94)
Net asset/(liability) recognized in the balance sheet	**(21.11)**	**(21.94)**

Net Interest Cost for Current Period	31/03/2019	31/03/2018
Present Value of Benefit Obligation at the Beginning of the Period	98.28	68.51
(Fair Value of Plan Assets at the Beginning of the Period	(76.34)	(58.05)
Net Liability/ (Asset) at the Beginning	21.94	10.46
Interest cost	7.43	5.48
(Interest Income)	(5.77)	(4.64)
Net Interest Cost for Current Period	**1.66**	**0.84**

Expenses Recognized in the Statement of Profit or Loss for Current Period	31/03/2019	31/03/2018
Current Service Cost	1.98	2.10
Net Interest Cost	1.66	0.84
Past Service Cost	0.00	18.44
Expenses Recognized	3.64	21.38

Notes to Financial Statements for the year ended 31st March, 2019
All Amounts Are In Rs. Lakhs Unless Otherwise Stated

Expenses Recognized in the Other Comprehensive Income (OCI) for Current Period	31/03/2019	31/03/2018
Actuarial (Gains) Losses on Obligation for the Period	(0.76)	5.03
Return on Plan Assets, Excluding Interest Income	0.35	0.04
Net (Income)/ Expense For the Period Recognized in OCI	**(0.41)**	**5.07**

Balance Sheet Reconciliation	31/03/2019	31/03/2018
Opening Net Liability	21.94	10.46
Expense Recognized in Statement of Profit Or Loss	3.64	21.38
Expense Recognized in OCI	(0.41)	5.07
(Employer's Contribution)	(4.06)	(14.97)
Net Liability (Assets) Recognized in the Balance Sheet	**21.12**	**21.94**

Category of Assets	31/03/2019	31/03/2018
Insurance Fund	83.18	76.34
Total	**83.18**	**76.34**

Other Details	Current Period	Previous Period
No of Active Members	54.00	50.00
Per Month Salary for Active Members (Rs in Lakhs)	11.29	9.02
Weighted Average Duration of the Projected Benefit Obligation	6.00	6.00
Average Expected Future Service	11.00	10.00
Projected Benefit Obligation	104.29	98.28
Prescribed Contribution for Next Year (12 Months) (Rs in Lakhs)	11.29	9.02

Net Interest Cost for Next Year	Current Period	Previous Period
Present Value of Benefit Obligation at the End of the Period	104.29	98.28
(Fair Value of Plan Assets at the End of the Period)	(83.18)	(76.34)
Net Liability/(Asset) at the End of the Period	21.11	21.94
Interest Cost	7.89	7.43
(Interest Income)	(6.30)	(5.77)
Net Interest Cost for Next Year	**1.60**	**1.66**

Expenses Recognized in the statement of Profit or Loss for Next Year	Current Period	Previous Period
Current Service Cost	2.63	1.98
Net Interest	1.60	1.66
Expenses Recognized	4.22	3.64

g) Major category of assets as at:

Particulars	Gratuity - Funded as on	
	31/03/2019	31/03/2018
Insurer Managed funds	83.18	76.34

Notes to Financial Statements for the year ended 31st March, 2019
All Amounts Are In Rs. Lakhs Unless Otherwise Stated

h) Assumption used in accounting for the gratuity plan:

Particulars	Gratuity - Funded as on	
	31/03/2019	31/03/2018
f) Major Actuarial Assumptions		
Expected return on plan assets (%)	7.57%	7.56%
Rate of Discounting	7.57%	7.56%
Rate of Salary Increase	4.00%	7.00%
Rate of Employee Turnover	**0.02**	**0.02**
Mortality Rate During Employment	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Mortality Rate after Employment	N.A	N.A

Note 1: Discount rate is determined by reference to market yields at the balance sheet date on Government bonds, where the currency and terms of the Government bonds are consistent with the currency and estimated terms for the benefit obligation.

Note 2: The estimate of future salary increases taken into account inflation, seniority, promotion and other relevant factors such as supply and demand in the employment market.

Note 3: 100% of the plan assets are invested in group gratuity scheme offered by LIC of India.

Maturity Analysis of the Benefit Payments :From the Fund	31/03/2019	31/03/2018
1st Following Year	27.81	28.23
2nd Following Year	4.22	4.88
3rd Following Year	4.02	3.99
4th Following Year	10.36	3.81
5th Following Year	23.91	9.63
Sum of Years 6 to 10	37.24	57.36
Sum of Years 11 and above	60.76	46.89

Sensitivity analysis

Particulars	31/03/2019	31/03/2018
Projected Benefit Obligation on Current Assumptions	104.29	98.28
Delta Effect of +1 % Change in Rate of Discounting	(4.59)	(4.29)
Delta Effect of -1 % Change in Rate of Discounting	5.15	4.77
Delta Effect of +1 % Change in Rate of Salary Increase	3.98	3.47
Delta Effect of -1 % Change in Rate of Salary Increase	(3.55)	(3.12)
Delta Effect of +1 % Change in Rate of Employee Turnover	0.42	0.49
Delta Effect of -1 % Change in Rate of Employee Turnover	(0.44)	(0.52)

The sensitivity analysis have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting period, while holding all other assumptions constant.

The sensitivity analysis presented above may not be representative of the actual change in the projected benefit obligation as it is unlikely that the change in assumptions would occur in isolation of one another as some of the assumptions may be correlated. Furthermore, in presenting the above sensitivity analysis, the present value of the projected benefit obligation has been calculated using the projected unit credit method at the end of the reporting period, which is the same method as applied in calculating the projected benefit obligation as recognized in the balance sheet.

There was no change in the methods and assumptions used in preparing the sensitivity analysis from prior years.

Notes to Financial Statements for the year ended 31st March, 2019
All Amounts Are In Rs. Lakhs Unless Otherwise Stated

Based on the actuarial valuation obtained in this respect, the following table sets out the status of the gratuity plan and the amounts recognized in the Company's financial statements as at balance sheet date:

Particulars	31/03/2019	31/03/2018
Total employee benefit liabilities		
Non-Current	21.10	21.93

(b) Other long term Benefit:

The Company's Long Term benefits includes Leave Encashment payable at the time of retirement subject to , policy of maximum leave accumulation of company. The scheme is not funded.

Changes in the present value of the obligation in respect of leave encashment

Particulars	31/03/2019	31/03/2018
Obligation at the year beginning	20.74	16.30
Provision during the year	1.24	4.45
Obligation at the year end	**21.98**	**20.74**

(c) Defined Contribution plans:

Amounts recognized as expense for the period towards contribution to the following funds:

Particulars	31/03/2019	31/03/2018
Employers contribution to:		
-Provident Fund	23.07	18.73
-Employee State Insurance (ESI)	3.63	3.20
-Gujarat Labour Welfare Fund	0.02	0.02
Total	**26.72**	**21.95**

39. Related party transactions

The disclosure of related party transactions is presented on an aggregate basis for shareholders and companies controlled by shareholders, joint ventures and associates. In addition, there may be additional disclosures of certain significant transactions (balances and turnover) with certain related parties.

a. Name of the related party and nature of relationship: -

Sr No	Particulars	Relationship
I	**Key Managerial Personnel / Directors:**	
	Mr. K. R. Bhuva	Chairman & Managing Director
	Mr. M. R. Bhuva	Executive Director
	Mr. H. P. Bhuva	Executive Director
	Mrs. H. D. Pathak	Director
	Mr. B. J. Vyas	Director
	Mr. A.N. Shah	Director
	Mr. D. K. Punjabi	Chief Financial Officer
	Ms. Gauri Y Bapat	Company Secretary
II	Enterprises in which Management or Relatives of Key Managerial Personnel having significance influence	Plastomech Equipments Pvt Ltd.

Notes to Financial Statements for the year ended 31st March, 2019
All Amounts Are In Rs. Lakhs Unless Otherwise Stated

b) Key management personnel compensation:-

Particulars	31/03/2019	31/03/2018
Short term employee benefits	85.89	60.63
Post employment benefits	57.54	53.53
Long term employee benefits	-	-
Termination benefits	-	-
Total compensation	**143.43**	**114.16**

c) Transaction with related parties

Name of Party	Nature of Transaction	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Mr. K. R. Bhuva	Managerial Remuneration	25.71	18.05
Mr. M. R. Bhuva	Managerial Remuneration	25.54	17.63
Mr. H. P. Bhuva	Managerial Remuneration	25.55	17.64
Mr. H. P. Bhuva	Purchase of Asset	27.50	-
Mr. D. K. Punjabi	Salary	4.52	4.08
Ms. Gauri Y Bapat	Salary	4.56	3.24
Plastomech Equipments Pvt Ltd.	Sales of goods	0.08	0.14

d) Balance outstanding as at the end of the period

For the period ended on	Year Ended 31st March, 2019	Year Ended 31st March, 2018
Plastomech Equipments Pvt Ltd.		
Trade Receivables	40.92	40.85
Security deposits	14.16	14.16

40. Additional information to the financial statements
Contingent Liabilities and Capital Commitments

Particulars	As at 31st March, 2019	As at 31st March, 2018
(a) Contingent Liabilities		
(i) Claims against the company not acknowledged as debts (on account of outstanding law suits)	176.86	176.86
(ii) Guarantees given by Banks to third parties on behalf of the company	-	-
(b) No provision has been made for following demands raised by the authorities since the company has reason to believe that it would get relief at the appellate stage as the said demand are excessive and erroneous		
(i) Disputed Income tax Liability	29.43	29.43
Total	**206.29**	**206.29**
(c) Commitments		
(i) Estimated amount of contracts remaining to be executed on capital account & not provided for Net of Advances of Rs. Nil (PY. Nil) - Property plant and equipment	119.04	158.01
(ii) Other Commitments	-	-

All Amounts Are In Rs. Lakhs Unless Otherwise Stated

41. Disclosure related to Micro and Small Enterprises

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 (MSMED Act).

Note 1: Dues to Micro and Small Enterprises have been determined to the extent such parties have been identified on the basis of information collected by the management. This has been relied upon by the auditors.

Outstanding dues to micro and small enterprises

	Particulars	As at 31st March, 2019	As at 31st March, 2018
(a)	The principal amount and the interest due thereon (to be shown separately) remaining unpaid to any supplier at the end of each accounting year		
	- Principal Amount	101.79	24.71
	- Interest Due thereon	Nil	Nil
(B)	The amount of interest paid by the buyer in terms of section 16 of the Micro, Small and Medium Enterprises Development Act, 2006 (27 of 2006), along with the amount of the payment made to the supplier beyond the appointed day during each accounting year	-	-
(c)	The amount of interest due and payable for the period of delay in making payment (which has been paid but beyond the appointed day during the year) but without adding the interest specified under the Micro, Small and Medium Enterprises Development Act, 2006	-	-
(d)	The amount of interest accrued and remaining unpaid at the end of each accounting year; and	-	-
(e)	The amount of further interest remaining due and payable even in the succeeding years, until such date when the interest dues above are actually paid to the small enterprise, for the purpose of disallowance of a deductible expenditure under section 23 of the Micro, Small and Medium Enterprises Development Act, 2006	-	-

42. FAIR VALUE MEASUREMENTS

Financial instruments by category

Particulars	As at March 31, 20197			As at March 31, 2018		
	FVTPL	FVOCI	Amortized Cost	FVTPL	FVOCI	Amortized Cost
Financial Assets						
Investments	-	-	0.00	-	-	0.00
Deposits	-	-	29.37	-	-	23.86
Trade Receivables	-	-	299.38	-	-	317.70
Cash and Cash Equivalents	-	-	171.92	-	-	324.39
Bank Balances other than above	-	-	54.71	-	-	42.90
Loan to Employees	-	-	0.48	-	-	0.74
Other Financial Assets	17.57	-	174.44	17.02	-	170.56
Total Financial Assets	**17.57**	**-**	**730.30**	**17.02**	**-**	**880.15**
Financial Liabilities						
Other current financial Liabilities	-	-	62.22	-	-	34.33
Borrowings	-	-	585.94	-	-	596.19
Trade payables	-	-	536.99	-	-	220.93
Total Financial Liabilities	**-**	**-**	**1,185.15**	**-**	**-**	**851.45**

Notes to Financial Statements for the year ended 31st March, 2019
All Amounts Are In Rs. Lakhs Unless Otherwise Stated

(i) Fair value hierarchy

This section explains the judgements and estimates made in determining the fair values of the financial instruments that are (a) recognized and measured at fair value and (b) measured at amortized cost and for which fair values are disclosed in the financial statements. To provide an indication about the reliability of the inputs used in determining fair value, the Company has classified its financial instruments into the three levels prescribed under the accounting standard. An explanation of each level follows underneath the table.

Financial Assets and Liabilities measured at fair value - recurring fair value measurements

As at March 31, 2019	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial Investments at FVTPL					
Deposits	7	-	29.37	-	29.37
Investment in other financial asset(bullion)	8	17.57	-	-	17.57
Total Financial Assets		**17.57**	**29.37**	**-**	**46.92**
Financial Liabilities- Borrowings non- current)	18	-	105.57	-	105.57
Total Financial Liabilities		**-**	**105.57**	**-**	**105.57**

Financial Assets and Liabilities measured at fair value - recurring fair value measurements

As at March 31, 2018	Notes	Level 1	Level 2	Level 3	Total
Financial Assets					
Financial Investments at FVTPL					
Deposits	7		23.86		23.86
Investment in other financial asset(bullion)	8	17.02			17.02
Total Financial Assets		**17.02**	**23.86**	**-**	**40.88**
Financial Liabilities- Borrowings non- current)	18	-	2.94	-	2.94
Total Financial Liabilities		**-**	**2.94**	**-**	**2.94**

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes commodities, listed equity instruments, traded bonds and mutual funds that have quoted price. The fair value of all equity instruments (including bonds) which are traded in the stock exchanges is valued using the closing price as at the reporting period. The mutual funds are valued using the closing NAV.

Level 2: The fair value of financial instruments that are not traded in an active market is determined using valuation techniques which maximize the use of observable market data and rely as little as possible on entity-specific estimates. If all significant inputs required to fair value an instrument are observable, the instrument is included in level 2.

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3.

There are no transfers between levels 1 and 2 during the year.

The Company's policy is to recognize transfers into and transfers out of fair value hierarchy levels at the end of the reporting period.

(ii) Valuation technique used to determine fair value

Specific valuation techniques used to value financial instruments include:

- the use of quoted market prices or dealer quotes for similar instruments

- the fair value of the remaining financial instruments is determined using discounted analysis.

All of the resulting fair value estimates are included in level 1 or 2 except for unlisted equity securities where the fair values have been determined based on present values and the discount rates used were adjusted for counter party or own credit risk.

All Amounts Are In Rs. Lakhs Unless Otherwise Stated

The carrying amounts of trade receivables, employee advances, cash and cash equivalents, bank fixed deposits and other short term receivables, trade payables, capital creditors and other current financial liabilities are considered to be the same as their fair values, due to their short-term nature.

43 FINANCIAL RISK MANAGEMENT

The Company's Board of Directors has overall responsibility for the establishment and oversight of the Company's risk management framework.

The Company's risk management policies are established to identify and analyze the risks faced by the Company, to set appropriate risk limits and controls and to monitor risks. Risk management policies and systems are reviewed regularly to reflect changes in market conditions and the Company's activities.

(A) Credit risk

Credit risk is the risk of incurring a loss that may arise from a borrower or debtor failing to make required payments. Credit risk arises mainly from outstanding receivables from free market dealers, cash and cash equivalents, employee advances and security deposits. The Company manages and analyses the credit risk for each of its new clients before standard payment and delivery terms and conditions are offered.

(i) Credit risk management

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer and including the default risk of the industry, also has an influence on credit risk assessment. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company considers the probability of default upon initial recognition of asset and whether there has been a significant increase in credit risk on an ongoing basis through each reporting period. To assess whether there is a significant increase in credit risk the Company compares the risk of default occurring on asset as at the reporting date with the risk of default as at the date of initial recognition. It considers reasonable and supportive forwarding-looking information such as:

i) Actual or expected significant adverse changes in business;

ii) Actual or expected significant changes in the operating results of the counterparty;

iii) Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations;

Reconciliation of loss allowance provision – Trade receivables

Loss allowance on April 1, 2017	7.63
Changes in loss allowance	4.80
Loss allowance on April 1, 2018	12.43
Changes in loss allowance	2.39
Loss allowance on March 31, 2019	14.82

(iii) Cash and cash equivalents

In the case loans to employees, the same is managed by establishing limit. (Which in turn based on the emplyoees salaries and numbers of years of services put in by the concern employees)

(iv) Security Deposites

Security Deposites are refundable and recoverable and there is no significant increased in credit risk

(v) Other Financials Assets

Other Financials Assets are cosidered to be to be of good quality and there is no significant increased in credit risk

(vi) Cash and cash equivalents

As at the year end, the Company held cash and cash equivalents of Rs. 171.92 lakhs (31.03.2018 -Rs. 324.39 lakhs,). The cash and cash equivalents are held with bank and financial institution counterparties with good credit rating.

(B) Liquidity risk

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The responsibility for liquidity risk management rests with the board of directors, which has established an appropriate liquidity risk management framework for the management of the Company's short-term, medium-term and long-term funding and liquidity management requirements. The Company manages liquidity risk by maintaining adequate reserves, banking facilities and reserve borrowing facilities, by continuously monitoring forecast and actual cash flows, and by matching the maturity profiles of financial assets and liabilities.

(i) Financing arrangements

The company has long term borrowings in nature of Term loans from Banks. The company also has short term cash credit and other non fund based borrowings facilities.

(ii) Maturities of financial liabilities

The tables herewith analyze the Company’s financial liabilities into relevant maturity groupings based on their contractual maturities for:

The amounts disclosed in the table are the contractual undiscounted cash flows. Balances due within 12 months equal their carrying balances as the impact of discounting is not significant.

Contractual maturities of financial liabilities

Particulars	Less than 1 year	More than 1 year	Total
As at March 31, 2019			
Non-derivatives			
Borrowings	480.38	105.57	585.94
Trade payables	536.99	-	536.99
Other Financial Liabilities	62.22	-	62.22
Total Non-derivative liabilities	**1079.59**	**105.57**	**1185.15**
As at March 31, 2018			
Non-derivatives			
Borrowings	593.25	2.94	596.19
Trade payables	220.93	-	220.93
Other Financial Liabilities	34.33	-	34.33
Total Non-derivative liabilities	**848.51**	**2.94**	**851.45**

Notes to Financial Statements for the year ended 31st March, 2019
All Amounts Are In Rs. Lakhs Unless Otherwise Stated

(C) Market risk

(i) Foreign currency risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. The objective of market risk management is to manage and control market risk exposures within acceptable parameters, while optimizing the return.

The risk is measured through a forecast of foreign currency for the Company's operations.

The Companies exposure to foreign currency risk at the end of the reporting period expressed in INR, are as follows:

Currency	As at March 31, 2019			As at March 31, 2018		
	Trade receivable and other Receivable	Hedges available	Net exposure to foreign currency risk	Trade receivable and other Receivable	Hedges available	Net exposure to foreign currency risk
IN USD	500.00	-	500.00	6,935.00	-	6,935.00
IN EURO	3,791.00	-	3,791.00	-	-	-
INR- Equivalent(Rs. In Lakhs)	3.30		3.30	4.51	-	4.51

Currency	As at March 31, 2019			As at March 31, 2018		
	Trade Payable	Hedges available	Net exposure to foreign currency risk	Trade Payable	Hedges available	Net exposure to foreign currency risk
IN USD	-	-	-		-	-
IN EURO	-	-	-		-	-
INR- Equivalent(Rs. In Lakhs)	-	-	-		-	-

Sensitivity

The sensitivity of profit or loss to changes in the exchange rates arises mainly from unhegded foreign currency denominated financial instruments.

Particulars	Impact on profit after tax	
	March 31, 2019	March 31, 2018
USD sensitivity(In USD)		
INR/USD increases by 5%	25.00	346.75
INR/USD decreases by 5%	(25.00)	(346.75)
EUR sensitivity(In EUR)		
INR/EUR increases by 5%	189.55	-
INR/EUR decreases by 5%	(189.55)	-
INR sensitivity(In lakhs)		
INR/AED increases by 5%	0.16	0.23
INR/AED decreases by 5%	(0.16)	(0.23)

Notes to Financial Statements for the year ended 31st March, 2019
All Amounts Are In Rs. Lakhs Unless Otherwise Stated

44 CAPITAL MANAGEMENT

Risk management

The Company's objectives when managing capital are to:

- safeguard their ability to continue as a going concern, so that they can continue to provide returns for shareholders and benefits for other stakeholders, and
- maintain an optimal capital structure to reduce the cost of capital.

Capital Management

For the purpose of Company's Capital Management, equity includes equity share capital and all other equity reserves attributable to the equity holders of the Company. The Company manages its capital to optimize returns to the share holders and make adjustments to it in light of changes in economic conditions or its business requirements. The Company's objective is to safe guard continuity, maintain a strong credit rating and healthy capital ratios in order to support its business and provide adequate return to share holders through continuing growth and maximize the share holders value. The Company funds its operations through internal accruals and long term borrowings competitive rate. The Management and Board of Directors monitor the return of capital as well as the level of dividend to share holders.

45 Event after reporting Period

There was no significant event after the end of reporting period which require any adjustment or disclosure in the financial statement other than the proposed dividend of Rs. 0.80 (P.Y. 0.80) per Equity Share of Rs. 10 each recommended by the Board of Directors at its meeting held on 28th May, 2019. The Dividend amounts to Rs. 38.25 lakhs(P.Y. 38.25 lakhs) and dividend distribution tax amounts to Rs. 7.86 lakhs(P.Y. 7.86 lakhs). The above dividend of current year is subject to approval of shareholders in the ensuing Annual General Meeting of the company and hence is not recognized as a liability as on 31st March, 2019.

46 The financial statements were authorized for issue in accordance with a resolution passed by the Board of Directors on 28th May, 2019. The financial statements as approved by the Board of Directors are subject to final approval by its Shareholders.

47 The figures as on the transition date and previous year have been re-arranged and regrouped wherever necessary to make them comparable with those of the current year.

The accompanying notes (1 to 47) are an integral part of the financial statements.

As per our report of even date
For C N K & Associates LLP
Chartered Accountants
Firm Registration No.: 101961W/100036W

Alok Shah
(Partner)
Membership No 42005

Place : Vadodara
Date : 28th May, 2019

For and on behalf of the Board of Directors
FOR **POLYMECHPLAST MACHINES LTD.**

K. R. Bhuva
Chairman &
Managing Director (DIN:00054532)

M. R. Bhuva
Director (DIN:00054562)

Gauri Y. Bapat
Company Secretary
(ACS 22782)

D.K. Punjabi
Chief Financial Officer

Place : Vadodara
Date : 28th May, 2019

POLYMECHPLAST MACHINES LIMITED

Registered Office : 775, G.I.D.C. Estate, Makarpura, Vadodara - 390 010
Phone : 0265 - 2632210 Email : goldcoin@polymechplast.com, Website : www.polymechplast.com

PROXY FORM

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

CIN : L27310GJ1987PLC009517
Name of the Company : POLYMECHPLAST MACHINES LIMITED
Registered Office : 775, G.I.D.C. Estate, Makarpura, Vadodara - 390 010

Name of the Member (s) :..
Registered address :...
E-mail ID :...
Folio No. / Client ID :...
DP ID :..

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

1. Name...
   Address...
   E-mail ID :...
   Signature.., or failing him
2. Name...
   Address...
   E-mail ID :...
   Signature.., or failing him
3. Name...
   Address...
   E-mail ID :...
   Signature.., or failing him

as my .our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32nd Annual general meeting of the Company, to be held on Saturday the 28th September, 2019 at 11:00 a.m. at VCCI Commercial Complex 73, GIDC Industrial Estate Makarpura, Vadodara 390010 and at any adjournment thereof in respect of such resolutions as are indicated below :

Resolution No	Resolutions
Ordinary Business	
1	Adoption of Financial Statement for the year ended 31-03-2019
2	Reappointment of Mr. M R. Bhuva as a Retiring Director
3	Declaration of dividend for FY 18-19 at Rs. 0.80 Per share
Special Business	
4	Reappointment of Mr. Ashokbhai shah as an independent Director
5	Reappointment of Mr. Kantilal R. Bhuva as a Managing Director
6	Reappointment of Mr. Mahendra R. Bhuva as an Executive Director
7	Reappointment of Mr. Himmatlal P. Bhuva as an Executive Director
8	Contribution to various bona fide and charitable funds etc

signed this ....day of..............20.........

Affix Revenue Stamp

Signature of Shareholder ....

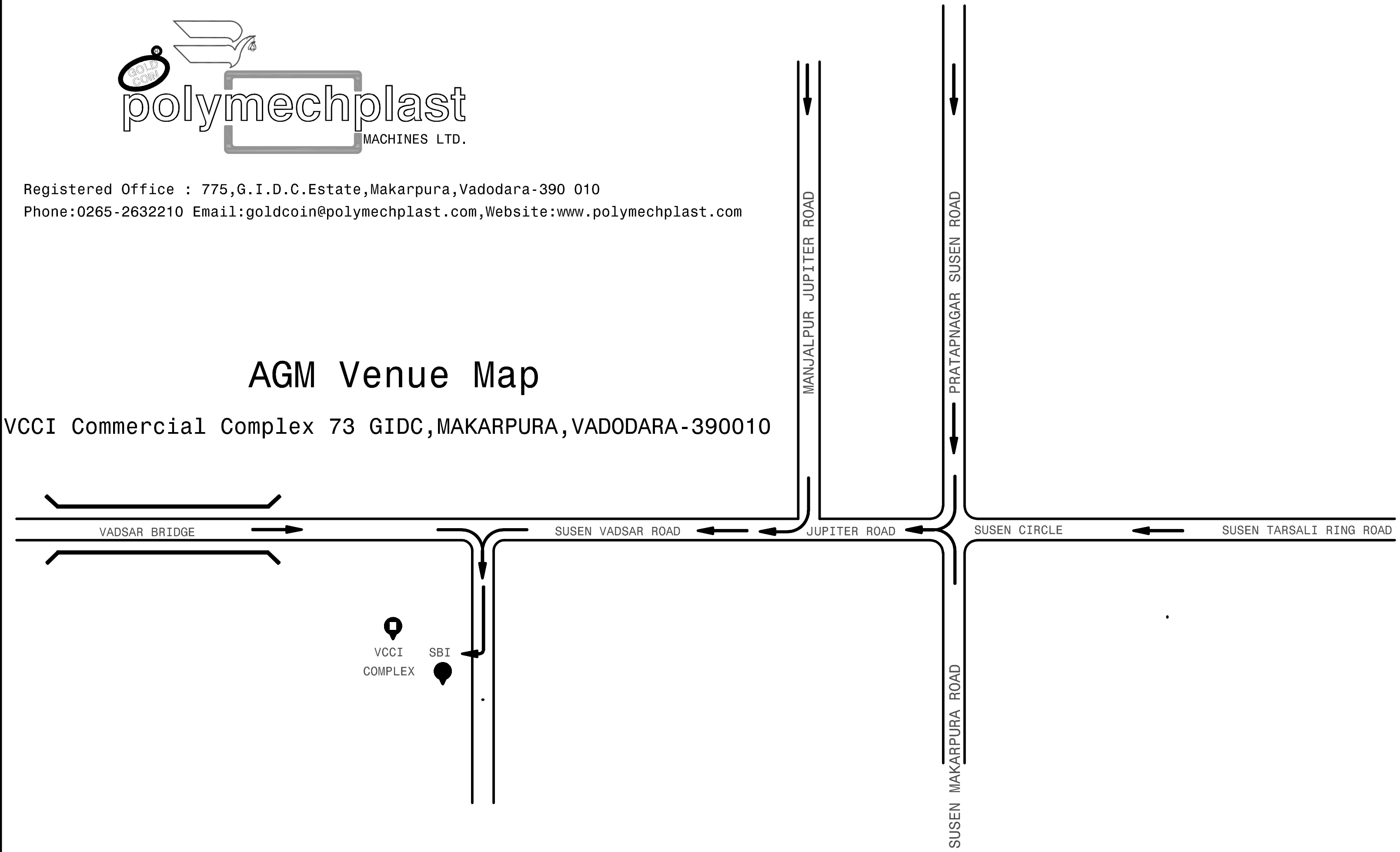
Signature of Proxy holder(s) ....

Note : This form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the polymechplast MACHINES LTD.

Registered Office : 775,G.I.D.C.Estate,Makarpura,Vadodara-390 010
Phone:0265-2632210 Email:goldcoin@polymechplast.com,Website:www.polymechplast.com

AGM Venue Map

VCCI Commercial Complex 73 GIDC,MAKARPURA,VADODARA-390010



POLYMECHPLAST MACHINES LIMITED

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Registered Office : 775, G.I.D.C. Estate, Makarpura, Vadodara - 390 010
Phone : 0265 - 2632210 Email : goldcoin@polymechplast.com, Website : www.polymechplast.com

DP ID	Client ID	Folio No.	No. of Shares held

ATTENDANCE SLIP

Registered Office : 775, G.I.D.C. Estate, Makarpura, Vadodara - 390 010

Name of the attending Member / Proxy (In block letters) :

I hereby record my presence at the 32nd Annual General Meeting held at 11.00 a.m. on 28th September, 2019

Members' / Proxy Signature

Notes : 1. Please bring this attendance slip to the meeting and handover th same duly filled in at the entrance.
2. Members are requested to bring copy of Annual Report with them

Book-Post

If Undelivered Please return to :

POLYMECHPLAST MACHINES LIMITED
Regd. Office : "Gold Coin House"
Plot No. 775, G.I.D.C., Makarpura,
Vadodara - 390 010. GUJARAT, INDIA