

PROMACT PLASTICS LIMITED

[CIN: L25200GJ1985PLC007746]

Registered Office: 106, Harikrupa Chambers, behind National Chambers, Ashram Road, Ahmedabad – 380 009
Tel: (079) 2658 3479, 2658 7714 Fax: (079) 2658 0950 Email: promactplastics@rediffmail.com

22nd September, 2016

| | |
|---|---|
| BSE Limited Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001 Company Code No. 526494 | Ahmedabad Stock Exchange Limited, Kamdhenu Complex, 1st Floor, Opp. Sahajanand College, Panjara Pole, Ambawadi, Ahmedabad - 380 015 Company Code No. 45611 |
|---|---|

Dear Sirs;

Sub: Submission of Adopted Annual Report 2015-16

Please note that the members in their 32nd Annual General Meeting held on 22nd September, 2016 have approved and adopted the Annual Report 2015-16.

We are sending herewith approved and adopted Annual Report 2015-16 pursuant to Regulation 34 of SEBI (LODR) Regulations, 2015.

Kindly take the same in on records.

Thanking you,

Yours faithfully,

For PROMACT PLASTICS LIMITED

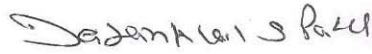

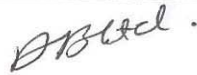


JAYANTILAL S. PATEL
MANAGING DIRECTOR

Encl: As above.

PS.: Scanned copy of approved & adopted Annual Report 2015-16 is uploaded on listing module of BSE Limited.

FORM A
(for audit report with unmodified opinion along-with Financial Results)

(Pursuant to Reg. 33 of SEBI (LODR) Reg., 2015)

| | | |
|---|---|--|
| 1 | Name of the Company | Promact Plastics Limited |
| 2 | Annual financial statements for the year | 31 st March, 2016 |
| 3 | Type of Audit observation | Un Modified |
| 4 | Frequency of observation | N.A. |
| 5 | To be signed by- | |
| | Jayantilal S. Patel Managing Director |  |
| | Vipul F. Bhavsar CFO |  |
| | Dharmendra B. Patel Audit Committee Chairman |  |
| | Auditor of the Company | M/s. M. M. Salvi & Co., Chartered Accountants, FRN: 109004W  M. M. Salvi Proprietor Membership Number: 030678 |



Place: Ahmedabad
Date: 27th May, 2016



PROMACT PLASTICS LIMITED

[CIN: L25200GJ1985PLC007746]

32ND

**A N N U A L
R E P O R T
2 0 1 5 - 2 0 1 6**

PROMACT PLASTICS LIMITED

[CIN: L25200GJ1985PLC007746]

32ND ANNUAL REPORT 2015-16

| | | | |
|--|---|--|-------------------|
| BOARD OF DIRECTORS | : | Mr. Miteshkumar A. Patel | Chairman |
| | | Mr. Jayantilal S. Patel | Managing Director |
| | | Ms. Payalben J. Patel | Director |
| | | Mr. Dharmendrakumar B. Patel | Director |
| | | Ms. Nikitaben J. Patel | Director |
| | | Mr. Ankit J. Patel | Director |
| CFO | : | Mr. Vipul F. Bhavsar | |
| BANKERS | : | Mehsana Urban Co.op. Bank Ltd., Mehsana. | |
| STATUTORY AUDITORS | : | M. M. Salvi & Co., Chartered Accountants, Mehsana. | |
| SECRETARIAL AUDITORS | : | Kashyap R. Mehta & Associates, Company Secretaries, Ahmedabad. | |
| REGISTERED OFFICE | : | 106, Harikrupa Chambers, Behind National Chambers, Ashram Road, Ahmedabad-380 009. | |
| FACTORY | : | 392 to 403, GIDC Estate, Phase-II, Dediyasan, Mehsana-384 002. | |
| REGISTRAR & SHARE TRANSFER AGENTS | : | Link Intime India Private Limited Unit No 303, 3 rd Floor Shoppers Plaza V, Opp. Municipal Market, Behind Shoppers Plaza II, Off C. G. Road, Ahmedabad - 380 009. | |

| CONTENTS | PAGE NOS. |
|---|------------------|
| Notice | 1-5 |
| Directors' Report including Corporate Governance & Secretarial Audit Report | 6-25 |
| Independent Auditors' Report | 26-30 |
| Balance Sheet | 31 |
| Statement of Profit & Loss | 32 |
| Cash Flow Statement | 33 |
| Notes to Financial Statement | 34-45 |

NOTICE

NOTICE is hereby given that the **32ND ANNUAL GENERAL MEETING** of the members of **PROMACT PLASTICS LIMITED** will be held as scheduled below:

Date : 22nd September, 2016
Day : Thursday
Time : 3.00 p.m.
Place : Banquet Hall of Hotel Kanak, Opp. Gujarat College, Ellisbridge, Ahmedabad – 380 006

to transact the following business :

ORDINARY BUSINESS :

1. To consider and adopt the Audited Financial Statements of the Company for the financial year ended 31st March, 2016, the reports of the Board of Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Ankit J. Patel (DIN: 02351167), who retires by rotation in terms of Section 152(6) of the Companies Act, 2013 and, being eligible, offers himself for re-appointment.
3. To consider and if thought fit to pass with or without modification(s) the following resolution as an **Ordinary Resolution**:

“RESOLVED that pursuant to the provisions of Section 139 and any other applicable provisions of the Companies Act, 2013 and the Rules made there under as amended from time to time, and pursuant to the resolution passed by the members at the Annual General Meeting (AGM) held on 22nd September, 2015, the appointment of M/s. M. M. Salvi & Co., Chartered Accountants (Firm Registration No.109004W), Mehsana, as the Statutory Auditors of the Company to hold office for a period of 2 years i.e. till the conclusion of the AGM to be held for the year 2017 be and is now hereby ratified for the year 2016-17 and that the Board of Directors be and is hereby authorised to fix the remuneration payable to them as may be mutually agreed upon between the Board of Directors of the Company and the Statutory Auditors.”

“RESOLVED FURTHER THAT the Board of Directors of the Company be and is hereby authorized to do all acts and take all such steps as may be necessary to give effect to this resolution.”

SPECIAL BUSINESS:

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

“RESOLVED THAT pursuant to the provisions of section 186 and other applicable provisions, if any, of the Companies Act, 2013 read with Companies (Meetings of Board and its powers) Rules, 2014 (including any amendment thereto or re-enactment thereof), the consent of the members of the Company be and is hereby accorded to the Board of Directors of the Company (hereinafter called ‘the Board’ which term shall be deemed to include any Committee which the Board may have constituted or hereinafter constitute to exercise its powers including the power conferred by this resolution) to make investment or acquire by way of subscription, purchase or otherwise the securities of any other body corporate whether Indian or overseas up to maximum amount of Rs. 25 Crores (Rupees Twenty Five Crores only) outstanding at any point of time notwithstanding that the aggregate amount of all the investments so far made together with the proposed investments to be made, exceeds the prescribed limits under the Companies Act, 2013.”

“RESOLVED FURTHER THAT the Board be and is hereby authorised to take from time to time all decisions and steps in respect of the above investment including the timing, amount and other terms and conditions of such investments and varying the same either in part or in full as it may deem appropriate, and to do and perform all such acts, deeds, matters and things as may deem necessary, proper or desirable and to settle any question, difficulty or doubt that may arise in this regard including power to sub-delegate in order to give effect to the aforesaid resolution.”

Registered Office:
106, Harikrupa Chambers,
Behind National Chambers,
Ashram Road,
Ahmedabad-380 009.
Date : 20th July, 2016.

By Order of the Board,

Miteshkumar A. Patel
Chairman



PROMACT PLASTICS LIMITED

NOTES :

1. The Explanatory Statement pursuant to Section 102 of the Companies Act, 2013, in respect of Special Business in the Notice is annexed hereto.
2. The Register of Members and Share Transfer Books will remain closed from **2nd September, 2016 to 22nd September, 2016** (both days inclusive) for the purpose of Annual General Meeting (AGM).
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY OR PROXIES TO ATTEND AND, TO VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY. A PERSON CAN ACT AS PROXY ON BEHALF OF MEMBERS NOT EXCEEDING 50 (FIFTY) AND HOLDING IN THE AGGREGATE NOT MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN 10% OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER SHAREHOLDER.

The instrument of Proxy in order to be effective, must be deposited at the Registered Office of the Company, duly completed and signed, not less than 48 hours before the commencement of the meeting. A Proxy form is sent herewith. Proxy form submitted on behalf of the Companies, Societies, etc. must be supported by an appropriate resolution / authority, as applicable.

4. Corporate members intending to send their authorised representatives to attend the Meeting are requested to send to the Company, a certified copy of Board Resolution/ Authorisation document authorising their representative to attend and vote on their behalf at the AGM.
5. Members/Proxies are requested to bring duly filled Attendance Form along with their copy of Annual Report at the Meeting. Copies of Annual Report will not be distributed at the Meeting.
6. Details under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 and Secretarial Standard 2 issued by The Institute of Company Secretaries of India in respect of Directors seeking re-appointment/appointment/ confirmation at the ensuing Annual General Meeting is provided in the Corporate Governance Report forming part of the Annual Report. The Directors have furnished the requisite declarations for their appointment / re-appointment.
7. Members holding shares in the dematerialized mode are requested to intimate all changes with respect to their bank details, ECS mandate, nomination, power of attorney, change of address, change in name, etc, to their Depository Participant (DP). These changes will be automatically reflected in the Company's records, which will help the Company to provide efficient and better service to the Members. Members holding shares in physical form are requested to intimate the changes to the Registrar & Share Transfer Agents of the Company (RTA).
8. Pursuant to Section 72 of the Companies Act, 2013, members holding shares in physical form may file nomination in the prescribed Form SH-13 and for cancellation / variation in nomination in the prescribed Form SH-14 with the Company's RTA. In respect of shares held in electronic / demat form, the nomination form may be filed with the respective Depository Participant.
9. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit the PAN to their DPs with whom they are maintaining their demat accounts and members holding shares in physical form to the Company / RTA.
10. The members are requested to intimate to the Company, queries, if any, at least 10 days before the date of the meeting to enable the management to keep the required information available at the meeting.
11. To support the "Green Initiative", Members who have not registered their e-mail addresses so far, are requested to register their e-mail address with the Registrar & Share Transfer Agents of the Company for receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically.
12. In support of the 'Green Initiative' announced by the Government of India, electronic copies of the Annual Report for 2015-16 and this Notice inter alia indicating the process and manner of e-voting along with Attendance Form and Proxy Form are being sent by email to all the Members whose email IDs are registered with the Company / Depository Participant(s) for communication purposes, unless any Member has requested only for a hard copy of the same. For Members who have not registered their email address, physical copies will be sent to them in the permitted mode. The Notice of AGM will also be available on the Central Depository Services (India) Limited ("CDSL"), www.cdslindia.com, www.evotingindia.com
13. All documents referred to in the Notice shall be available for inspection by members at the Registered Office of the Company during the business hours between 11.00 a.m. to 1.00 p.m. on all working days of the Company up to the date of the Annual General Meeting.
14. **VOTING THROUGH ELECTRONIC MEANS**
 - (a) In compliance with provisions of Section 108 of the Companies Act, 2013 and Rule 20 of the Companies (Management and Administration) Rules, 2014, Regulation 44 of SEBI (Listing Obligations and Disclosure

ANNUAL REPORT 2015-2016

Requirements) Regulations, 2015 any other applicable provisions, the Company is pleased to offer the facility of voting through electronic means and the business set out in the Notice above may be transacted through such electronic voting. The facility of casting the votes by the Members using an electronic voting system from a place other than venue of the AGM ('remote e-voting') is provided by Central Depository Services (India) Limited.

- (b) The facility for voting through ballot paper shall be made available at the AGM, and the Members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot. E-voting facility will not be made available at the AGM venue.
- (c) The Members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
- (d) The remote e-voting period commences at **9.00 a.m. on Monday, 19th September, 2016 and ends at 5:00 p.m. on Wednesday day, 21st September, 2016**. During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the **cut-off date i.e.15th September, 2016**, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for e-voting thereafter. Once the vote on a resolution is cast by the Member, the Member shall not be allowed to change it subsequently or cast the vote again.
- (e) The voting rights of shareholders shall be in proportion to their shares in the paid up equity share capital of the Company as on the cut-off date.

The procedure and instructions for remote e-voting are, as follows:

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

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

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

| For Members holding shares in Demat Form and Physical Form | |
|--|---|
| PAN | Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN field. 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 Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login. 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 (ii). |

#Please enter the DOB or Dividend Bank Details in order to login.



PROMACT PLASTICS LIMITED

- (viii) After entering these details appropriately, click on "SUBMIT" tab.
- (ix) Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- (x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- (xi) Now, select the Electronic Voting Sequence Number ("EVSN") of "PROMACT PLASTICS LIMITED" from the drop down menu and click on "SUBMIT".
- (xii) On the voting page, you will see 'Resolution Description' and against the same, the option 'YES/NO' for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- (xiii) Click on the 'RESOLUTIONS FILE LINK' if you wish to view the entire Resolution details.
- (xiv) After selecting the Resolution, you have decided to vote on, click on 'SUBMIT'. A confirmation box will be displayed. If you wish to confirm your vote, click on 'OK', else to change your vote, click on 'CANCEL' and accordingly modify your vote.
- (xv) Once you 'CONFIRM' your vote on the resolution, you will not be allowed to modify your vote.
- (xvi) You can also take out print of the voting done by you by clicking on 'Click here to print' option on the Voting page.
- (xvii) Shareholders can also cast their vote using CDSL's mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store. iPhone and Windows phone users can download the app from the App Store and the Windows Phone Store respectively on or after 30th June 2016. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- (xviii) Note for Non – Individual Members and Custodians:
- Non-Individual Members (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to www.evotingindia.com and register themselves as Corporate.
 - 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 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.
- (f) In case you have any queries or issues regarding remote e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.com, under help section or write an email to helpdesk.evoting@cdslindia.com.
- (g) **Mr. Kashyap R. Mehta, Proprietor, M/s. Kashyap R. Mehta & Associates, Company Secretaries, Ahmedabad** has been appointed as the Scrutinizer to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- (h) The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of Scrutinizer, by use of 'Ballot Paper' for all those Members who are present at the AGM but have not cast their votes by availing the remote e-voting facility. **E-voting facility will not be made available at the AGM venue.**

- (i) The Scrutinizer shall, immediately after the conclusion of voting at AGM, first count the votes cast at the meeting, thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in employment of the Company and make, not later than three days from the conclusion of meeting, a consolidated Scrutiniser's Report of the total votes cast in favour or against, if any, to the Chairman or a person authorised by him in writing who shall countersign the same. Thereafter, the Chairman or the person authorised by him in writing shall declare the result of the voting forthwith.
- (j) The Results declared along with the Scrutinizer's Report shall be placed on the website of CDSL immediately after the result is declared by the Chairman; and results shall also be communicated to the Stock Exchanges.

ANNEXURE TO THE NOTICE

EXPLANATORY STATEMENT PURSUANT TO SECTION 102 OF THE COMPANIES ACT, 2013 IN RESPECT OF SPECIAL BUSINESSES MENTIONED IN THE NOTICE OF 32ND ANNUAL GENERAL MEETING DATED 20TH JULY, 2016.

In respect of Item No. 4:

As per the provisions of Section 186 of the Companies Act, 2013, the Board of Directors of a Company can make any investment(s) beyond the prescribed ceiling of i) Sixty per cent of the aggregate of the paid-up capital and free reserves and securities premium account or, ii) Hundred per cent of its free reserves and securities premium account, whichever is more, if special resolution is passed by the members of the Company. As a measure of achieving greater financial flexibility and to enable optimal financing structure, this permission is sought pursuant to the provisions of Section 186 of the Companies Act, 2013 to give powers to the Board of Directors or any duly constituted committee thereof, for making further investment(s).

The investment(s) will be made in accordance with the applicable provisions of the Companies Act, 2013 and relevant rules made there under. These investments are proposed to be made out of own/ surplus funds/internal accruals and or any other sources including borrowings, if necessary, to achieve long term strategic and business objectives.

None of the Directors, Key Managerial Personnel or their relatives are in any way concerned or interested, financially or otherwise in this resolution.

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

Registered Office:

106, Harikrupa Chambers,
Behind National Chambers,
Ashram Road,
Ahmedabad-380 009.
Date : 20th July, 2016.

By Order of the Board,

Miteshkumar A. Patel
Chairman



DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 32nd ANNUAL REPORT together with the Audited Financial Statements for the Financial Year 2015-16 ended 31st March, 2016.

1. FINANCIAL RESULTS:

(₹ in Lacs)

| Particulars | 2015-2016 | 2014-2015 |
|---|-----------|-----------|
| Operating Profit (Before Interest & Depreciation) | 82.65 | 78.83 |
| Less: Interest | 124.17 | 152.93 |
| (Loss) before Depreciation | (41.52) | (74.10) |
| Less: Depreciation | 6.38 | 6.38 |
| (Loss) before Exceptional items | (47.90) | (80.48) |
| Add : Exceptional Items / Profit on sale of Plant & Machinery | 0.06 | 272.07 |
| Profit/ (Loss) Before Tax | (47.84) | 191.59 |
| Less: Provision for taxation | - | - |
| Profit/ (Loss) for the year after Tax | (47.84) | 191.59 |
| (Debit) Balance brought forward from Previous year | (1007.34) | (1197.52) |
| Adjustment relating to Fixed Assets | - | (1.41) |
| (Debit) Balance carried to Balance Sheet | (1055.18) | (1007.33) |

There are no material changes and commitment affecting the financial position of the Company which have occurred between 1st April, 2016 and date of this report.

2. DIVIDEND:

As the Company has accumulated losses, your Directors are unable to recommend any Dividend for the Year 2015-16.

3. SALES & WORKING RESULTS:

The Company has generated revenue of ₹ 91.24 lacs during the year under review as compared to ₹ 83.20 lacs during 2014-15. The Company has earned other income of ₹ 29.05 lacs during the year under review during the year under review as compared to ₹ 21.59 lacs during 2014-15.

The Profit before Interest and Depreciation during the year 2015-16 was ₹ 82.65 lacs as compared to Profit of ₹ 78.83 Lacs during the year 2014-15. As the Company had to provide for Interest of ₹ 124.17 Lacs during the year under review, the Loss before Depreciation was ₹ 41.52 lacs compared with Loss of ₹ 74.10 lacs during 2014-15. The Company provided ₹ 6.38 lacs for Depreciation and therefore Loss before considering Exceptional items stood at ₹ 47.90 lacs during the year under review compared to Loss of ₹ 80.48 lacs for the year 2014-15. After taking into account Profit on Exceptional items of ₹ 0.06 lacs, the Net Loss for the year under review stood at ₹ 47.84 lacs as against Net Profit of ₹ 191.59 lacs during 2014-15.

4. FINANCE:

4.1 During the year under review, the Company was generally regular in payment of Principal and Interest to the Financial Institutions/Banks. The Company is enjoying Working Capital Facilities from Mehsana Urban Co-Operative Bank Limited.

4.2 The Income tax and Sales tax Assessment of the Company have been completed up to Assessment Year 2013-14 and the Financial Year 2011-12 respectively.

5. DISCONTINUANCE OF BUSINESS:

The Company had discontinued the running business of HDPE/PP Woven Bags, Fabrics and Tarpaulin in the year 2014-15 in view of unviable operations.

6. WOVEN SACKS PLANT:

As the operations of 'Woven Sacks' had been non-operational / unviable, the management had decided to dispose off the 'Woven Sacks Plant' of the Company situated at Plot No. 392 to 403, GIDC Estate, Phase – II, Dediyan, Mehsana – 384 002 in 2014-15.

The necessary approval of the members of the Company was obtained pursuant to necessary provisions of the Companies Act. The management is in the process of disposing off the plant.

7. DIRECTORS:

- 7.1 One of your Directors viz. Mr. Ankit J. Patel retires by rotation in terms of the Articles of Association of the Company. However, being eligible offers himself for reappointment.
- 7.2 Mr. Miteshkumar A. Patel has been elevated as Chairman w.e.f. 12th February, 2016.
- 7.3 The Board of Directors duly met 6 times during the financial year under review.
- 7.4 The Company has received necessary declaration from each Independent Director of the Company under Section 149(7) of the Companies Act, 2013 (the Act) that they meet with the criteria of their independence laid down in Section 149(6) of the Act.
- 7.5 Formal Annual Evaluation:

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

7.6 DIRECTORS' RESPONSIBILITY STATEMENT:

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

- (i) that in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- (ii) that the Directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent, so as to give a true and fair view of the state of affairs of the Company at 31st March, 2016 being end of the financial year 2015-16 and of the loss of the Company for the year;
- (iii) that the Directors had taken proper and sufficient care for maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- (iv) that the Directors had prepared the annual accounts on a going concern basis.
- (v) the Directors, had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively.
- (vi) the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

8. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY:

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

9. MANAGERIAL REMUNERATION:

REMUNERATION OF DIRECTORS:

The Company has not paid any Managerial Remuneration or other benefits to any of its Directors. The Board of Directors has framed a Remuneration Policy that assures the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and Senior Management to enhance the quality required to run the Company successfully. The Relationship of remuneration to performance is clear and meets appropriate performance benchmarks. All the Board Members and Senior Management personnel have affirmed time to time implementation of the said Remuneration policy.

The Nomination and Remuneration Policy are available on the Company's website-www.promactplastics.com.

10. KEY MANAGERIAL PERSONNEL :

% INCREASE IN REMUNERATION OF DIRECTORS AND KMP:

Company has not paid any managerial remuneration to any of its KMP. There is no increase in remuneration paid to Mr. Vipul Bhavsar, CFO.



PROMACT PLASTICS LIMITED

11. PERSONNEL AND H. R. D.:

11.1 INDUSTRIAL RELATIONS:

The industrial relations continued to remain cordial and peaceful.

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

11.2 PARTICULARS OF EMPLOYEES:

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

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

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

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

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

13. DEMATERIALISATION OF EQUITY SHARES:

Shareholders have an option to dematerialise their shares with either of the depositories viz NSDL and CDSL. The ISIN No. allotted is INE818D01011.

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

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

15. CORPORATE GOVERNANCE AND MDA:

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

16. SECRETARIAL AUDIT REPORT:

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

17. EXTRACT OF ANNUAL RETURN:

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

18. LISTING:

The Equity Shares of the Company are listed on Ahmedabad Stock Exchange Limited & BSE Limited. The Company is regular in payment of Annual Listing Fees. The Company has paid Listing fees up to the year 2016-17.

19. AUDIT COMMITTEE/ NOMINATION AND REMUNERATION COMMITTEE/ STAKEHOLDERS' RELATIONSHIP COMMITTEE:

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

20. GENERAL:

20.1. STATUTORY AUDITORS:

At the Annual General Meeting held on 22nd September, 2015 M/s. M. M. Salvi & Company, Chartered Accounts, Mehsana were appointed as Statutory Auditors of the Company to hold office till the conclusion of

ANNUAL REPORT 2015-2016

the Annual General Meeting to be held in the year 2017. In terms of the first proviso to Section 139 of the Companies Act, 2013, the appointment of the auditors shall be placed for ratification at every Annual General Meeting. Accordingly, the appointment of M/s. M. M. Salvi & Company, Chartered Accountants, as Statutory Auditors of the Company, is placed for ratification by the shareholders.

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

20.2 INSURANCE:

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

20.3 DEPOSITS:

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

20.4 RISKS MANAGEMENT POLICY:

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

20.5 SUBSIDIARIES/ ASSOCIATE/ JVs:

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

20.6 CODE OF CONDUCT:

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

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

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

20.8 ENVIRONMENT AND SAFETY:

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

20.9 INSTANCES OF FRAUD, IF ANY REPORTED BY THE AUDITORS:

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

21. DISCLOSURE OF ACCOUNTING TREATMENT:

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

22. ACKNOWLEDGMENT:

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

For and on behalf of the Board,

Place : Ahmedabad.
Date : 20th July, 2016

Miteshkumar A. Patel
Chairman



REPORT ON CORPORATE GOVERNANCE

INTRODUCTION:

Corporate Governance is important to build confidence and trust which leads to strong and stable partnership with the Investors and all other Stakeholders. The Directors, hereunder, present the Company's Report on Corporate Governance for the year ended 31st March, 2016 and also up to the date of this Report.

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

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

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

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

2. BOARD OF DIRECTORS:

a) Composition and Category of Directors as on 31st March, 2016 and on the date of report is:

| Name of Directors | Category of Directorship | No. of other Director ships @ | No. of Committee position in other Companies** | | No. of Board Meetings attended during 2015-16 | Attendance at the AGM held on 22 nd September, 2015 Yes(Y)/No(N) |
|---------------------------------------|--------------------------|-------------------------------|--|----------|---|---|
| | | | Member | Chairman | | |
| Miteshkumar A. Patel, Chairman | Independent | — | — | — | 6 | Y |
| Jayantilal S. Patel Managing Director | Promoter Executive | — | — | — | 6 | Y |
| Dharmendrakumar B. Patel | Independent | — | — | — | 6 | Y |
| Nikitaben J. Patel | Promoter Non-Executive | — | — | — | 6 | Y |
| Ankit J. Patel | Promoter Non-Executive | — | — | — | 4 | N |
| Payalben J. Patel | Promoter Non-Executive | — | — | — | 6 | Y |

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

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

Mr. Jayantilal S. Patel, Ms. Nikitaben J. Patel, Mr. Ankit J. Patel, and Ms. Payalben J. Patel are related to each other.

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

| | |
|--|--|
| Name of Director | Ankit J. Patel |
| Date of Birth | 21-03-1988 |
| Date of Appointment | 29-05-2010 |
| Qualifications | Diploma in Computer Engineer |
| Expertise in specific functional areas | Factory Administration and Computer Software Programming |
| List of Public Limited Companies in which Directorships held | - |
| List of Private Limited Companies in which Directorships held | Prabhu Ispat Private Limited |
| Chairman/Member of the Committees of the Board of Directors of our Company | - |
| Chairman/Member of the Committees of Directors of other Companies | - |
| Shareholding in the Company | 263775 Equity shares |

c) Board Procedures:

The Board of Directors meets once a quarter to review the performance and Financial Results. A detailed Agenda File is sent to all the Directors well in time of the Board Meetings. The Chairman/Managing Director briefs the Directors at every Board Meeting, overall performance of the Company. All major decisions/ approvals are taken at the Meeting of the Board of Directors such as policy formation, business plans, budgets, investment opportunities, Statutory Compliance etc. The meeting of the Board of Directors for a period from 1st April, 2015 to 31st March, 2016 were held 6 times on 30-05-2015; 29-07-2015; 13-08-2015; 03-11-2015; 17-12-2015 and 12-02-2016

d) Shareholding of Non- Executive Directors as on 31st March, 2016:

| Name of the Non- Executive Director | No. of Shares held | % Shareholding |
|-------------------------------------|--------------------|----------------|
| Nikitaben J. Patel | 270943 | 4.16 |
| Ankit J. Patel | 263775 | 4.05 |
| Payalben J. Patel | 265437 | 4.07 |
| Miteshkumar A. Patel | 1920 | 0.03 |
| Dharmendrakumar B. Patel | 53254 | 0.82 |

e) Familiarisation Program for Independent Directors:

The details of the familiarization program are available on the Company's website www.promactplastics.com

3. AUDIT COMMITTEE:

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

| Name of the Directors | Expertise | Terms of reference & Functions of the Committee | No. of Meetings Attended during 2015-16 |
|-------------------------------|--|--|---|
| Dharmendra B. Patel, Chairman | All members are Non Executive. Chairman is Independent Director and majority are independent. One member has thorough financial and accounting knowledge. | The functions of the Audit Committee are as per Company Law and Listing Agreement with Stock Exchange which include approving and implementing the audit procedures, review of financial reporting system, internal control procedures and risk management policies. | 4 of 4 |
| Miteshkumar A. Patel | | | 4 of 4 |
| Payal J. Patel | | | 4 of 4 |

The Audit Committee met 4 times during the Financial Year 2015-16. The maximum gap between two meetings



PROMACT PLASTICS LIMITED

was not more than 120 days. The Committee met on 30-05-2015; 13-08-2015; 03-11-2015 & 12-02-2016. The necessary quorum was present for all Meetings. The Chairperson of the Audit Committee was present at the last Annual General Meeting of the Company.

4. NOMINATION & REMUNERATION COMMITTEE:

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

| Name of the Directors | Functions of the Committee | No. of Meetings Attended during 2015-16 |
|----------------------------------|--|---|
| Dharmendra B. Patel, Chairman | All members are Non executive. The Committee is vested with the responsibilities to function as per SEBI Guidelines and recommends to the Board Compensation Package for the Managing Director. It also reviews from time to time the overall Compensation structure and related policies with a view to attract, motivate and retain employees. | During the year under review, no meeting of Nomination & Remuneration Committee was held. |
| Miteshkumar A. Patel | | |
| Payal J. Patel | | |

Terms of reference and Nomination & Remuneration Policy:

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

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

Performance Evaluation Criteria for Independent Directors:

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

5. REMUNERATION OF DIRECTORS:

1. Mr. Jayantilal S. Patel, Managing Director has not drawn any managerial remuneration during the financial year 2015-16.
2. No Sitting Fees, Commission or Stock Option has been offered to any other Directors.
3. The terms of appointment of Managing Director / Whole-time Director are governed by the resolutions of the members and applicable rules of the Company. None of the Directors are entitled to severance fees.
4. Commission based on performance criteria, if any, as approved by the Board and subject to maximum limit specified in the Act.
5. The Nomination and Remuneration Policy of the Company is given in Directors' Report which specifies the criteria of making payments to Non Executive Directors.
6. Service contract and notice period are as per the terms and conditions mentioned in their Letter of Appointments.
7. There are no materially significant related party transactions, pecuniary transactions or relationships between the Company and its Non-Executive Directors except those disclosed in the financial statements for the financial year ended on 31st March, 2016.

6. STAKEHOLDERS' RELATIONSHIP COMMITTEE:

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

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

1. Nikita J. Patel Chairperson
2. Payal J. Patel Member

The Company has not received any complaints during the year. There was no valid request for transfer of shares pending as on 31st March, 2016.

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

7. GENERAL BODY MEETINGS:

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

| Financial Year | Date | Time | Venue |
|-----------------------|-------------|-------------|--|
| 2012-13 | 27-09-2013 | 12 Noon | Conference Hall of Hotel City Pride, Opp. Gurukul, Drive-in-Road, Ahmedabad – 380052. |
| 2013-14 | 19-09-2014 | 3.00 P.M | Conference Hall of Hotel City Pride, Opp. Gurukul, Drive-in-Road, Ahmedabad – 380052. SPECIAL RESOLUTION: 1: Borrowing Limit under Section 180(1) (c) of the Companies Act, 2013. 2: Creation of charge/mortgage under Section 180(1)(a) of the Companies Act, 2013 3: Appointment of Mr. Jayantilal S. Patel as Managing Director |
| 2014-15 | 22-09-2015 | 3:00 p.m. | Conference Hall of Hotel City Pride Opp. Gurukul, Drive-in-Road, Ahmedabad- 380 052 No Special Resolution was passed. |

Pursuant to the relevant provisions of the Companies Act, 2013, there was no matter required to be dealt by the Company to be passed through postal ballot during 2015-16.

8. MEANS OF COMMUNICATION:

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

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

During the year ended on 31st March, 2016, no presentations were made to Institutional Investors or analyst or any other enterprise.

9. GENERAL SHAREHOLDERS' INFORMATION:

- a) Registered Office : 106, Harikrupa Chambers, Behind National Chambers, Ashram Road, Ahmedabad - 380 009.
- b) Annual General Meeting : Day : Thursday
Date : 22nd September, 2016
Time : 3:00 p.m.
Venue : Banquet Hall of Hotel Kanak, Opp. Gujarat College, Ellisbridge, Ahmedabad- 380 006
- c) Financial Calendar :
1st Quarter Results : 1st / 2nd week - August, 2016.
Half-yearly Results : 1st / 2nd week - November, 2016.
3rd Quarter Results : 1st / 2nd week - February, 2017.
Audited yearly Results : End - May, 2017.
- d) Book Closure Dates : From : Friday, the 2nd September, 2016
To : Thursday, the 22nd September, 2016
(Both days inclusive).
- e) Dividend Payment Date : N.A.
- f) Listing of Shares on Stock Exchanges : 1. Ahmedabad Stock Exchange Limited, Kamdhenu Complex, 1st Floor, Opp. Sahajanand College, Panjara Pole, Ambawadi, Ahmedabad - 380 015.
2. BSE Limited, Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai - 400 001.

**PROMACT PLASTICS LIMITED**

The Company has paid the annual listing fees for the financial year 2016-17 to both the Stock Exchanges where its securities are listed.

| | | | |
|------------------------|---|-----------------------|-------------|
| g) Stock Exchange Code | : | <u>Stock Exchange</u> | <u>Code</u> |
| | | ASE | 45611 |
| | | BSE | 526494 |

h) Registrar and Share Transfer Agents. :

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

M/s. Link Intime India Private Limited.

Unit No 303, 3rd floor Shoppers Plaza V, Opp. Municipal Market, Behind Shoppers Plaza II,
Off C. G. Road., Ahmedabad – 380 009

Tele. No. : (079) 2646 5179

Fax No. : (079) 2646 5179

e-mail Address: ahmedabad@linkintime.co.in

i) Share Transfer System :

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

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

j) Stock Price Data :

The shares of the Company were traded on the BSE Limited. The information on stock price data, BSE Sensex details are as under:

| Month | BSE | | | BSE Sensex |
|-----------------|----------|---------|----------------------|------------|
| | High (₹) | Low (₹) | No. of Shares Traded | |
| April, 2015 | 2.04 | 1.48 | 7,973 | 27,011.31 |
| May, 2015 | 2.04 | 1.85 | 10,006 | 27,828.44 |
| June, 2015 | 2.39 | 2.08 | 3,277 | 27,780.83 |
| July, 2015 | 3.02 | 2.39 | 8,069 | 28,114.56 |
| August, 2015 | 3.20 | 2.38 | 10,021 | 26,283.09 |
| September, 2015 | 3.44 | 2.75 | 8,616 | 26,154.83 |
| October, 2015 | 3.55 | 2.89 | 10,778 | 26,656.83 |
| November, 2015 | 3.60 | 3.60 | 10 | 26,145.67 |
| December, 2015 | 3.66 | 2.94 | 3,510 | 26,117.54 |
| January, 2016 | 3.71 | 3.23 | 4,649 | 24,870.69 |
| February, 2016 | 3.70 | 3.59 | 7,055 | 23,002.00 |
| March, 2016 | 3.70 | 3.33 | 23,423 | 25,341.86 |

k) Distribution of Shareholding as on 31st March, 2016:

| No. of Equity Shares held | No. of Shareholders | % of Shareholders | No. of Shares held | % of Shareholding |
|---------------------------|---------------------|-------------------|--------------------|-------------------|
| Upto 500 | 1735 | 65.74 | 310396 | 4.77 |
| 501 to 1000 | 375 | 14.21 | 284054 | 4.36 |
| 1001 to 2000 | 215 | 8.15 | 298074 | 4.58 |
| 2001 to 3000 | 98 | 3.71 | 252309 | 3.87 |
| 3001 to 4000 | 30 | 1.14 | 110292 | 1.69 |
| 4001 to 5000 | 33 | 1.25 | 154596 | 2.37 |
| 5001 to 10000 | 71 | 2.69 | 510303 | 7.84 |
| 10001 & above | 82 | 3.11 | 4591776 | 70.51 |
| Grand Total | 2639 | 100.00 | 6511800 | 100.00 |

- l) Category of Shareholders as on 31st March, 2016:

| Category | No. of Shares held | % of Shareholding |
|---|---------------------------|--------------------------|
| Promoters | 2207498 | 33.89 |
| Financial Institutions/Banks | - | - |
| Mutual Fund | - | - |
| Other Bodies Corporate/Clearing Members | 61373 | 0.94 |
| Non Resident Indians | 11539 | 0.17 |
| Public | 4231390 | 65.00 |
| Grand Total | 6511800 | 100.00 |

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

The Company has not issued any GDRs/ADRs.

- n) Dematerialisation of Shares and liquidity :

The Company's Equity Shares are traded compulsorily in dematerialised form. Approximately 92.02% of the Equity Shares have been dematerialised. ISIN number for dematerialisation of the Equity Shares of the Company is INE818D01011

- o) Commodity price risk and commodity hedging activities :

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

- p) Plant Location:

391 - 404, GIDC Estate, Phase-II, Dediyaan, Mehsana 384002, Gujarat.

- q) Address for Correspondence:

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

M/s. Link Intime India Private Limited.
Unit No 303, 3rd floor Shoppers Plaza V,
Opp. Municipal Market, Behind Shoppers Plaza II,
Off C. G. Road, Ahmedabad – 380 009
Tele. No. :(079) 2646 5179
Fax No. :(079) 2646 5179
e-mail Address: ahmedabad@linkintime.co.in

Compliance Officer : Ms. Payalben J. Patel

10. MANAGEMENT DISCUSSION AND ANALYSIS

a. Industry Structure and Developments:

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

b. Opportunities and Threats:

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

c. Segment wise Performance:

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



PROMACT PLASTICS LIMITED

d. Recent Trend and Future Outlook:

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

e. Risks and Concerns:

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

f. Internal Control Systems and their Adequacy:

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

g. Financial Performance with respect to Operational Performance:

The financial performance of the Company for the year 2015-16 is described in the Directors' Report under the head 'Sales and Working Results'.

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

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

i. Cautionary Statement:

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

11. DISCLOSURES:

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

12. DETAILS OF NON COMPLIANCE CORPORATE GOVERNANCE REQUIREMENT:

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

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

- i. The Company has a Non – Executive Chairman.
- ii. The quarterly / half yearly results are not sent to the shareholders. However, the same are published in the newspapers and also posted on the Company's website.
- iii. The Company's financial statements for the financial year 2015–2016 do not contain any audit qualification.
- iv. The internal auditors report to the Audit Committee.

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

For and on behalf of the Board,

Place : Ahmedabad.
Date : 20th July, 2016

Mr. Miteshkumar A. Patel
Chairman

DECLARATION

All the Board Members and Senior Management Personnel of the Company have affirmed the compliance with the provisions of the code of conduct of Board of Directors and Senior Management for the year ended on 31st March, 2016.

For Promact Plastics Limited,

Date : 20th July, 2016

Jayantilal S. Patel
Managing Director

Vipul F. Bhavsar
CFO

CERTIFICATE ON CORPORATE GOVERNANCE

To
The Members of
Promact Plastics Limited, Ahmedabad

We have examined the compliance of conditions of Corporate Governance by M/s Promact Plastics Limited, for the year ended on 31st March, 2016 and also up to the date of this report as stipulated in Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (LODR) / Listing Agreement (LA).

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

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

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

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

For KASHYAP R. MEHTA & ASSOCIATES
COMPANY SECRETARIES

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

Place : Ahmedabad
Date : 20th July, 2016



FORM NO. MR-3

SECRETARIAL AUDIT REPORT FOR THE FINANCIAL YEAR ENDED ON 31ST MARCH, 2016

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

To,
The Members,
Promact Plastics Limited

We have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **M/s. Promact Plastics Limited** [CIN: L25200GJ1985PLC007746] ('hereinafter called the Company') having Registered Office at 106, Harikrupa Chambers, B/h National Chambers, Ashram Road, Ahmedabad, Gujarat – 380 009. The Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts / statutory compliances and expressing our opinion thereon.

Based on our verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on **31st March, 2016** complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March, 2016 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, 1992/2015
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 (Not applicable during the audit period)
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / Securities and exchange board of india (Share based employee benefits) Regulation, 2014 (Not applicable during the audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable during the audit period)
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable during the audit period)
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; and (Not applicable during the audit period)
- (vi) Various common laws applicable to the manufacturing and other activities of the Company such as Labour Laws, Pollution Control Laws, Land Laws etc. and sector specific laws such as The Recycled Plastics Manufacture and Usage Rules, 1999 for which we have relied on Certificates/ Reports/ Declarations/Consents/Confirmations obtained by the Company from the experts of the relevant field such as Advocate, Labour Law Consultants, Engineers, Occupier of the Factories, Registered Valuers, Chartered Engineers, Factory Manager, Chief Technology

ANNUAL REPORT 2015-2016

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

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

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

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

The following are our observations during the Audit:

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

We further report that:

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

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

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

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

We further report that during the audit period the Company has not passed any Special Resolution.

For KASHYAP R. MEHTA & ASSOCIATES
COMPANY SECRETARIES

KASHYAP R. MEHTA
PROPRIETOR

Place : Ahmedabad
Date : 20th July, 2016

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

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



To,
The Members,
Promact Plastics Limited

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

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

For KASHYAP R. MEHTA & ASSOCIATES
COMPANY SECRETARIES

KASHYAP R. MEHTA
PROPRIETOR

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

Place : Ahmedabad
Date : 20th July, 2016

Form No. MGT – 9

EXTRACT OF ANNUAL RETURN AS ON 31ST MARCH, 2016

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

I. REGISTRATION AND OTHER DETAILS:

| | | |
|-----|---|---|
| (1) | CIN | L25200GJ1985PLC007746 |
| (2) | Registration Date | 26-03-1985 |
| (3) | Name of the Company | Promact Plastics Limited |
| (4) | Category / Sub-Category of the Company | Public Company Limited by Shares |
| (5) | Address of the registered Office and Contact Details | 106, Harikrupa Chambers, B/H National Chambers, Ahmedabad |
| (6) | Whether Listed Company | Yes |
| (7) | Name, Address and Contact details of Registrar and Transfer Agent, if any | Link Intime India Pvt. Ltd. 303, 3 rd Floor, Shoppers Plaza V, Opp. Municipal Market, Behind Shoppers Plaza II, Navrangpura, Ahmedabad – 380 009. |

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY:

| Name and Description of main products/ services | NIC Code of the Product/ service | % to total turnover |
|---|----------------------------------|---------------------|
| HDPE/PP Woven Fabrics/ Bags/ Tarpaulin | 13925 | 100 |

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES:

The Company has no Holding/ Subsidiary/ Associate Company.

IV. SHARE HOLDING PATTERN:

i) Category-wise Share Holding:

| Category of Shareholders | No. of Shares held as on 1 st April, 2015 | | | | No. of Shares held as on 31 st March, 2016 | | | | % Change during 2015-16 |
|------------------------------------|--|----------|---------|-------------------|---|----------|---------|-------------------|-------------------------|
| | Demat | Physical | Total | % of Total Shares | Demat | Physical | Total | % of Total Shares | |
| A. Promoters | | | | | | | | | |
| (1) Indian | | | | | | | | | |
| a) Individual/ HUF | 2156619 | - | 2156619 | 33.12 | 2207498 | - | 2207498 | 33.90 | 0.78 |
| b) Central Govt. | - | - | - | - | - | - | - | - | - |
| c) State Govt.(s) | - | - | - | - | - | - | - | - | - |
| d) Bodies Corp | - | - | - | - | - | - | - | - | - |
| e) Banks / FI | - | - | - | - | - | - | - | - | - |
| f) Any other | - | - | - | - | - | - | - | - | - |
| Total shareholding of Promoter (A) | 2156619 | - | 2156619 | 33.12 | 2207498 | - | 2207498 | 33.90 | 0.78 |

**PROMACT PLASTICS LIMITED**

| | | | | | | | | | |
|--|---------|--------|---------|--------|---------|--------|---------|--------|--------|
| B. Public Shareholding | | | | | | | | | |
| 1. Institutions | | | | | | | | | |
| a) Mutual Funds | - | - | - | - | - | - | - | - | - |
| b) Banks / FI | - | - | - | - | - | - | - | - | - |
| c) Central Govt | - | - | - | - | - | - | - | - | - |
| d) State Govt(s) | - | - | - | - | - | - | - | - | - |
| e) VCF | - | - | - | - | - | - | - | - | - |
| f) Ins. Companies | - | - | - | - | - | - | - | - | - |
| g) FIs | - | - | - | - | - | - | - | - | - |
| h) Foreign VCF | - | - | - | - | - | - | - | - | - |
| i) Others (specify) | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(1):- | - | - | - | - | - | - | - | - | - |
| 2. Non-Institutions | | | | | | | | | |
| a) Bodies Corp. | 124790 | 1920 | 126710 | 1.95 | 48083 | 1920 | 50003 | 0.76 | (1.19) |
| b) Individuals | | | | | | | | | |
| i) Individuals holding < = Rs.1,00,000 | 1486014 | 402623 | 1888637 | 29.00 | 1402448 | 401443 | 1803891 | 27.70 | (1.30) |
| ii) Individuals holding > Rs. 1,00,000 | 2203791 | 114420 | 2318211 | 35.60 | 2224657 | 114420 | 2339077 | 35.92 | 0.32 |
| c) Others (specify) | | | | | | | | | |
| NRIs, Clearing Members & HUF | 19783 | 1840 | 21623 | 0.33 | 109491 | 1840 | 111331 | 1.71 | 1.38 |
| OCB | - | - | - | - | - | - | - | - | - |
| Foreign Nationals | - | - | - | - | - | - | - | - | - |
| Trusts | - | - | - | - | - | - | - | - | - |
| Others | - | - | - | - | - | - | - | - | - |
| Sub-total (B)(2):- | 3834378 | 520803 | 4355181 | 66.88 | 3784679 | 519623 | 4304302 | 66.10 | (0.78) |
| Total Public Shareholding (B)=(B)(1)+ (B)(2) | 3834378 | 520803 | 4355181 | 66.88 | 3784679 | 519623 | 4304302 | 66.10 | (0.78) |
| C. Shares held by Custodian for GDRs & ADRs | - | - | - | - | - | - | - | - | - |
| Grand Total (A+B+C) | 5966826 | 520843 | 6511800 | 100.00 | 5992177 | 519623 | 6511800 | 100.00 | - |

ii) Shareholding of Promoters:

| Sr. No. | Shareholder's Name | Shareholding as on 01-04-2015 | | | Shareholding as on 31-03-2016 | | | % change in share holding during the year |
|---------|----------------------------|-------------------------------|----------------------------------|--|-------------------------------|----------------------------------|--|---|
| | | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | No. of Shares | % of total Shares of the company | % of Shares Pledged / encumbered to total shares | |
| 1 | Patel Jayantilal Somabhai | 329480 | 5.06 | - | 329480 | 5.06 | - | - |
| 2 | Payalben Jayantilal Patel | 260674 | 4.00 | - | 265437 | 4.08 | - | 0.08 |
| 3 | Nikita Jayantilal Patel | 266541 | 4.09 | - | 270943 | 4.16 | - | 0.07 |
| 4 | Patel Ankit Jayantilal | 256313 | 3.94 | - | 263775 | 4.05 | - | 0.11 |
| 5 | Jayantibhai Somabhai Patel | 226200 | 3.47 | - | 288706 | 4.43 | - | 0.96 |
| 6 | Savitaben Jayantilal Patel | 240749 | 3.70 | - | 265749 | 4.08 | - | 0.38 |
| 7 | Patel Narottam Somabhai | 189720 | 2.91 | - | 189720 | 2.91 | - | - |
| 8 | Patel Mital Sachinkumar | 161188 | 2.48 | - | 161188 | 2.48 | - | - |
| 9 | Patel Sachin Narottambhai | 75000 | 1.15 | - | 75000 | 1.15 | - | - |
| 10 | Patel Mital D | 65000 | 1.00 | - | 65000 | 1.00 | - | - |
| 11 | Krishnaben D Patel | 32500 | 0.50 | - | 32500 | 0.50 | - | - |

iii) Change in Promoters' Shareholding:

| Sr. No. | For Each of the Promoter and Promoter Group | Shareholding as on 01-04-2015 | | Changes during the Year | Shareholding as on 31-03-2016 | |
|---------|---|-------------------------------|-------------------|-------------------------|-------------------------------|-------------------|
| | | No. of shares | % of total shares | | No. of shares | % of total shares |
| 1. | Payalben Jayantilal Patel | 260674 | 4.00 | 4763 | 265437 | 4.07 |
| 2. | Nikita Jayantilal Patel | 266541 | 4.09 | 4402 | 270943 | 4.16 |
| 3. | Patel Ankit Jayantilal | 256313 | 3.94 | 7462 | 263775 | 4.05 |
| 4. | Savitaben Jayantilal Patel | 240749 | 3.70 | 25000 | 265749 | 4.08 |
| 5. | Jayantibhai Somabhai Patel | 226200 | 3.47 | 62206 | 288706 | 4.43 |

**PROMACT PLASTICS LIMITED**

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

| Sr. No. | For Each of the Top 10 Shareholders | Shareholding as on 01-04-2015 | | Changes during the Year | Shareholding as on 31-03-2016 | |
|---------|-------------------------------------|-------------------------------|-------------------|-------------------------|-------------------------------|-------------------|
| | | No. of shares | % of total shares | | No. of shares | % of total shares |
| | Top 10 as on 01-04-2015 | | | | | |
| 1 | S Sangeetha | 214650 | 3.30 | - | 214650 | 3.30 |
| 2 | Patel Dilipkumar Amrutlal | 208790 | 3.21 | - | 208790 | 3.21 |
| 3 | Patel Dashrathbhai Narottamdas | 102397 | 1.57 | - | 102397 | 1.57 |
| 4 | Ashok Shyamal Khandelwal | 100000 | 1.54 | - | 100000 | 1.54 |
| 5 | Khodabhai Narsangbhai Patel | 89468 | 1.37 | - | 89468 | 1.37 |
| 6 | Patel Pranavkumar Manilal | 80804 | 1.24 | - | 80804 | 1.24 |
| 7 | Jayantibhai Narsangbhai Patel | 70311 | 1.08 | - | 70311 | 1.08 |
| 8 | Patel Hemal Naranbhai | 67105 | 1.03 | - | 67105 | 1.03 |
| 9 | Jayant Kalyanji | 57450 | 0.88 | - | 57450 | 0.88 |
| 10 | Deepak Patel | 56391 | 0.87 | - | 56391 | 0.87 |

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

| Sr. No. | Shareholding, if any, of each Directors and each Key Managerial Personnel | Shareholding as on 01-04-2015 | | Changes in number of shares during the Year | Shareholding as on 31-03-2016 | |
|---------|---|-------------------------------|----------------------------------|---|-------------------------------|----------------------------------|
| | | No. of shares | % of total shares of the Company | | No. of shares | % of total shares of the Company |
| 1. | Patel Jayantilal Somabhai | 329480 | 5.06 | - | 329480 | 5.06 |
| 2. | Payalben Jayantilal Patel | 260674 | 4.00 | 4763 | 265437 | 4.07 |
| 3. | Nikita Jayantilal Patel | 266541 | 4.09 | 4402 | 270943 | 4.16 |
| 4 | Patel Ankit Jayantilal | 256313 | 3.94 | 7462 | 263775 | 4.05 |
| 5 | Miteshkumar Amrutlal Patel | 1000 | 0.01 | 920 | 1920 | 0.03 |
| 6 | Dharmendrakumar B. Patel | 53254 | 0.81 | - | 53254 | 0.81 |
| 7 | Vipul F. Bhavsar | 2607 | 0.04 | - | 2607 | 0.04 |

V. INDEBTEDNESS : (In ₹)

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

| | | Secured Loans excluding deposits | Unsecured Loans | Deposits | Total Indebtedness |
|----|---------------------------------------|----------------------------------|-----------------|----------|--------------------|
| A. | Indebtedness as on 01-04-2015 | | | | |
| | i) Principal Amount | 8,49,69,094 | 1,45,00,000 | - | 9,94,69,094 |
| | ii) Interest due but not paid | - | - | - | - |
| | iii) Interest accrued but not due | - | - | - | - |
| | Total (i+ii+iii) | 8,49,69,094 | 1,45,00,000 | - | 9,94,69,094 |
| B. | Change in Indebtedness during 2015-16 | | | | |
| | * Addition | - | 1,71,56,172 | - | 1,71,56,172 |
| | * Reduction | 94,02,205 | - | - | 94,02,205 |
| | Net Change | (94,02,205) | 1,71,56,172 | - | 77,53,967 |
| C. | Indebtedness as on 31-03-2016 | | | | |
| | i) Principal Amount | 7,53,86,072 | 3,16,56,172 | - | 10,70,42,244 |
| | ii) Interest due but not paid | - | - | - | - |
| | iii) Interest accrued but not due | 1,80,817 | - | - | 1,80,817 |
| | Total (i+ii+iii) | 7,55,66,889 | 3,16,56,172 | - | 10,72,23,061 |

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

There is no remuneration to Managing Director/ Whole Time Director / Manager or to any other Directors.

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

| Sr. No. | Particulars of Remuneration | Key Managerial Personnel |
|---------|---|---------------------------|
| | | Mr. Vipul F. Bhavsar, CFO |
| 1. | Gross salary | |
| | (a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961 | ₹ 1,30,000/- |
| | (b) Value of perquisites u/s 17(2) Income-tax Act, 1961 | - |
| | (c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961 | - |
| 2. | Stock Option | - |
| 3. | Sweat Equity | - |
| 4. | Commission | |
| | - as % of Profit | - |
| | - others, specify... | - |
| 5. | Others, Please specify | |
| | Total | ₹ 1,30,000/- |

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES:

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



INDEPENDENT AUDITORS' REPORT

To,
The Members of
PROMACT PLASTICS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **Promact Plastics Limited**. ('the Company'), which comprise the Balance Sheet as at 31st March, 2016 and the Statement of Profit and Loss and the Cash Flow Statement for the year then ended, and a summary of the significant accounting policies and other explanatory information.

Management's Responsibility for the Standalone Financial Statements

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

Auditors' Responsibility

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

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

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

An audit involves performing procedures to obtain audit evidence about the amounts and the disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements that give a true and fair view in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of the accounting policies used and the reasonableness of the accounting estimates made by the Company's Board of Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2016, and its profit and its cashflows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ('the Order') issued by the Central Government in terms of Section 143(11) of the Act, we give in the Annexure – I a statement on the matters specified in paragraphs 3 and 4 of the Order.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.

ANNUAL REPORT 2015-2016

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

For, M.M. Salvi & Co.
Chartered Accountants
F.R.No. 109004W.

Place : Mehsana.
Date : 27/05/2016

(M.M.Salvi)
Proprietor.
M. No. 030678.

ANNEXURE – I TO THE INDEPENDENT AUDITORS' REPORT

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

1. (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
- (b) The Company has a regular programme of physical verification of its fixed assets by which all fixed assets are verified in a phased manner, over a period of three years. In our opinion, this periodicity of physical verification is reasonable having regard to the size of the Company and the nature of its assets. No material discrepancies were noticed on such verification.
- (c) In our opinion and according to information and explanation given to us and on the basis of an examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company.
2. In respect of its inventories:
 - a) As explained to us, the inventories were physically verified during the year by the management during the year.
 - b) In our opinion and according to the information and explanations given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) The Company has maintained proper records of inventories. As explained to us, there was no material discrepancies noticed on physical verification of inventories as compared to the book records.
3. The company has not granted loans to firms covered in the register maintained under section 189 of the Company Act,2013. There for clause (3) as not applicable.
4. In our opinion and according to the information and explanations given to us, the company has not accepted deposit, excepted Director Deposit during the year and does not have any unclaimed deposit. Therefore, the clause 3 (v) of the Order are not applicable to the Company.



PROMACT PLASTICS LIMITED

5. On the basis of records produced to us, we are of the opinion that, prima facie, the cost records prescribed by the Central Government of India under section 148 (1) of the Act are not required to be maintained, and have not carried out any examination of such accounts and records.
6. According to the information and explanations given to us, in respect of statutory dues:
- (a) The Company has generally been regular in depositing undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income Tax, Sales Tax and Value Added Tax, Wealth Tax, Service Tax, duty of Customs, duty of Excise, Cess and other material statutory dues applicable to it with the appropriate authorities.
- (b) There were no undisputed amounts payable in respect of Provident Fund, Employees' State Insurance, Income Tax, Sales Tax and Value Added Tax, Wealth Tax, Service Tax, duty of Customs, duty of Excise, Cess and other material statutory dues in arrears as at 31st March, 2016 for a period of more than six months from the date they became payable.
- (c) Details of dues of Income Tax, Sales Tax and Value Added Tax and Service Tax which have not been deposited as at 31st March, 2016 on account of dispute are given below:

| Nature of Dispute | For the Year | Amount | | Authority |
|-------------------|--------------|---------------|-----------|--|
| | | Due | Deposited | |
| Income Tax | 2002-03 | ₹ 3,82,163.00 | — | I.T.A.T. Ahmedabad |
| VAT Tax | 2010-11 | ₹ 57,074.00 | — | Dy. Commissioner of Commercial Tax (A) |

There were no dues of Wealth Tax, duty of Customs, duty of Excise and Cess which have not been deposited as at 31st March, 2016 on account of dispute.

7. In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of dues to a bank during the year and did not have any amount outstanding to financial institutions during the year.
8. In our opinion and according to the information and explanations given to us, the company has not given any corporate guarantee for loan taken by others from bank or financial institution.
9. According to the information and explanations given to us, the Company did not avail any term loan during the year.
10. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud by the Company has been noticed or reported during the year.
11. According to the information and explanations given to us, managerial remuneration not paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
12. According to the information and explanations given to us, the Company is not a Nidhi Company as prescribed under Section 406 of the Act. Accordingly, paragraph 3 (xii) of the Order is not applicable to the Company.
13. According to the information and explanations given to us, all transactions with the related parties are in compliance with Section 177 and 188 of Act, where applicable and the details have been disclosed in the Financial Statements as required by the applicable accounting standards.
14. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him.
16. According to information and explanations given to us, the Company is not required to be registered under Section 45 IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company.

For, M.M. Salvi & Co.
Chartered Accountants
F.R.No. 109004W.

Place : Mehsana.
Date : 27/05/2016

(M.M.Salvi)
Proprietor.
M. No. 030678.

ANNEXURE – II TO THE AUDITORS' REPORT

Report on the Internal Financial Controls under Clause (i) of sub-section 3 of Section 143 of the Companies Act, 2013 ('the Act')

We have audited the internal financial controls over financial reporting of **Promact Plastics Limited** ('the Company') as of 31st March, 2016 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

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

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

Meaning of Internal Financial Controls over Financial Reporting

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

A company's internal financial control over financial reporting includes those policies and procedures that

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

Inherent Limitations of Internal Financial Controls over Financial Reporting

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



PROMACT PLASTICS LIMITED

Opinion

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31st March, 2016, 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, M.M. Salvi & Co.
Chartered Accountants
F.R.No. 109004W.

Place : Mehsana.
Date : 27/05/2016

(M.M.Salvi)
Proprietor.
M. No. 030678.

ANNUAL REPORT 2015-2016

BALANCE SHEET AS AT 31ST MARCH, 2016

| Particulars | Refer Note No. | As at 31-03-2016 ₹ | As at 31-03-2015 ₹ |
|--|-------------------|-----------------------|-----------------------|
| EQUITY AND LIABILITIES | | | |
| Shareholders' funds | | | |
| (a) Share capital | 1 | 65,118,000 | 65,118,000 |
| (b) Reserves and surplus | 2 | (96,421,174) | (91,637,221) |
| Non-current liabilities | | | |
| (a) Long-term borrowings | 3 | 15,353,938 | 25,121,846 |
| (b) Deferred tax liabilities (Net) | | - | - |
| (c) Other Long term liabilities | 4 | - | - |
| (d) Long-term provisions | 5 | - | - |
| Current liabilities | | | |
| (a) Short-term borrowings | 6 | 91,869,123 | 74,347,249 |
| (b) Trade payables | 7 | - | - |
| (c) Other current liabilities | 8 | 1,734,396 | 958,663 |
| (d) Short-term provisions | 9 | 712,667 | 127,617 |
| TOTAL | | 78,366,950 | 74,036,153 |
| ASSETS | | | |
| Non-current assets | | | |
| (a) Fixed assets | 10 | | |
| (i) Tangible assets | | 27,558,537 | 28,226,821 |
| (ii) Intangible assets | | - | - |
| (iii) Capital work-in-progress | | - | - |
| (iv) Intangible assets under development | | - | - |
| (b) Non-current investments | 11 | 2,750,500 | 2,750,500 |
| (c) Deferred tax assets (net) | | 13,435,186 | 13,435,186 |
| (d) Long-term loans and advances | 12 | 1,576,398 | 1,669,098 |
| (e) Other non-current assets | 13 | - | - |
| Current assets | | | |
| (a) Current investments | | - | - |
| (b) Inventories | 14 | - | - |
| (c) Trade receivables | 15 | 3,615,251 | 140,613 |
| (d) Cash and cash equivalents | 16 | 49,939 | 24,995,599 |
| (e) Short-term loans and advances | 17 | 29,381,137 | 2,818,335 |
| (f) Other current assets | 18 | - | - |
| TOTAL | | 78,366,950 | 74,036,153 |
| Notes forming parts of the financial statement. | A, 1 to 43 | | |

As per our Audited Report Annexed.

For M. M. Salvi & Co.

Chartered Accountants

F.R. No.: 109004W

(M. M. Salvi)

Proprietor.

M.No. : 030678

Place : Mehsana

Date : 27/05/2016

For and on behalf of the Board

Jayantilal S. Patel *Managing Director*

Payalben J. Patel *Director*

Vipul F. Bhavsar *CFO*

Place : Ahmedabad

Date : 27/05/2016

**PROMACT PLASTICS LIMITED****STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2016**

| Particulars | Refer Note No. | 2015-16 ₹ | 2014-15 ₹ |
|---|-------------------|--------------------|--------------------|
| Revenue from operations Sales & Services [Gross] | 19 | 9,123,970 | 8,339,504 |
| Less: Excise Duty | | - | 19,127 |
| Revenue from Operations(Net) | | 9,123,970 | 8,320,377 |
| Other income | 20 | 2,904,732 | 2,159,470 |
| Total Revenue (I + II) | | 12,028,702 | 10,479,847 |
| Expenses: | | | |
| Cost of materials consumed | 21 | 2,602,839 | 8,327 |
| Purchases of Stock-in-Trade | | - | - |
| Manufacturing & Operating Costs | 22 | - | - |
| Changes in inventories of finished goods work-in-progress and Stock-in-Trade | 23 | - | 1,514,928 |
| Employee benefits expense | 24 | 217,580 | 256,852 |
| Finance costs | 25 | 12,417,120 | 15,293,321 |
| Depreciation and amortization expense | | 637,781 | 637,781 |
| Other expenses | 26 | 943,438 | 816,827 |
| Total expenses | | 16,818,757 | 18,528,036 |
| Profit before exceptional and extraordinary items and tax (III-IV) | | (4,790,055) | (8,048,190) |
| Exceptional items | 27 | 6,102 | 27,206,848 |
| Profit before tax (V - VI) | | (4,783,953) | 19,158,658 |
| Tax expense: | | | |
| (1) Current tax | | - | - |
| (2) Deferred tax (Assets) | | - | - |
| Profit (Loss) for the period (VII-VIII) | | (4,783,953) | 19,158,658 |
| Earnings per equity share: | | | |
| (1) Basic | | -0.73 | 2.94 |
| (2) Diluted | | -0.73 | 2.94 |

Notes forming parts of the financial statement.

A, 1 to 43

As per our Audited Report Annexed.

For M. M. Salvi & Co.

Chartered Accountants

F.R. No.: 109004W

(M. M. Salvi)

Proprietor.

M.No. : 030678

Place : Mehsana

Date : 27/05/2016

For and on behalf of the Board**Jayantilal S. Patel** *Managing Director***Payalben J. Patel** *Director***Vipul F. Bhavsar** *CFO*

Place : Ahmedabad

Date : 27/05/2016

STATEMENT OF CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2016

| Particulars | (In ₹) | |
|--|---------------------|---------------------|
| | 2015-16 | 2014-15 |
| A CASH FLOW FROM OPERATING ACTIVITIES: | | |
| Net profit before Tax & Extra ordinary items | (4,783,953) | 1,91,58,658 |
| Adjustments for: | | |
| Depreciation | 6,37,781 | 6,37,781 |
| Financial Charges | 1,24,17,120 | 1,52,93,321 |
| Profit/Loss on Sales of Fixed Assets (Net) | (6,102) | (27,206,848) |
| Dividend Income | (412,538) | (343,788) |
| Interest Received. | (2,441,126) | (1,815,682) |
| Duty Drawback Receivable | (33,278) | - |
| Kasar Vataav | (17,790) | - |
| Operating Profit before working capital changes | 53,60,114 | 57,23,442 |
| Adjustment for : | | |
| Trade & other receivables / Sundry Debtors | (3,474,638) | 25,35,132 |
| Inventories | - | 15,23,255 |
| Loans & Advances & Deposits | (25,721,788) | 32,55,935 |
| Current liabilities (Trade Payable) | 13,60,783 | 1,47,584 |
| Cash generated from operations | (22,475,529) | 1,31,85,348 |
| Direct taxes paid | (748,314) | (1,181,005) |
| Net Cash from operating activities (A) | (23,223,843) | 1,20,04,343 |
| B CASH FLOW FROM INVESTING ACTIVITIES: | | |
| Purchase of Fixed Assets/Capital Work in Progress | - | - |
| Sale of Fixed Assets. | 36,605 | 28,01,007 |
| Profit on Sales of fixed Assets (Net) | - | - |
| Increase/(Decrease) in Investment | - | - |
| Dividend, Interest & other income | 29,04,732 | 2,70,07,070 |
| Net Cash used in Investing Activities (B) | 29,41,337 | 2,98,08,077 |
| C CASH FLOW FROM FINANCING ACTIVITIES: | | |
| Increase/(Decrease) in cash credit | - | - |
| Increase/(Decrease) in Industrial O.D. | 3,65,702 | (206,003) |
| Increase/(Decrease) in term loan | (9,767,908) | (8,673,413) |
| Receipt/(Repayment) of loans/deposits | - | - |
| Inter Corporate Deposits Received /(Placed) | 1,71,56,172 | 70,00,000 |
| Financial Charges | (12,417,120) | (15,293,321) |
| Net Cash used in Financing Activities (C) | (4,663,154) | (17,172,737) |
| Net increase / (Decrease) in Cash & Cash Equivalent (A+B+C) | (24,945,660) | 2,46,39,683 |
| Opening Cash & Cash Equivalent-Opening Balance | 2,49,95,599 | 3,55,916 |
| Closing cash & Cash Equivalent-Closing Balance | 49,939 | 2,49,95,599 |

Notes on Cash Flow Statement for the year ended 31st March 2016;

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

As per our Audited Report Annexed.

For M. M. Salvi & Co.

Chartered Accountants

F.R. No.: 109004W

(M. M. Salvi)

Proprietor.

M.No. : 030678

Place : Mehsana

Date : 27/05/2016

For and on behalf of the Board**Jayantilal S. Patel** *Managing Director***Payalben J. Patel** *Director***Vipul F. Bhavsar** *CFO*

Place : Ahmedabad

Date : 27/05/2016



PROMACT PLASTICS LIMITED

NOTES FORMING PARTS OF FINANCIAL STATEMENT FOR THE YEAR ENDED 31ST MARCH 2016.

NOTES TO ACCOUNTS

CORPORATE INFORMATION

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

A. SIGNIFICANT ACCOUNTING POLICIES

(a) ACCOUNTING CONCEPT

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

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

(b) USE OF ESTIMATES :

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

(c) REVENUE RECOGNITION

- (a) The company has discontinue the running business of HDPE/PP Woven Bags, Fabrics and tarpaulin at present. But made a trading in agriculture commodities and Rent income shown as business income.
- (b) Other Income in form of interest is recognized on accrual basis except when realization of such income is uncertain but earned income from trading of land.

(d) FIXED ASSETS, DEPRECIATION & AMORTISATION

1. Tangible Fixed assets are shown at their historical cost less depreciation and impairment losses if any. Cost comprises the purchase price and any attributable cost of bringing the asset to its working condition for its intended use. Borrowing cost relating to acquisition of fixed assets which takes substantial period of time to get ready for its intended use are also included to the extent they relate to the period till such assets are ready to be put to use, if any.
2. Intangible Assets: No intangible asset (Accounting software) is accounted in books of accounts as intangible assets.
3. Depreciation has been provided on the basis of useful life of assets as per Schedule II of companies Act 2013, the assets used for the business purpose but no depreciation is provided on the assets not used in the year under consideration because of closedown of manufacturing activities.

(e) IMPAIRMENT OF ASSETS

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

(f) INVENTORIES

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

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

(g) PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS

Provisions are recognized in respect of obligations where, based on the evidence available, their existence at the balance sheet date is considered probable.

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

Any contingent asset is not recognized in the Accounts.

(h) RETIREMENT BENEFITS

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

(i) INCOME TAX

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

(j) INVESTMENTS

Long-term investment are valued at cost.

(k) RESEARCH AND DEVELOPMENT

No such expenditure incurred during the year.

(l) FOREIGN CURRENCY TRANSACTIONS

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

(m) CONTINGENT LIABILITIES AND PROVISION

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

(n) BORROWING COST

No such cost has been made during the year.

(o) CSR PLOLCY

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

(p) OTHER ACCOUNTING POLICIES

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



NOTES TO THE FINANCIAL STATEMENTS

| | As at 31-03-2016 | | As at 31-03-2015 | |
|--|------------------|-------------------|------------------|-------------------|
| | Number | Amount (₹) | Number | Amount(₹) |
| NOTE 1 - SHARE CAPITAL | | | | |
| Share Capital | | | | |
| Authorised | | | | |
| Equity Shares of ₹ 10 each with voting rights | 7,000,000 | 70,000,000 | 7,000,000 | 70,000,000 |
| Issued, Subscribed and fully paid up | | | | |
| Equity Shares of ₹ 10 each with voting rights, fully paid up | 6,511,800 | 65,118,000 | 6,511,800 | 65,118,000 |
| Total | 6,511,800 | 65,118,000 | 6,511,800 | 65,118,000 |

a. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

| | | | | |
|---|------------------|-------------------|------------------|-------------------|
| Shares outstanding at the beginning of the year | 6,511,800 | 65,118,000 | 6,511,800 | 65,118,000 |
| Shares Issued during the year | | | | |
| Shares bought back during the year | | | | |
| Shares outstanding at the end of the year | <u>6,511,800</u> | <u>65,118,000</u> | <u>6,511,800</u> | <u>65,118,000</u> |

b. Terms/rights attached to equity shares

The company has only one class of equity shares having a par value of ₹ 10 per share. The equity shares having rights, preference and restrictions which are in accordance with the provisions of law, in particular the Companies Act.

| | As at 31-03-2016 | | As at 31-03-2015 | |
|--|--------------------|--------------|--------------------|--------------|
| | No. of Shares held | % of Holding | No. of Shares held | % of Holding |
| c. Shares held by holding company in the company | - | - | - | - |
| d. Shares in the company held by each shareholder holding more than 5 percent shares. | | | | |
| Jayantibhai S. Patel. | 3,29,480 | 5.06 | 3,29,480 | 5.06 |

NOTE 2 - RESERVES AND SURPLUS

a. General Reserves

| | 2015-16 | 2014-15 |
|----------------------------------|------------------|------------------|
| Opening Balance | 9,096,527 | 9,096,527 |
| (+) Current Year Transfer | - | - |
| (-) Written Back in Current Year | - | - |
| Closing Balance | <u>9,096,527</u> | <u>9,096,527</u> |

b. Surplus

| | | |
|--|----------------------------|----------------------------|
| Opening balance | (100,733,748) | (119,751,987) |
| (+) Net Profit/(Net Loss) for the current year | (4,783,953) | 19,158,658 |
| (+) Transfer from Reserves | - | - |
| (-) Proposed Dividends | - | - |
| (-) Interim Dividends | - | - |
| (-) Transfer to Reserves | - | - |
| (-) Adjustment relating to Fixed Assets | - | 140,419 |
| Closing Balance | <u>(105,517,701)</u> | <u>(100,733,748)</u> |
| Total | <u>(96,421,174)</u> | <u>(91,637,221)</u> |

NOTE 3 - LONG TERM BORROWINGS

| | | |
|--|--------------------------|--------------------------|
| The Mehsana Urban Co.Op. Bank Ltd. (Term Loan A/c. No. 50/20/25) | 15,353,938 | 25,121,846 |
| (Term Loan are secured by way of mortgagat of factory land & building.) | | |
| Working Term Loan are further colletrally secured by creating mortgagat in favour of bank on the following properties | - | - |
| 1) Equitable mortgagat for leasehold land, & factory building & factory building situated at Plot 392 to 403,G.I.D.C. Phase -II, Dediyanan. Mehsana. (Gujarat) a standing in the name of company | | |
| 2) General form of Guarantee signed by the following directors: 1. Ms. Payalben J.Patel, 2. Ms. Nikitaben J.Patel. | - | - |
| Total | <u>15,353,938</u> | <u>25,121,846</u> |

ANNUAL REPORT 2015-2016

| | As at 31-03-2016 (₹) | As at 31-03-2015 (₹) |
|--|-------------------------|-------------------------|
| NOTE 4 - OTHER LONG TERM LIABILITIES | | |
| Total | - | - |
| NOTE 5 - LONG TERM PROVISIONS | | |
| (a) Provision for employee benefits | - | - |
| Superannuation (unfunded) | - | - |
| Gratuity (unfunded) | - | - |
| Leave Encashment (unfunded) | - | - |
| ESOP / ESOS | - | - |
| (b) Others (Specify nature) | - | - |
| Total | - | - |
| NOTE 6 - SHORT TERM BORROWINGS | | |
| Secured | | |
| (a) Loans repayable on demand | | |
| from banks: The Mehsana Urban Co-OP. Bank Ltd. | - | - |
| Loan Against Fixed Assets A/c. No. 13/10/51 | 60,212,951 | 59,847,249 |
| | 60,212,951 | 59,847,249 |
| Unsecured | | |
| From Inter Corporate Company. | - | - |
| From Other. | - | - |
| From Director. | 31,656,172 | 14,500,000 |
| Total | 91,869,123 | 74,347,249 |
| (Cash credit Loan are secured by way of mortgate of factory land & building.) | | |
| Working Cash credit loan and Term Loan are further colletrally secured by creating mortgage in favour of bank on the following properties | | |
| 1) Equitable mortgage for leasehold land, & factory building & factory building situated at Plot 392 to 403,G.I.D.C. Phase -II, Dediyaan. Mehsana. (Gujarat) a standing in the name of company | | |
| 2) General form of Guarantee signed by the following directors: 1. Ms. Payalben J.Patel, 2. Ms. Nikitaben J.Patel. | | |
| NOTE 7 - TRADE PAYABLES | | |
| (a) Micro and Small enterprises | - | - |
| (b) Others | - | - |
| Total | - | - |
| 7.1 The company has not received information from vendors regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 hence disclosures relating to amounts unpaid as at year end together with interest paid / payable under this Act have not been given. | | |
| 7.2 Balances of Trade Payable have been taken as per books and are subject to reconciliation / confirmation and consequential adjustments, if any. | | |
| NOTE 8 - OTHER CURRENT LIABILITIES | | |
| TDS [Payable] | 184,983 | 307,713 |
| Advance From Customers | 119,043 | - |
| Payable Other Than Raw Material | 1,430,370 | 650,950 |
| Total | 1,734,396 | 958,663 |
| NOTE 9 - SHORT TERM PROVISIONS | | |
| (a) Provision for employee benefits | | |
| Factory Salary and Labour & Wages | - | - |
| Office Salary | - | - |
| (b) Others (Specify nature) | | |
| CST/VAT Tax | - | - |
| Electricital Expenses | - | - |
| Services Tax | 662,667 | 77,617 |
| Provision for Audit Fees | 50,000 | 50,000 |
| Total | 712,667 | 127,617 |



PROMACT PLASTICS LIMITED

NOTE 10 - FIXED ASSETS.

| Particulars | Gross Block | | | Depreciaton | | | | | Net Block | | |
|-------------------------------------|------------------------|--------------------------|---------------------------|------------------|------------------------|--------------------------|---------------------------|----------------------------|------------------|------------------|------------------|
| | Value at the beginning | Addition during the year | Deduction during the year | Value at the end | Value at the beginning | Addition during the year | Deduction during the year | Adjustment during the year | Value at the end | As on 31.03.2016 | As on 31.03.2015 |
| Air Condition | 354185 | 0 | 0 | 354185 | 336476 | 0 | 0 | 0 | 336476 | 17709 | 17709 |
| Computer | 132590 | 0 | 0 | 132590 | 132590 | 0 | 0 | 0 | 132590 | 0 | 0 |
| Electrical Installations | 3421175 | 0 | 0 | 3421175 | 2445728 | 0 | 0 | 0 | 2445728 | 975447 | 975447 |
| Equipment. | 237633 | 0 | 0 | 237633 | 161294 | 0 | 0 | 0 | 161294 | 76339 | 76339 |
| Factory Building | 19269104 | 0 | 0 | 19269104 | 10268043 | 607374 | 0 | 0 | 10875417 | 8393687 | 9001061 |
| Staff Quarter | 804818 | 0 | 0 | 804818 | 218624 | 30407 | 0 | 0 | 249031 | 555787 | 586194 |
| Furnitur and Fixture | 156352 | 0 | 0 | 156352 | 78954 | 0 | 0 | 0 | 78954 | 77398 | 77399 |
| Mobile | 22475 | 0 | 0 | 22475 | 21351 | 0 | 0 | 0 | 21351 | 1124 | 1124 |
| Plant and Machinery | 57990710 | 0 | 54576 | 57936134 | 41945729 | 0 | 24073 | 0 | 41921656 | 16014478 | 16044981 |
| Lease hold Land. | 1446568 | 0 | 0 | 1446568 | 0 | 0 | 0 | 0 | 0 | 1446568 | 1446568 |
| SUB TOTAL (A) | 83835610 | 0 | 54576 | 83781034 | 55608789 | 637781 | 24073 | 0 | 56222497 | 27558537 | 28226821 |
| Intangible Assets | - | - | - | - | - | - | - | - | - | - | - |
| SUB TOTAL (B) | - | - | - | - | - | - | - | - | - | - | - |
| Capital Work-in-progress | - | - | - | - | - | - | - | - | - | - | - |
| SUB TOTAL (C) | - | - | - | - | - | - | - | - | - | - | - |
| Intangible Assets Under Development | - | - | - | - | - | - | - | - | - | - | - |
| SUB TOTAL (D) | - | - | - | - | - | - | - | - | - | - | - |
| Total [A+B+C+D] | 83835610 | 0 | 54576 | 83781034 | 55608789 | 637781 | 24073 | 0 | 56222497 | 27558537 | 28226821 |
| (Current Year) | | | | | | | | | | | |
| (Previous Year) | 86666750 | 0 | 2831140 | 83835610 | 57216968 | 637781 | 2386381 | 140421 | 55608789 | 28226821 | 29449783 |

As at
31-03-2016 (₹) As at
31-03-2015 (₹)

NOTE 11 - NON CURRENT INVESTMENT.

| | | |
|--|------------------|------------------|
| (a) Investment in Share - Unquoted. | | |
| The Mehsana Urban Co-Op. Bank Ltd. | 2,750,500 | 2,750,500 |
| (b) Investment in Equity Share - Quoted. | | |
| | - | - |
| Total | 2,750,500 | 2,750,500 |

NOTE 12 - LONG TERM LOANS AND ADVANCES

| | | |
|--|------------------|------------------|
| a. Capital Advances | - | - |
| b. Security Deposits | | |
| Unsecured, considered good | - | - |
| Security Deposit EMD | 323,931 | 423,931 |
| Other Deposit | 489,817 | 489,817 |
| Doubtful | - | - |
| Less: Provision for doubtful deposits | - | - |
| | 813,748 | 913,748 |
| c. Loans and advances to related parties | - | - |
| d. Other loans and advances (specify nature) | 762,650 | 755,350 |
| | 762,650 | 755,350 |
| | 1,576,398 | 1,669,098 |

ANNUAL REPORT 2015-2016

| | 2015-16 ₹ | 2014-15 ₹ |
|---|-------------------|-------------------|
| NOTE 22 - MANUFACTURING & OPERATING COSTS | | |
| Water Charges | - | - |
| Electrical Expenses (Electricity Bill) | - | - |
| Labour Charge | - | - |
| Machinery Maintenance and Repairs. | - | - |
| Security Expenses. | - | - |
| Total | - | - |
| NOTE 23 - CHANGES IN INVENTORIES OF FINISHED GOODS WORK-IN-PROGRESS AND STOCK-IN-TRADE | | |
| Inventories at the beginning of the year | | |
| Opening Stock : | | |
| Finished Goods and Work in Process | - | 1,199,928 |
| Stores and Spares. | - | 315,000 |
| Inventories at the end of the year | | |
| Closing Stock : | | |
| Finished Goods and Work in Process | - | - |
| Stores and Spares. | - | - |
| Total | - | 1,514,928 |
| NOTE 24 - EMPLOYEE BENEFITS EXPENSE | | |
| (a) Salaries and Bonus | 217,580 | 247,110 |
| Directors Remuneration | - | - |
| (b) Contributions to - | | |
| (i) Provident fund | - | 9,742 |
| (ii) Superannuation scheme | - | - |
| (c) Gratuity fund contributions | - | - |
| (d) ESIC contributions | - | - |
| (e) Staff welfare expenses | - | - |
| Total | 217,580 | 256,852 |
| NOTE 25 - FINANCE COSTS | | |
| Interest expense | | |
| Working capital loans (Term Loan) | 2,702,092 | 3,926,587 |
| Working capital loans (Cash Credit) | 7,985,367 | 8,319,469 |
| Other borrowing costs | 1,729,081 | 3,046,884 |
| Bank Charges & Commission | 580 | 381 |
| Total | 12,417,120 | 15,293,321 |

**PROMACT PLASTICS LIMITED**

| | 2015-16 | 2014-15 |
|--|----------------|-------------------|
| | ₹ | ₹ |
| NOTE 26 - OTHER EXPENSES | | |
| Advertisement Expenses | 33,885 | 37,620 |
| Audit Fees | 50,000 | 50,000 |
| Building Repairing | 3,760 | - |
| Consultant Expenses. | 173,322 | 131,000 |
| Computer Expenses. | 1,450 | - |
| Electrical Expenses (Electricity Bill) | 85,151 | 68,425 |
| Factory Exp. | - | 13,000 |
| Filing expenses | 23,000 | 28,800 |
| G.I.D.C. Association Services Charges. | 21,180 | 21,180 |
| Insurance | 5,359 | 4,174 |
| Kasar/Vatav. | - | 7,317 |
| Legal and Consultancy charges | 69,405 | 67,755 |
| Listing fees | 200,000 | 120,000 |
| Membership Fees. | 5,000 | - |
| News Paper | - | 800 |
| Office Expenses. | 17,800 | - |
| Postage expenses | 9,005 | 15,095 |
| Professional Tax | 2,400 | 2,400 |
| Security Expenses. | 38,279 | 107,558 |
| Service Tax. | 14,441 | 44,752 |
| Stamp Expenses | 700 | 1,000 |
| Stationery And Printing | 17,029 | 14,600 |
| Tea & Water Expenses. | 9,469 | 10,600 |
| Telephone Expenses | 18,833 | 38,969 |
| Travelling Expenses | 124,771 | 12,583 |
| Water Charges | 19,200 | 19,200 |
| Total | 943,438 | 816,827 |
| NOTE 27 - EXCEPTIONAL ITEMS | | |
| Profit on Sales of Plant & Machinery, | 1,402 | 498,531 |
| Less : Loss on Sales of Plant and Machinery | - | 55,040 |
| | 1,402 | 443,491 |
| Profit on Sale of Other Assets | - | 24,847,600 |
| Profit on Sales of Computer | - | 502,000 |
| Profit on Sales of Misc. Item. | 4,700 | - |
| Profit on Sales of Furniture & Fixture | - | 1,410,001 |
| Profit on Sales of C.C.T.V. Camera/Thump Bioaccess | - | 3,756 |
| Total | 6,102 | 27,206,848 |

ANNUAL REPORT 2015-2016

28. CONTINGENT LIABILITIES

| | 2015-16 | 2014-15 |
|--|---------|---------|
| Contingent Liability (Bank Guarantee) | NIL | NIL |

29. During the year the company has incurred cash loss of ₹ 41.46 Lacs and at the end of the year negative net worth of the company is ₹ 313.03 Lacs and the accounts are prepared on Going Concern basis. As per the information and explanations given to us, the company is taking positive steps to move further for survival and development.

30. MICRO AND SMALL SCALE BUSINESS ENTERPRISES

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

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

32. SEGMENT REPORTING POLICIES

Business Segment

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

33. COMPONENTS OF NET DEFERRED TAX ASSET

| | As at 31-03-2016 (₹) | As at 31-03-2015 (₹) |
|--|-------------------------|-------------------------|
| Deferred Tax Liability | | |
| Related to Fixed Assets | (2,61,11,969) | (2,67,80,253) |
| Deferred Tax Assets | | |
| Carried Forward Loss allowable for tax purposes in the following years | 6,94,87,290 | 6,74,16,088 |
| Disallowance under the Income Tax Act 1961 | Nil | Nil |
| Net Deferred Tax Assets (Liability) | 4,33,75,321 | 4,06,35,835 |

34. MANAGERIAL REMUNERATION

| | 2015-16 (₹) | 2014-15 (₹) |
|------------------|-------------|-------------|
| Paid to Director | Nil | Nil |
| Total | Nil | Nil |

35. AUDITORS' REMUNERATION

| | | |
|--------------------------|--------|--------|
| For Auditor Remuneration | 50,000 | 50,000 |
| TOTAL | 50,000 | 50,000 |

36. SEGMENT REPORTING

Geographical Segment is identified as the secondary segment and details are given below:

| | | |
|---------------------------------|-----------|-----------|
| Domestic Sales & Services (Net) | 57,21,657 | 83,20,377 |
| Export Sales | 34,02,313 | Nil |
| Total | 91,23,970 | 83,20,377 |

37. DONATION TO POLITICAL PARTIES

| | | |
|--------------|-----|-----|
| | Nil | Nil |
| TOTAL | Nil | Nil |

**PROMACT PLASTICS LIMITED****38. EARNING PER SHARE**

| | | |
|---|--------------------|--------------------|
| Profit attributable to the Equity Shareholders | (47,83,953) | 1,91,58,658 |
| Weighted average number of Equity shares of ₹ 10/- each fully paid up outstanding during the year | 65,11,800 | 65,11,800 |
| Basic / Diluted earning per share of ₹ 10/- each fully paid up | (0.73) | 2.94 |

39. CONSUMPTION OF IMPORTED AND INDIGENOUS RAW MATERIALS

| Particulars | 2015 – 16 | | 2014 – 15 | |
|-------------|------------|-----|------------|-----|
| | Amount (₹) | % | Amount (₹) | % |
| Indigenous | Nil | Nil | Nil | Nil |
| Imported | Nil | Nil | Nil | Nil |

40. CONSUMPTION OF IMPORTED & INDIGENEOUS STORES & SPARES

| Particulars | 2015 – 16 | | 2014 – 15 | |
|-------------|-----------|-----|-----------|-----|
| | (₹) | % | (₹) | % |
| Indigenous | Nil | Nil | Nil | Nil |
| Imported | Nil | Nil | Nil | Nil |

41. EARNINGS / EXPENDITURE IN FOREIGN CURRENCY

| | 2015-16 (₹) | 2014-15 (₹) |
|---------------------------------|-------------|-------------|
| FOB Value of Exports | Nil | Nil |
| Expenditure in foreign Currency | Nil | Nil |

42. CIF VALUE OF IMPORTS

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

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

| I. Name of the related parties | Short name | Nature of the relationship |
|--------------------------------|------------|----------------------------|
| Prabhu Steel Corporation. | PSC | Relative |
| II. Key Managerial Personnel: | | |
| Mr. Miteshkumar A. Patel | | Chairman |
| Mr. Jayantilal S. Patel | | Managing Director |
| Ms. Nikitabhen J. Patel | | Director |
| Mr. Ankitbhai J. Patel | | Director |
| Ms. Payalben J. Patel | | Director |
| Mr. Dharmendrakumar B. Patel | | Director |

B. Transactions with related parties

(In ₹)

| Particulars | | PSC | KMP |
|--|--------------------------------------|---------------|--------|
| Sales Service and other income | Current Year Previous Year | - - | - - |
| Purchase of raw Material and Components and Services | Current Year Previous Year | - - | - - |
| Interest and other expenditure | Current Year Previous Year | - - | - - |
| Interoperate Deposits Placed/ (Received) net amount and Other | Current Year Previous Year | - - | - - |
| Interest income | Current Year Previous Year | - 8,457.00 | - - |
| Salary Commission On profit | Current Year Previous Year | - - | - - |
| Purchase of capital assets | Current Year Previous Year | - - | - - |
| Share Purchase / Sales | Current Year Previous Year | - - | - - |
| Due to Company | Current Year Previous Year | - - | - - |
| Payable by Company | Current Year Previous Year | - - | - - |
| Interoperate deposits (receivable)/payable | Current Year Previous Year | - - | - - |

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

As per our Audited Report Annexed.

For M. M. Salvi & Co.
Chartered Accountants
F.R. No.: 109004W

(M. M. Salvi)
Proprietor.
M.No. : 030678
Place : Mehsana
Date : 27/05/2016

For and on behalf of the Board

Jayantilal S. Patel *Managing Director*
Payalben J. Patel *Director*
Vipul F. Bhavsar *CFO*

Place : Ahmedabad
Date : 27/05/2016

PROMACT PLASTICS LIMITED

[CIN: L25200GJ1985PLC007746]

Registered Office: 106, Harikrupa Chambers, Behind National Chambers, Ashram Road, Ahmedabad – 380009

FORM MGT-11

PROXY FORM

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

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

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

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

as my/ our proxy to attend and vote for me as me/us and on my/ our behalf at the 32nd Annual General Meeting of the Company, to be held on Thursday, the 22nd September, 2016 at 3.00 p.m. at Banquet Hall of Hotel Kanak, Opp. Gujarat College, Ellisbridge, Ahmedabad – 380 006 and at any adjournment thereof in respect of such resolutions as are indicated below:

| Resolution No. | Resolution | Optional | |
|--------------------------|--|----------|---------|
| | | For | Against |
| Ordinary Business | | | |
| 1 | Adoption of the Audited Financial Statements of the Company for the financial year ended 31 st March, 2016, the reports of the Board of Directors and Auditors thereon. | | |
| 2 | Re-Appointment of Mr. Ankit J. Patel, liable to retire by rotation and being eligible, offers himself for re-appointment | | |
| 3 | Ratification of appointment of Statutory Auditors of the Company | | |
| Special Business | | | |
| 4 | Authority to the Board of Directors to make investment under section 186 of the Companies Act, 2013. | | |

| |
|---------------------------|
| Affix Revenue Stamp |
|---------------------------|

Signed this day of 2016

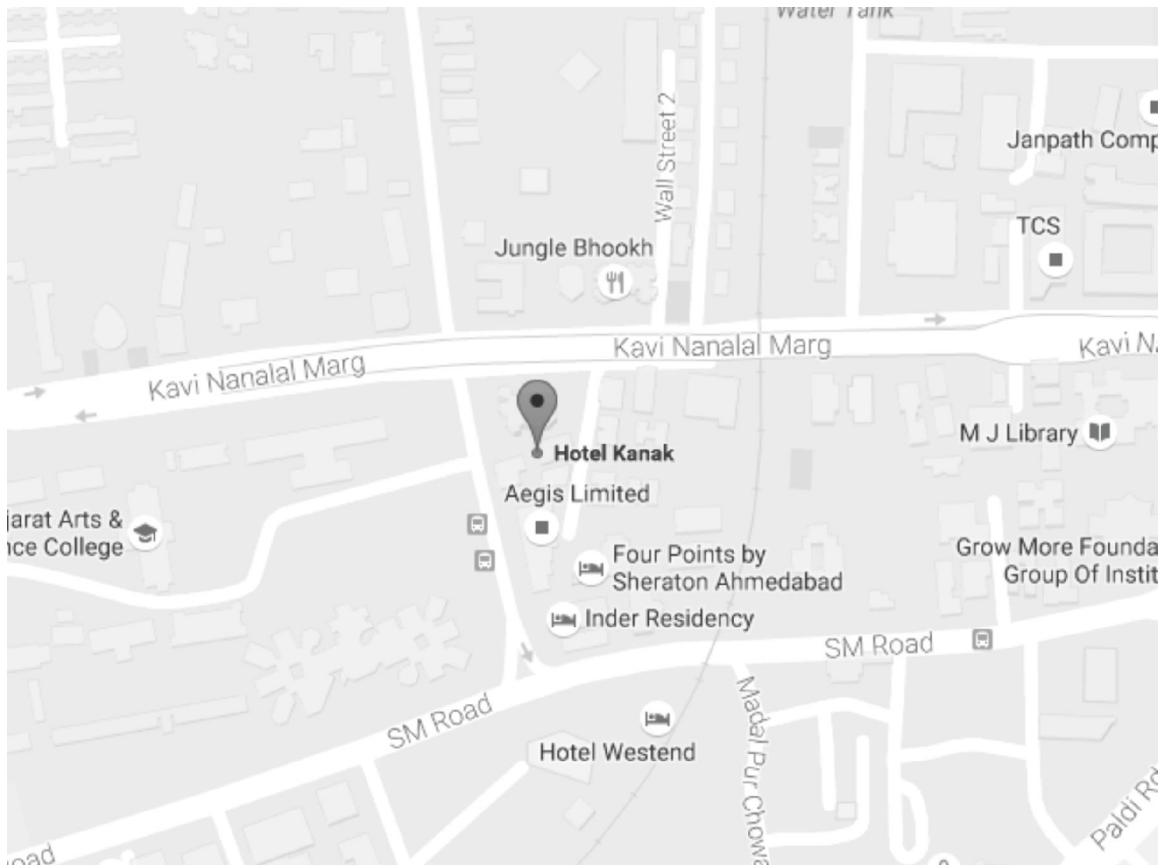
Signature of Shareholder

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

Note: This Form of proxy in order to be effective should be duly completed and deposited at the Registered Office of the Company, not less than 48 hours before the commencement of the Meeting.



Route Map for Annual General Meeting



PROMACT PLASTICS LIMITED

[CIN: L25200GJ1985PLC007746]

Registered Office: 106, Harikrupa Chambers, Behind National Chambers, Ashram Road, Ahmedabad – 380009

FORM MGT-12

ATTENDANCE / BALLOT FORM

(TO BE USED BY SHAREHOLDERS PERSONALLY PRESENT/THROUGH PROXY AT THE MEETING AND HAVE NOT OPTED FOR E-VOTING)

| | | |
|---|---|--|
| 1 | Name and Registered Address:of the Sole/ First named Shareholder | |
| 2 | Name(s) of the Joint Holder(s) (if any) | |
| 3 | Registered Folio No./ DPID-Client ID | |
| 4 | Number of Shares(s) held | |
| 5 | I/We hereby exercise my/our attendance/ vote(s) in respect of the resolutions set out in the Notice of 32 nd Annual General Meeting (AGM) of the Company to be held on Thursday, 22 nd September, 2016, by sending my/ our assent or dissent to the said Resolutions by placing the tick () mark at the appropriate box below: | |

| Resolution No. | Resolutions | No. of Shares | (FOR) I/We assent to the resolution | (AGAINST) I/We dissent the resolution |
|--------------------------|--|---------------|--|--|
| Ordinary Business | | | | |
| 1 | Adoption of the Audited Financial Statements of the Company for the financial year ended 31 st March, 2016, the reports of the Board of Directors and Auditors thereon. | | | |
| 2 | Re-Appointment of Mr. Ankit J. Patel, liable to retire by rotation and being eligible, offers himself for re-appointment | | | |
| 3 | Ratification of appointment of Statutory Auditors of the Company | | | |
| Special Business | | | | |
| 4 | Authority to the Board of Directors to make investment under section 186 of the Companies Act, 2013. | | | |

Place :

Date :

(Signature of the Shareholder/Proxy)

Note: This Form is to be used for exercising attendance/ voting at the time of 32nd Annual General Meeting to be held on Thursday, the 22nd September, 2016 by shareholders/proxy. Duly filled in and signed ballot form should be dropped in the Ballot box kept at the venue of AGM.

If undelivered, please return to :

PROMACT PLASTICS LIMITED

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