

# **PRIMA INDUSTRIES LIMITED**



**21<sup>st</sup> ANNUAL REPORT 2014-2015**

**BOARD OF DIRECTORS**

Shri. S.K. Gupta	: Chairman
Shri. Sanjay Gupta	: Managing Director
Shri. Rajawardhan Agarwal	: Director
Smt.Swati Gupta	: Director

**AUDITORS**

M/s G. Joseph & Associates  
Chartered Accountants  
Ernakulam

**BANKERS**

ICICI Bank Ltd  
Indian Overseas Bank

**REGISTERED OFFICE**

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

**SHARE TRANSFER AGENT**

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

**PLANT LOCATION:**

New Industrial Development Area  
Menon para road ,Kanjikode,  
Palakkad -678 621

## NOTICE

NOTICE is hereby given that the 21<sup>st</sup> Annual General Meeting of the Company will be held at Registered Office at Door No: V/679-C, Industrial Development Area, Muppathadam P.O, Edayar, Cochin – 683 110 on Monday **the 07<sup>th</sup> September, 2015 at 11.00.a.m.** for transacting the following business:

### ORDINARY BUSINESS

1. To receive, consider and adopt the Audited Annual Accounts of the Company for the year ended 31st March, 2015 together with the Reports of the Directors and Auditors thereon.
2. To consider and if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

“RESOLVED that pursuant to the provisions of Sections 149, 152, 162 and any other applicable provisions of the Companies Act, 2013 and the rules made there under (including any statutory modification(s) or re-enactment thereof), read with Schedule IV to the Companies Act, 2013 and pursuant to the Articles of Association of the Company Mr. S.K.Gupta who is to retire by rotation and in respect of whom the Company has received a notice in writing from a member proposing his candidature for the office of Director, the consent of the Company be and is hereby accorded to the re-appointment of Mr.S.K.Gupta (DIN : 01575160), as a Director of the Company.

3. To consider and, if thought fit, to pass, with or without modification, the following resolution as an ordinary resolution:

“RESOLVED that the retiring Auditors, M/s G. Joseph & Associates Chartered Accountants being eligible for reappointment, be and are hereby appointed as Auditors of the Company for the financial year ending 31st March, 2016, to hold office until the conclusion of the next Annual General Meeting on remuneration to be fixed by the Board of Directors.”

### SPECIAL BUSINESS.

4. 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 Sections 149, 152, 162 and any other applicable provisions of the Companies Act, 2013 (the “Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof for the time being in force) read with Schedule IV to the Act, Smt. Swati Gupta (DIN00249036), who was appointed as an Additional Director of the Company by the Board of Directors with effect from 31<sup>st</sup> March, 2015, in terms of Section 161(1) of the Act and in pursuance to Article 103 of the Articles of Association of the Company, and whose term of office expires at the Annual General Meeting and in respect of whom the Company has received a notice in writing from a member proposing her candidature for the office of Director, be and is hereby appointed as a Director of the Company.

### NOTES

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF, AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. The duly filled up Proxy Form should be lodged with the Company at its Registered Office not less than 48 hours before the commencement of the Meeting.
3. The Register of Members and Share Transfer Books of the Company will be closed from Wednesday, 02<sup>nd</sup> September, 2015 to Monday, 07<sup>th</sup> September, 2015 (both days inclusive).

4. Members/Proxies are requested to bring the Attendance Slip duly filled in for attending the Meeting. No duplicate will be issued at the venue of the Meeting.
5. Share Holders are requested to inform the Company any changes in their mailing address and also to quote folio number in all their correspondence with the Company.
6. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are requested to bring their copies of the Annual Report to the Meeting.

Place: Cochin  
Date: 07.08.2015

By Order of the Board  
Sd/-  
SANJAY GUPTA  
Managing Director

#### FOR THE ATTENTION OF THE MEMBERS:

1. Members are requested to send intimations of any changes in their addresses, applications for demat of shares, applications for transfer of shares and any related correspondence to the Company's share transfer agents M/s. Venture Capital And Corporate Investments Pvt. Limited, (Category-I Registrars) 12-10-167, Bharatnagar, Hyderabad - 500018, Tel : 040 23818475, Fax : 040 23868024, Email:info@vccilindia.com.
2. Sending notices and documents to shareholders through email:

As a part of "Green Initiative" in Corporate Governance, the Ministry of Corporate Affairs has allowed sending communication to the shareholders through electronic mode. Accordingly, we propose to send documents like notices convening general meetings, Annual Reports, etc to the email addresses of the shareholders.

For this purpose, shareholders holding shares in physical form are requested to register their email addresses and any changes therein from time to time with the Share Transfer Agents of the Company M/s. Venture Capital And Corporate Investments Pvt. Limited at their postal / email address given above. Please give the details in the attached format for registering your email ID. Those holding shares in demat form are requested to register their email IDs with their Depository Participants.

#### EXPLANATORY STATEMENT AS REQUIRED UNDER SECTION 102 OF THE COMPANIES ACT, 2013

##### ITEM NO. 4

**Mrs. Swati Gupta** was appointed as an Additional Director by the Board of Director w.e.f **31-03-2015** in accordance with the provisions of Section 161 of the Companies Act, 2013 and Article 103 of Article of Association of the Company. Pursant to Section 161 of the Companies Act, 2013 the above director holds office up to the date of the ensuing Annual General Meeting. In this regard the Company has received request in writing from a member of the Company proposing her candidature for appointment as Director of the Company in accordance with the provisions of Section 149, 152, 162 and all other applicable provisions of the Companies Act, 2013 . The Board feels that presence of **Mrs.Swati Gupta** on the Board is desirable and would be beneficial to the company and hence recommend resolution No. 4 for adoption.

**DIRECTORS' REPORT**

To  
The Members of Prima Industries Limited

Your Directors have pleasure in presenting the 21<sup>st</sup> Annual Report together with the Audited Balance Sheet and Profit and Loss Accounts for the year ended 31st March 2015.

**INTRODUCTION**

The global economy in FY 2014-15 witnessed divergent trends. Despite unpredictable headwinds, the global economic recovery is gaining momentum. India's economy is poised to return to its high-growth path, thanks to lower fiscal and current account deficits, falling inflation and structural reforms to boost investments. Monetary policy is also likely to be supportive with the Reserve Bank of India (RBI) having moved to flexible inflation targeting. The manufacturing sector is likely to benefit from lower interest rates.

Your Company's performance for the year 2014-15 has to be viewed in the context of aforesaid economic and market environment. In a highly competitive scenario, where new brands and offerings are entering the market almost every quarter, your Company delivered competitive growth, driven by innovation, sharper in-market execution, and competitive marketing.

**1. PERFORMANCE OF THE COMPANY (STANDALONE)**

During the year, the Company achieved gross revenue of ₹ 2348.21 Lacs and had incurred a loss of ₹ 31.51 Lacs

**Financial Results (in Lacs)**

Particulars	Current Year	Previous Year
	31/03/2015(₹)	31/03/2014(₹)
Turnover	1951.68	2234.28
Processing Income	396.53	221.25
Profit Before depreciation	58.03	160.49
Depreciation	89.66	98.57
Profit (Loss) after Depreciation & Taxes	-31.51	62.07

**2. DIVIDEND**

No Dividend was declared for the current financial year due to conservation of Profits/due to loss incurred by the Company.

**3. TRANSFER OF UNCLAIMED DIVIDEND TO INVESTOR EDUCATION AND PROTECTION FUND**

The provisions of Section 125(2) of the Companies Act, 2013 do not apply as there was no dividend declared and paid last year.

**4. REVIEW OF BUSINESS OPERATIONS AND FUTURE PROSPECTS**

With great pleasure we may report that with the enduring and dedicated effort of Directors your Company had come out of its financial difficulty it had faced during the past few years. Now your Company become a debt free company and had no outstanding long term borrowings from outside. Your Company had settled all the sales Tax dues under Amnesty scheme during the reporting year.

Trading in shares of your Company had already restarted in Bombay Stock Exchange and shareholders can take use of this facility by de-mating your holdings. Share holders may please take note that de-mat facility for the shares of the company is now available through NSDL and CDSL. All share holders are requested to de-mat the shares held by them.

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

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

The present capacity utilization of Prima's manufacturing facilities are around 70 to 75% of the installed capacities, Bulk of the capacity utilization is for conversion contracts for well established companies like Kerala Feeds , KSE etc . Their products are manufactured according to their own specifications. Your Company was able to secure processing contract form Kerafed, a State Govt. undertaking for processing their Oil Cake through your Plant.

#### **5. CHANGE IN THE NATURE OF BUSINESS.**

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

#### **6. INTERNAL FINANCIAL CONTROL**

Your Company is having adequate internal financial controls with reference to the Financial Statements. And the statutory auditors are satisfied with the present system of internal control.

#### **7. DETAILS OF SUBSIDIARY/JOINT VENTURES/ASSOCIATE COMPANIES**

There are no subsidiary companies or joint ventures. The following are the Associate Companies.

- (i) M/s Prima Agro Ltd
- (ii) M/s Ayyappa Roller Flour Mills Ltd
- (iii) Prima Beverages Pvt Ltd
- (iv) PAPL EXIM India Ltd
- (v) Prima Credits Ltd
- (vi) Prima Alloys (P) Ltd
- (vii) Ayyappa Real Estates(P) Ltd

Performance of the above associate companies are not included in the Financial Results.

#### **8. DEPOSITS**

The Company has neither accepted nor renewed any deposits during the year under review.

**9. DIRECTORS**

(i) During the reporting year Mrs Swati Gupta (DIN.00249036) was appointed as additional Director of the company w.e.f. 31.03.2015. Her term of office is ending at the forthcoming Annual General Meeting of the company, who being eligible, offered herself for re-appointment and the same is being proposed in the forthcoming Annual General Meeting of the Company.

(ii) During the reporting year Mr. S.K. Gupta (DIN:01575160), Director is retiring by rotation and who being eligible, offered himself for re-appointment and the same is being proposed in the forthcoming Annual General meeting

**10. STATUTORY AUDITORS**

M/s G. Joseph and Associates, Chartered Accountants, Cochin will retire at the forthcoming Annual General Meeting of the Company and are eligible for re-appointment and also indicated their willingness to be reappointed. Their continuance of appointment and payment of remuneration are to be confirmed and approved in the ensuing Annual General Meeting. The Company has received a certificate from the above Auditors to the effect that if they are reappointed, it would be in accordance with the provisions of Section 141 of the Companies Act, 2013.

**11. Auditors' Report**

The Auditors had submitted an unqualified Audit Report for the Financial Year 2014-15.

**12. SHARECAPITAL**

There were no changes in the share Capital during the year.

**a. BUY BACK OF SECURITIES**

The Company has not bought back any of its securities during the year under review.

**b. SWEAT EQUITY**

The Company has not issued any Sweat Equity Shares during the year under review.

**c. BONUS SHARES**

No Bonus Shares were issued during the year under review.

**d. EMPLOYEES STOCK OPTION PLAN**

The Company has not provided any STOCK OPTION Scheme to the employees.

**13. EXTRACT OF ANNUAL RETURN**

The extract of the annual return as per section 92 (1) of the Companies Act 2013 in Form No. MGT – 7 forming part of the Board's report is annexed separately.

**21. RISK MANAGEMENT POLICY**

The Company had insured all its fixed asset and stock to cover any possible risk.

**22.. PERSONNEL AND INDUSTRIAL RELATIONS**

Industrial relations of the Company continued to be cordial during the year. Your Directors take this opportunity to record their appreciation for the services rendered by the employees at all levels.

**23. STATUTORY DISCLOSURES**

Your Company does not have any employee in respect of whom information under Section 217(2A) of the Companies Act, 1956 as amended, is required to be annexed.

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

As required under Section 217(1) (e) of the Companies Act, 1956 read with the Companies (Directors Particulars in the Report of Board of Directors) Rules 1988, the information relating to Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo in Form No. A & B is required, which is annexed to this report.

**25. DIRECTOR'S RESPONSIBILITY STATEMENT (as per section 134(5) of the Companies Act, 2013)**

The Directors confirm:

- ❖ that the applicable accounting standards have been followed along with proper explanation wherever required in the preparation of Annual Accounts.
- ❖ that the Company has adopted prudent accounting policies.
- ❖ that proper care has been taken for maintenance of accounting records in accordance with the provisions of the Act and
- ❖ that the Annual Accounts of the Company have been prepared on a going concern basis.
- ❖ that the company had laid down sufficient internal financial controls in the operations of the Company.
- ❖ That the Company had devised proper systems to ensure Compliance with the provisions of all applicable laws.

**26. REPORT ON CORPORATE GOVERNANCE AND MANAGEMENT DISCUSSION AND ANALYSIS**

A Report on Corporate Governance and Management Discussion and Analysis as required under Clause 49 of the Listing Agreement is attached.

**27. ACKNOWLEDGEMENT**

The Board of Directors wishes to place on record their sincere gratitude for the assistance extended by The Company's Banks for their continued support to the company. Your Directors also thank the Management of M/s Kerala Feeds Ltd and other business clients for the extended support to the Company. The Board of Directors wishes to place on record their sincere gratitude to all Govt. depts, employees and share holders for their active support and co-operation.

For and on behalf of the Board  
sd/-

Sanjay Gupta  
Managing Director

Place: Cochin  
Date: 07.08.2015

**ANNEXURE TO THE DIRECTORS' REPORT  
(as per section 134(3)(m))**

**INFORMATION FORMING PART OF THE DIRECTORS REPORT**

**I.ENERGY CONSERVATION**

The Company is making all round efforts for the conservation of energy. To reduce the energy cost, energy efficient equipments were used and the effect of the same has been felt.

Total energy consumption and energy consumption per unit of production as prescribed in "form A" is not applicable to the company.

The Company is proposing to Install Wind Mills of about 2MW at a Capital Outlay of `1300 Lakhs in its site at Kanjikode for which initial feasibility study had already started.

**II. TECHNOLOGY ABSORPTION, ADOPTION AND INNOVATION**

Research and Development:

1.	Specific areas in which R&D carried out by the Company	:	Nil
2.	Benefits derived as a result of above R&D	:	NA
3.	Future Plan of Action	:	To renovate the existing feed mill and setup an R & D Department with a view to continuously upgrade the quality of final Product through Research & Development.
4.	Expenditure on R&D		
	a. Capital	:	Nil
	b. Recurring	:	Nil
	c. Total	:	Nil
	d. Total R&D expenditure as a percentage of total turnover	:	Nil

Technology, Absorption, Adoption and Innovation

1.	Efforts, in brief, made towards	:	Latest technology has been adapted absorption and innovation fully implemented.
2.	Benefits recorded as a result	:	Production of quality products acceptable to the user Industry.
3.	Particulars of Technology imported during the last 5 years	:	Nil
	a. Technology imported	:	NA
	b. Year of import	:	NA
	c. Has technology been fully absorbed :		NA
	d. If not fully absorbed, area where this has not taken place, reasons therefore and future plans of action :		NA

### III FOREIGN EXCHANGE EARNINGS AND OUTGO

Activities relating to exports, initiatives taken to increase exports, development of new export market for products and Services and export plan

: The Company has not yet entered the export market. Marketing efforts are being strengthened to explore the possibility of export

b. Total Foreign Exchange earned and used Expenses in Foreign Currency

(Travelling)	: Nil
Capital Goods Import	: Nil
Raw materials Import	: Nil
Trading Goods	: Nil
Others	: Nil

Place : Cochin  
Date : 07-8-2015

For and on behalf of the Board  
sd/-  
Sanjay Gupta  
Managing Director

### CORPORATE GOVERNANCE REPORT (Pursuant to Clause 49 of the Listing Agreement)

#### CORPORATE GOVERNANCE

Transparency and accountability are the two basic tenets of Corporate Governance. At Prima, we feel proud to belong to a Company whose visionary founders laid the foundation stone for good governance long back and made it an integral principle of the business

#### 1 .COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The basic philosophy of Corporate Governance at "Prima" is to achieve business excellence and to create and enhance the value for its Stakeholders, Customers, Employees and Business Associates and thereby to make a significant contribution to the Economy. The Company endeavors to achieve the highest levels of transparency, accountability, integrity and responsibility by following the best practices in Corporate Governance. We are committed to doing things the right way which means taking business decisions and acting in a way that is ethical and is in compliance with applicable legislation. Our Code of Business Principles is an extension of our values and reflects our continued commitment to ethical business practices across our operations. We acknowledge our individual and collective responsibilities to manage our business activities with integrity. To succeed, we believe, requires highest standards of corporate behavior towards everyone we work with, the communities we touch and the environment on which we have an impact. This is our road to consistent, competitive, profitable and responsible growth and creating long term value for our shareholders, our people and our business partners. The above principles have been the guiding force for whatever we do and shall continue to be so in the years to come.

## 2. BOARD OF DIRECTORS

The Board of Directors ('the Board') is responsible for and committed to sound principles of Corporate Governance in the Company. The Board of Directors is entrusted with the ultimate responsibility of the management, general affairs, direction and performance of the Company and has been vested with requisite powers, authorities and duties.

The Board of Directors comprises of Executive Non-executive and Independent Directors as required under applicable legislation. . Except for the Managing Director, all other directors are liable to retire by rotation as per the provisions of the Companies Act, 1956/2013. As on date of this Report, the Company's Board consists of three Directors comprising one Non-Executive Chairman, One Independent Directors and Managing Director. The composition of the Board represents an optimal mix of professionalism, knowledge and experience and enables the Board to discharge its responsibilities and provide effective leadership to the business.

The composition of the Board of Directors and their attendance at the Board Meetings during the year and at the last Annual General Meeting as also the number of other directorships and memberships of committees are given below:

Name of Director	Category	Number of shares held in the Company as on 31.03.2015	Attendance at		Directorships and Chairmanship / Membership of Board Committees in Other Companies as on 31.03.2015		
			Board Meetings	Last AGM	Director	Committee Member	Committee Chairman
1. Shri.Sanjay Gupta	P,MD	1409866	4	Yes	8	None	None
2. Shri. S.K. Gupta	P,C	41101	7	Yes	8	1	1
3. Smt. Swati Gupta	Director	9301	-	-	2	None	None
4.Shri.Rajyawardhan Agarwal	NED & I	-	7	Yes	4	1	None

NED: Non-Executive Director; I: Independent Director; MD: Managing Director; ND: Nominee Director; P: Promoter

Other Directorships do not include Alternate Directorships, Directorships of Private Limited Companies which are neither a subsidiary nor a holding company of a Public Company, Companies under Section 8 of the Companies Act, 2013 and of companies incorporated outside India.

Chairmanship/ Membership of Board Committees include Chairmanship / Membership of Audit Committee and Shareholders' / Investors' Grievance Committee only as clarified by SEBI. The Membership / Chairmanship of Board Committees of Private Limited Companies, Foreign Companies and Companies under Section 8 of the Companies Act, 2013 are excluded for the purpose.

### Reappointment of Directors

(I)The Director, Mr. S.K.Gupta retires by rotation at the ensuing Annual General Meeting and is eligible for reappointment. The brief resumes and information relating to the director as required under clause 49 of listing agreement with the Stock Exchange is furnished below:

Brief Note on Directors Seeking Appointment/ Reappointment during the year.

Name of Director : Mr.S.K.Gupta  
 Date of Birth : 08.08.1940  
 Date of Appointment : 05.12.12  
 Qualification : Graduate  
 Expertise in specific Functional are : More than 25 years Experience in Manufacturing Industry

**Details of other Directorships:**

Name of the Company	Position held	Committee type	Membership status
Prima Agro Limited	Chairman	Audit	Nil
Ayyappa Roller Flour mills Ltd	Chairman	Nil	Nil
Prima Credits Ltd	Director	Nil	Nil
PAPL Exim India Ltd	Director	Nil	Nil
Prima Beverage (P) Ltd	M.D.	Nil	Nil
Prima Alloys (P) Ltd	Director	Nil	Nil
Ayyappa Real Estates(P) Ltd	Director	Nil	Nil

(II) Mrs Swati Gupta , Additional Director retires at the ensuing Annual General Meeting and is eligible for re-appointment. The brief resumes and information relating to the director as required under clause 49 of listing agreement with the Stock Exchange is furnished below:

Name of Director : Mrs.Swati Gupta  
 Date of Birth : 15.05.1970  
 Date of Appointment : 31.03.2015  
 Qualification : Graduate  
 Expertise in specific Functional are : She is expert in HRand corporate administration

**Details of other Directorships:**

Name of the Company	Position held	Committee type	Membership status
Prima Agro Limited	Director .	Nil	Nil

**3. AUDIT COMMITTEE**

The Company's Audit Committee consists of Non-Executive and Independent Directors. The qualification of the members of the Committee, its composition and terms of reference are as per the requirements of Clause 49 of the Listing Agreement. The Chairman of the Audit Committee Shri. S K Gupta has expert knowledge of finance and accounting.

During the year ended 31st March 2015, the Committee met 5 times on 13/05/2014, 24/06/2014, 29/07/2014, 28/10/2014 & 28/01/2015

The Audit Committee Meetings are attended by invitation by the Managing Director, General Manager and Representative of the Statutory Auditors.

Name of Members of Audit Committee	Designation	No. of Meeting attended
Shri. S K Gupta	Chairman, Non – Executive	5
Shri. Rajayawardhan Agarwala	Member Non – Executive & Independent Director	5

#### 4. REMUNERATION COMMITTEE

Composition, name of Members, Chairperson and attendance

Name of Members of Audit Committee	Designation
Shri. S K Gupta	Chairman, Non – Executive Director
Shri. Rajayawardhan Agarwala	Member & Non – Executive & Independent Director

#### Brief description of terms of reference

To determine and recommend to the Board the remuneration including commission, perquisites and allowance payable to the whole time directors based on overall performance and financial results of the Company during the relevant financial year and in consonance with the existing industrial practice.

#### Remuneration to Directors

The Company pays remuneration to Managing Director by way of salary and perquisites (fixed components).

Details of remuneration paid to Managing Director for the year

The aggregate of salary, perquisites and commission paid/payable for the year ended 31st March, 2015 to Managing Director, is as follows:

Shri Sanjay Gupta, Managing Director : NIL

Remuneration paid to Non-Executive Directors : No Remuneration is paid to Non-Executive Directors.

The details of sitting fees paid during the period : No Sitting Fees is paid during the year.

#### 5. SHAREHOLDERS / INVESTORS GRIEVANCE COMMITTEE

The Investors Grievance Committee reviews and redresses shareholder grievances / complaints. The Committee oversees the performance of the Registrars and Share Transfer Agents and recommends measures for overall improvement of the quality of investor services. The members of the Committee are as under:

Name of the member	Category
Shri. S K Gupta Shri. Rajayawardhan Agarwala	Chairman Independent Director

Given below is the position of investor queries / complaints and other correspondences received and attended to during 2014-2015:

Nature of complaint / queries	No. of complaints
For non-receipt of dividend, shares lodged for transfer, issue of duplicate share certificates.	-
Queries / Complaints redressed	-
Pending queries / complaints as on 31.03.2015	-
Other letters received from shareholders and replied	4

Every letter received from the investors is replied generally within two weeks of receipt unless the issues involved require investigation or looking into very old records to be retrieved from godowns or information is to be obtained from banks or others.

The shares of the Company are traded in physical as well as in de-mat form. A table showing the requests Received for dematerialization / transfer during 2014-2015 is given below –

	Transfers	
	No. of requests	No. of shares
Lodged	57	790300
Processed	57	790300
Objections	-	-
Pending as on 31.03.2015	-	-

## 6. Board Meetings

The Board meets at regular intervals to discuss and decide on Company / business policy and strategy apart from other Board business. The Board / Committee Meetings are pre- scheduled and a tentative annual calendar of the Board and Committee Meetings is circulated to the Directors well in advance to facilitate them to plan their schedule and to ensure meaningful participation in the meetings. However, in case of a special and urgent business need, the Board's approval is taken by passing resolutions by circulation, as permitted by law, which is confirmed in the subsequent Board meeting.

The notice of Board meeting is given well in advance to all the Directors. Usually, meetings of the Board are held in Kochi. The Agenda of the Board / Committee meetings is set by the Company Secretary in consultation with the Chairman and the Chief Executive Officer of the Company. The Agenda is circulated a week prior to the date of the meeting. The Agenda for the Board and Committee meetings includes detailed notes on the items to be discussed at the meeting to enable the Directors to take an informed decision.

During the financial year ended 31st March, 2015, 7 Board meetings were held on 19/04/2014, 15/05/2014, 26/06/2014, 31/07/2014, 30/10/2014, 30/01/2015 & 31.03.2015

The maximum interval between any two meetings was well within the maximum allowed gap of 120 days.

## 7. GENERAL BODY MEETINGS

The last three Annual General Meetings of the Company were held as under:

Year	Location	Date	Time	No. of Special Resolutions approved at the AGM
2011-12	Door No.V/679C,IDA, Muppathadam P.O. Edayar	27.09.2012	4.00 p.m.	4
2012-13	Door No.V/679C,IDA, Muppathadam P.O. Edayar	30.08.2013	11.a.m	1
2013-14	Door No.V/679C,IDA, Muppathadam P.O. Edayar	16.08.2014	11.a.m.	1

At the forthcoming Annual General Meeting there is no item on the agenda that needs approval by Postal Ballot, as required under the provisions of Section 110 A of the Companies Act, 2013.

## 8. DISCLOSURES

During the year there were no transactions of material nature with the Directors or the Managing Directors, relatives that had potential conflict with the interest of the Company.

No penalties or strictures were imposed by Stock Exchanges or SEBI or any other statutory authority on the company in any matter related to capital markets during the last three years.

The Company had already secured demat facility for its shares through NSDL & CDSL. Non-mandatory disclosures are not being complied with for the time being.

### Code of Conduct:

The Company has complied with the Code of Conduct for Directors and Senior Management approved by the Board and as per Sch IV of the Companies Act, 2013.

### CEO / CFO Certification:

Mr. Sanjay Gupta, Managing Director and Mr. V R Sadasivan Pillai, General Manager (Finance) have given CEO/CFO Certificate to the Board. The Board noted the said CEO/ CFO certificate, as per the format given under clause 49(v), at its meeting held on 7th August 2015.

## 8. MEANS OF COMMUNICATION

The quarterly, half-yearly and annual results are published in 'two news papers. Management Discussion and Analysis forms part of the Annual Report.

## 9. GENERAL SHAREHOLDERS' INFORMATION I)

### Annual General Meeting

Date and time : 07th September 2015, 11.00 AM

Venue : Door No, V-679/C, Industrial Development Area,  
Muppathadam P.O., Edayar, Cochin - 683110.

### ii) Financial Calendar - 2014-15

The company follows April – March as the Financial Year. The results of every quarter are declared in the month following the quarter. Financial Results are published in the company's website.

### iii) Code of Insider Trading

The Company has adopted and implemented a Code of Conduct pursuant to SEBI (Prohibition of Insider Trading Regulations, 1992). The Code lays down the guidelines, which include procedures to be followed and disclosures to be made by the Insiders (Directors, Officers and Designated Employees) while dealing in shares of the Company.

### iv) Internal Control System and their Adequacy

The Senior Management reviews periodically various issues that directly influence the business and take decisions to ensure that the Company's interest and that of the stake holders are protected. The Company's systems and internal controls monitors the following:

- a) Protection and conservation of resources of the Company.
- b) Compliance with statutory requirements.
- c) Maximum utilization of resources.

The management structure is defined with adequate responsibility and authority to take decisions and implement the same. The Audit Committee of Board of Directors takes the responsibility for review of the Internal Controls and the matters connected there with.

**v) Material Developments in Human Resources/Industrial Relations Front, including number of People employed.**

The Company gives utmost importance to the Human Resource Development and high priority is given to keep the individual relations healthy. The Industrial relations are cordial and satisfactory.

- vi) Dates of book closure** : Wednesday, 02<sup>nd</sup> September, 2015 to Monday, 07<sup>th</sup> September, 2015  
(Both days inclusive)
- vii) Dividend payment date** : N.A.
- viii) Listing on Stock Exchange** : BSE-Mumbai,
- ix) Stock Code** : 531246
- x) Demat ISIN Number** : INE-723N01012
- xi) Market price data** : Companies shares traded during the period.

Month	Bombay Stock Exchange (BSE)	
	Month's High Price	Month's Low Price
April 2014	17.2	17.2
May 2014	14.8	14.8
June 2014	11	10.03
July 2014	12.5	11.86
August 2014	11.8	11.8
September 2014	12	12
October 2014	12.7	12.7
November 2014	13.33	13.33
December 2014	8.43	8.43
January 2015	8.48	8.48
February 2015	10.9	10.9
March 2015	10.9	10.9

Registrar and transfer Agents:

(Share Transfer and  
Communication regarding  
Share Certificates, Dividends  
And change of address)

Venture Capital And Corporate Investments Pvt.Ltd  
(Category –I Registrars)  
12-10-167, Bharatnagar  
Hyderabad -500018  
040 23818475 (Tel), 040 23868024 (Fax),  
Email: info@vccilindia.com

Share Transfer System:

Presently, the share transfers which are received in physical form are processed through our RTA and the share certificates returned within a period of 30 days from the date of receipt, subject to the document being valid and complete in all respect.

Distribution of the shareholding on the basis of categories of shareholders as on 31.03.2015 is as under:

Category Code	Category of shareholder	No. of share holders	Total no. of shares	Number of shares held in dematerialized form	Percentage to total shares
(A)	Shareholding of Promoter and				
(1)	Indian				
(a)	Individuals	56	1589172	1503470	14.73
(b)	Central Government/State	1	1100000	0	10.19
(c)	Bodies Corporate	6	4972528	3153528	46.08
	<b>Sub-Total (A)(1)</b>	<b>63</b>	<b>7661700</b>	<b>4656998</b>	<b>70.99</b>
(2)	Foreign				
(a)	Bodies Corporate				
(b)	Individuals (Non-Residents Individuals / Foreign Individuals)	13	49000	0	0.45
	<b>Sub-Total (A)(2)</b>	<b>13</b>	<b>49000</b>	<b>0</b>	<b>0.45</b>
	Total shareholding of Promoter and Promoter Group (A) = (A)(1)+(A)(2)	75	7710700	4656998	71.45
(B)	Public Shareholding				
(1)	Institutions				
(a)	Mutual Funds				
(b)	Foreign Institutional Investors	0	0	0	0
	<b>Sub-Total (B)(1)</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
(2)	Non-Institutions				
(a)	Bodies Corporate	10	52465	465	0.49
(b)	Individuals				
i.	Individual shareholders holding nominal share capital upto Rs. 1 Lakh	780	696882	121382	6.46
ii.	Individual shareholders holding nominal share capital in excess of Rs.1 Lakh.	12	2263493	36093	20.97
(c)	Trust				
(d)	Directors & their relatives				
(e)	Non resident Indians				
(f)	Overseas Corporate Bodies				
(g)	Clearing members	1	3890	3890	0.04
(h)	Hindu undivided families				
(i)	Non Resident Individuals	17	64470	64470	0.60
(j)					
	<b>Sub-Total (B)(2)</b>	<b>820</b>	<b>3081200</b>	<b>226300</b>	<b>28.55</b>
	<b>Total Public Shareholding (B)=(B)(1)+(B)(2)</b>	<b>820</b>	<b>3081200</b>	<b>226300</b>	<b>28.55</b>
	<b>TOTAL (A) +(B)</b>	<b>896</b>	<b>10791900</b>	<b>4883298</b>	<b>100.00</b>

**Distribution of shareholding as on 31.03.2015, pursuant to clause 35 of the Listing Agreement is as under:**

Shareholding of nominal value of `	No. of Shareholders	% of Shareholders	Amount of Share Capital in `	% of Shareholding
Upto5,000	425	47.49	1777550	1.65
5,001 –10,000	298	33.3	2590330	2.4
10,001 –20,000	67	7.49	1155810	1.07
20,001 –30,000	34	3.8	909840	0.84
30,001 –40,000	8	0.89	303050	0.28
40,001 –50,000	23	2.57	1125500	1.04
50,001 – 1,00,000	15	1.68	1195010	1.11
1,00,001 and above	25	2.79	98861910	91.61
<b>Total</b>	<b>895</b>	<b>100.00</b>	<b>107919000</b>	<b>100.00</b>

Dematerialisation of shares and Liquidity : Demat facility available with NSDL & CDSL. Liquidity of shares

During the last year, the Company's shares were traded in BSE.

Plant Location : Prima Industries Limited  
New Industrial Development Area  
Menonpara Road, Kanjikode Palakkad - 678 621

Investor correspondence : Venture Capital And Corporate Investments Pvt. Limited,  
(Category-I Registrars)  
12-10-167, Bharatnagar, Hyderabad -500018,  
040 23818475 (Tel), 040 23868024 (Fax),  
Email: info@vccilindia.com

Any query on Annual Report : Secretarial Dept.  
"Door No: V/679-C  
Industrial Development Area  
Muppathadam P O , Edayar  
Cochin – 683 110

#### DECLARATION ON CODE OF CONDUCT

As required by Clause 49 (ID) of the Listing Agreement, it is hereby affirmed that all the Board members and Senior Management personnel have complied with the Code of Conduct of the Company.

Sd/-  
Sanjay Gupta  
Managing Director

Place : Cochin  
Date : 07.08.2015

**CEO/CFO Certificate under Clause 49 of the Listing Agreement**

We, Sanjay Gupta, Managing Director and Mr. V R Sadasivan Pillai, General Manager (Finance) of Prima Industries Limited (the Company) hereby certify to Board that:

- a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2015 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (2) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- b) There are, to the best of our knowledge and belief, no transactions entered into by the Company during the year which are fraudulent, illegal or violative of the Company's code of conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee, deficiencies in the design or operation of such internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.
- d) We have indicated to the Auditors and the Audit committee that:
- (1) there are no significant changes in internal control over financial reporting during the year;
  - (2) there have been so significant changes in accounting policies during the year which are required to be disclosed in the notes to the financial statements; and
  - (3) there have been no instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the Company's internal control system over financial reporting.

sd/-

Sanjay Gupta  
Managing Director

sd/-

V R Sadasivan Pillai,  
General Manager (Finance)

Place: Cochin  
Date: 07-8-2015

**AUDITORS' CERTIFICATE**

To

**THE MEMBERS OF**

**PRIMA INDUSTRIES LIMITED**

We have examined the compliance of conditions of Corporate Governance by **PRIMA INDUSTRIES LIMITED** for the year ended on 31<sup>st</sup> March, 2015, as stipulated in Clause 49 of the Listing Agreement of the said company with stock exchange(s).

The compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring compliance of the conditions of Corporate Governance as stipulated in the said clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion, and to the best of our information and according to the explanations given to us and the representations made by the directors and management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

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 **G.Joseph & Associates**  
Chartered Accountants  
FRN- 006310S

**P.Rajagopal**  
Partner  
Membership No.202134

Place : Cochin  
Date : 30/05/2015

## INDEPENDENT AUDITORS' REPORT

### To the Members of Prima Industries Limited

#### Report on the Standalone Financial Statements

We have audited the accompanying financial statements of Prima Industries Limited ('the Company'), which comprise the Balance Sheet as at 31st March, 2015, the Statement of Profit and Loss, the Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

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

The Company's Board of Directors is responsible for the matters in section 134(5) of the Companies Act, 2013 ('the Act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance 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 the maintenance of adequate accounting records in accordance with the provision of the Act for safeguarding of the assets of the Company and for preventing and detecting the frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of internal financial control, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

#### 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 thereunder.

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

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

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

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

#### Opinion

In our opinion and to the best of our information and according to the explanations given to us the aforesaid standalone financial statements give the information required by the Act in the manner so

required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March, 2015, and its loss and its cash flows for the year ended on that date.

#### **Report on Other Legal and Regulatory Requirements**

As required by the Companies (Auditor's Report) Order, 2015 ('the Order'), issued by the Central Government of India in terms of Section 143 (11) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

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

- 1 We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- 2 In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- 3 The company does not have any branches and so provisions of section 143(8) are not applicable to the company.
- 4 The Balance Sheet, the Statement of Profit and Loss, and the Cash Flow Statement dealt with by this report are in agreement with the books of account.
- 5 In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules, 2014.
- 6 There are no observations or comments on the financial transactions or matters that have an adverse effect on the functioning of the company
- 7 On the basis of the written representations received from the directors as on 31st March, 2015 taken on record by the Board of Directors, none of the directors is disqualified as on 31st March, 2015 from being appointed as a director in terms of Section 164 (2) of the Act.
- 8 There are no qualification, reservation or adverse remark relating to the maintenance of accounts and other matters connected therewith.
- 9 The Company does not have any pending litigations which would impact its financial position;
- 10 The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses;
- 11 There were no amounts which were required to be transferred to the Investor Education and Protection Fund by the Company.

For **G. Joseph & Associates**  
Chartered Accountants  
FRN- 006310S

**P. Rajagopal**  
Partner  
Membership No. 202134

Place : Cochin  
Date : 30/05/2015

**ANNEXURE TO THE INDEPENDENT AUDITORS' REPORT****The Annexure referred to in under 'Report on Other Legal and Regulatory Requirements' section of our report of even date to the members of Prima Industries Limited on the accounts of the company for the year ended 31st March, 2015**

- (i) a. The Company has maintained records showing particulars including quantitative details and situation of fixed assets, but the same requires to be updated.
- b. As explained to us, the fixed assets have been physically verified by the management at reasonable intervals ; no material discrepancies were noticed on such verification.
- (ii) a. As explained to us, inventories have been physically verified during the year by the management at reasonable intervals.
- b. In our opinion and according to the information and explanations given to us, the procedures 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. In our opinion and on the basis of examination of the records, the Company is generally maintaining proper records of its inventory. No material discrepancies were noticed on physical verification of inventory by the management as compared to the book records.
- (iii) According to the information and explanations given to us and on the basis of our examination of the books of account, the Company has not granted any loans, secured or unsecured to companies, firms, or other parties listed in the register maintained section 189 of the Companies Act. Consequently , the provisions of clauses 3(iii)(a) and 3(iii)(b) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanations given to us, there is generally an adequate internal control procedure commensurate with the size of the Company and nature of its business, for the purchase of inventories and fixed assets and payment for expenses and for sale of goods. During the course of our audit, no major instance of continuing failure to correct any weaknesses in the internal controls have been noticed.
- (v) The Company has not accepted any deposit from public within the meaning of sections 73 to 76 or any other relevant provisions of the Companies Act and the rules framed thereunder.
- (vi) As per information & explanation given by the management, maintenance of cost records has been prescribed by the Central Government under clause (d) of sub-section (1) of section 148 of the Companies Act and we are of the opinion that prima facie the prescribed accounts and records have been made and maintained.
- (vii) (a) According to the records of the Company, undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, wealth tax, service tax, customs duty, excise duty, cess to the extent applicable and any other statutory dues have generally been regularly deposited with the appropriate authorities. According to the informations and explanations given to us there were no outstanding statutory dues as on 31st March, 2015 for a period of more than six months from the date they became payable.
- (b) According to the information & explanations given to us, there is no amounts payable in respect of income tax, wealth tax, Service tax, Sales tax, Customs duty & Excise duty which have not been deposited on account of any disputes.
- (c) According to the information & explanations given to us, there is no amounts payable

in respect of income tax, wealth tax, Service tax, Sales tax, Customs duty & Excise duty which have not been deposited on account of any disputes.

- (viii) The accumulated losses of the Company at the end of the financial year is more than fifty percent of the net worth; but the Company has not incurred cash losses during the current financial year and in the immediately preceding financial year.
- (ix) According to the information & explanations given to us, the company has not defaulted in repayment of dues to financial institutions or banks or debenture holders
- (x) According to the information & explanations given to us, the Company has, not given any guarantee for loans taken by others from a bank or financial institution.
- (xi) Based on our audit procedures and on the information given by the management, we report that the Company has not raised any term loans during the year.
- (xii) Based on the audit procedures performed and the information and explanation given to us, we report that no fraud on or by the Company has been noticed or reported during the year, nor have we been informed of such case by the management.

For **G. Joseph & Associates**  
Chartered Accountants  
FRN- 006310S

**P. Rajagopal**  
Partner  
Membership No. 202134

Place : Cochin  
Date : 30/05/2015

<b>Prima Industries Limited</b>			
No. V-679/C, Industrial Development Area, Muppathadam, Edayar, Cochin-683110			
CIN - L151421LL1994PLC008368			
<b>Balance Sheet as at 31st March, 2015</b>			
Particulars	Note	As at March 31, 2015 (₹)	As at March 31, 2014 (₹)
<b>I. EQUITY &amp; LIABILITIES</b>			
<b>1 Shareholders' Funds</b>			
a. Share Capital	3	229,973,530	229,973,530
b. Reserves and Surplus	4	(149,196,422)	(145,628,692)
<b>2 Non-Current Liabilities</b>			
a. Long Term Borrowings	5	-	100,000
b. Long Term Provisions	7	345,888	367,511
<b>3 Current Liabilities</b>			
a. Short Term Borrowings	8	184,397	179,011
b. Trade Payables	9	1,723,620	1,361,477
c. Other Current Liabilities	10	46,131,207	46,020,750
d. Short Term Provisions	7	223,917	-
<b>TOTAL</b>		<b>129,386,136</b>	<b>132,373,587</b>
<b>II. ASSETS</b>			
<b>1 Non-current assets</b>			
a. Fixed Assets	10		
(i) Tangible Assets		99,078,784	108,013,775
b. Non-current Investment	11	7,000,000	14,565
c. Deferred Tax Asset (Net)	6	27,066	-
d. Long-Term Loans and Advances	12	1,408,351	1,015,061
<b>2 Current Assets</b>			
a. Inventories	14	2,074,709	987,991
b. Trade Receivables	15	14,211,313	11,899,333
c. Cash & Bank Balances	16	315,497	557,028
d. Short-Term Loans and Advances	12	1,776,056	7,216,279
e. Other Current Assets	13	3,494,360	2,669,554
<b>TOTAL</b>		<b>129,386,136</b>	<b>132,373,587</b>
Summary of significant accounting policies	2.3		
As per our report of even date attached <b>For G Joseph &amp; Associates</b> Chartered Accountants (Firm Reg. No.006310S)		For and on behalf of the board of directors <b>Prima Industries Limited</b>	
<b>P. Rajagopal</b> Partner Membership No. 202134 Place: Cochin Date : 5/30/2015	<b>Sanjay Gupta</b> Managing Director DIN-00248003	<b>S K Gupta</b> Director DIN-01575160	

## Prima Industries Limited

No. V-679/C, Industrial Development Area, Muppathadam, Edayar, Cochin-683110

CIN:L15142KL19940LC008368

### Statement of Profit and loss for the year ended March 31, 2015

Particulars	Note	For year ended March 31, 2015 (₹)	For year ended March 31, 2014 (₹)
<b>I Income</b>			
Revenue from operations	17	234,821,207	245,553,261
Other income	18	1,348,502	1,746,389
<b>Total Revenue</b>		<b>236,169,709</b>	<b>247,299,650</b>
<b>II Expenses</b>			
1 Cost of materials consumed	19	192,510,599	201,564,497
2 (Increase)/ Decrease in inventories	20	15,451	50,177
3 Employee benefits expense	21	5,507,680	6,230,217
4 Finance costs	22	15,395	36,836
5 Depreciation and amortization expense	10	8,966,144	9,857,316
6 Other expenses	23	32,318,145	23,368,166
<b>Total expenses</b>		<b>239,333,414</b>	<b>241,107,209</b>
III Profit before exceptional and extraordinary items and tax (III-IV)		(3,163,705)	6,192,441
IV Exceptional items & Extraordinary items		-	-
<b>III Profit before tax (I-II)</b>		<b>(3,163,705)</b>	<b>6,192,441</b>
IV Tax expense:	24		
1 Current tax		-	-
2 Deferred tax		(12,501)	(14,565)
<b>Tax expense</b>		<b>(12,501)</b>	<b>(14,565)</b>
<b>V Profit (Loss) for the year (III - IV)</b>		<b>(3,151,205)</b>	<b>6,207,006</b>
VI Earnings per equity share:	25		
1 Basic		(0.29)	0.58
2 Diluted		(0.29)	0.58
<b>Number of shares used in computing Earnings per share</b>			
1 Basic		10,791,900	10,791,900
2 Diluted		10,791,900	10,791,900
Summary of significant accounting policies	2.3		

As per our report of even date attached

**For G Joseph & Associates**

Chartered Accountants

(Firm Reg. No.006310S)

**P. Rajagopal**

Partner

Membership No. 202134

Place: Cochin

Date: 5/30/2015

For and on behalf of the board of directors

**Prima Industries Limited**

**Sanjay Gupta**

Managing Director

DIN-00248003

## Notes to financial statements for the year ended March 31, 2015

## Share Capital

Particulars	31/03/2015 (₹)	31/03/2014 (₹)
<b>a.) Authorised Shares</b>		
13,500,000 (As at 31st march 2014: 13,500,000) equity shares of ` 10/- each	<u>135,000,000</u>	<u>135,000,000</u>
11,500,000 (As at 31st march 2014: 11,500,000) preference shares of ` 10/- each	<u>115,000,000</u>	<u>115,000,000</u>
<b>b.) Issued, Subscribed and Paid up shares</b>		
10,791,900 (As at 31st march 2014: 10,791,900) equity shares of ` 10/- each fully paid up	107,919,000	107,919,000
11,197,403 (As at 31st march 2014: 11,197,403) Cumulative Redeemable Preference shares of ` 10/- each	<u>111,974,030</u>	<u>111,974,030</u>
	<u>219,893,030</u>	<u>219,893,030</u>
<b>c.) Forfeited Shares Account</b>	<u>10,080,500</u>	<u>10,080,500</u>

**d.) Reconciliation of the shares outstanding at the beginning and at the end of the reported period**

Equity Shares	31/03/2015		31/03/2014	
	No. of shares	Share capital (₹)	No. of shares	Share capital (₹)
At the beginning of the period	10,791,900	107,919,000	10,791,900	107,919,000
Issued during the period	-	-	-	-
Forfeiture of Shares	-	-	-	-
<b>Outstanding at the end of the period</b>	<u>10,791,900</u>	<u>107,919,000</u>	<u>10,791,900</u>	<u>107,919,000</u>

Preference Shares	31/03/2015		31/03/2014	
	No. of shares	Share capital (₹)	No. of shares	Share capital (₹)
At the beginning of the period	11,197,403	111,974,030	11,197,403	111,974,030
Issued during the period	-	-	-	-
<b>Outstanding at the end of the period</b>	<u>11,197,403</u>	<u>111,974,030</u>	<u>11,197,403</u>	<u>111,974,030</u>

**e) List of equity shareholders holding more than 5 percent.**

Names	31/03/2015		31/03/2014	
	No. of shares	% of shares held	No. of shares	% of shares held
Sanjay Gupta	1,409,866	13.06	1,409,866	13.06
Ayyappa Roller Flour Mills Ltd	2,134,000	19.77	2,134,000	19.77
Prima Credits Limited	1,269,000	11.76	1,269,000	11.76
Kerala State Industrial Development Corporation	1,100,000	10.19	1,100,000	10.19
Prima Agro Limited	1,019,528	9.45	1,019,528	9.45

**f) List of Cumulative Redeemable preference shareholders holding more than 5 percent.**

Names	31/03/2015		31/03/2014	
	No. of shares	% of shares held	No. of shares	% of shares held
Ayyappa Roller Flour Mills Ltd	11,197,403	100	11,197,403	100

4	Reserves and Surplus Particulars	31/03/2015 (₹)	31/03/2014 (₹)
	<b>Capital Reserves ;</b>		
a.	At the beginning of the accounting period (Investment subsidy)	1,500,000	1,500,000
	Additions during the year at the end of the accounting period	1,500,000	1,500,000
b.	<b>Other Reserves Loan Waiver on One Time Settlement</b>		
	At the beginning of the accounting period	147,694,030	147,694,030
	Additions during the year	-	-
	At the end of the accounting period	147,694,030	147,694,030
c.	<b>Surplus/ (deficit) in the statement of profit and loss</b>		
	At the beginning of the accounting period	(294,822,722)	(301,029,728)
	Add: Fixed asset value as per Companies Act adjusted	(416,526)	-
	Add : Profit for the year	(3,151,204)	6,207,006
	Net Surplus in the statement of profit & loss	(298,390,452)	(294,822,722)
	<b>Total reserves and surplus (a) + (b) +( c)</b>	<b>(149,196,422)</b>	<b>(145,628,692)</b>

**5. Long Term Borrowings**

Particulars	Non - Current Portion		Current maturities	
	31/03/2015 (₹)	31/03/2014 (₹)	31/03/2015 (₹)	31/03/2014 (₹)
<b>1 Secured Borrowings</b>				
(a) Working Capital Loans - from banks.	-	-	-	-
<b>(A)</b>	-	-	-	-
<b>2 Unsecured Borrowings</b>				
(a) Loans repayable on demand				
(b) Bank overdraft	-	-		179,011
(c) Loans from Directors				100,000
<b>(B)</b>	-	-		279,011
<b>(A + B)</b>	-	-		279,011

**6. Deferred Tax Asset (Liabilities)**

Particulars	31/03/2015 (₹)	31/03/2014 (₹)
<b>Deferred Tax Asset</b>		
a) Related to Fixed Assets		-
b) Other timing difference	27,066	14,565
<b>Gross Deferred tax assets</b>	27,066	14,565
<b>Deferred Tax Liabilities</b>		
a) Related to Fixed Assets		-
b) Other timing difference	-	-
<b>Gross Deferred Tax Liabilities</b>	-	-
<b>Deferred Tax Assets (Net)</b>	27,066	14,565

Note:

Deferred tax assets and deferred tax liabilities have been offset wherever the Company has a legally enforceable right to set off current tax assets against current tax liabilities and where the deferred tax assets and deferred tax liabilities relate to income taxes levied by the same taxation authority.

**7 Provisions**

Particulars	Long - term		Short - term	
	31/03/2015 (₹)	31/03/2014 (₹)	31/03/2015 (₹)	31/03/2014 (₹)
<b>1 Provision for employee benefits.</b>				
a) Provision for gratuity	345,888	367,511	-	
<b>2 Others (specify nature).</b>				
a) Provision For Exgratia			223,917	-
	345,888	367,511	223,917	-

**8 Short Term Borrowings**

Particulars	31/03/2015 (₹)	31/03/2014 (₹)
<b>1 Secured Borrowings</b>		
b) Bank Overdraft	184,396.96	179,011.00
	<b>184,396.96</b>	<b>179,011.00</b>

**9 Trade Payables**

Particulars	31/03/2015 (₹)	31/03/2014 (₹)
Creditors for purchases	1,723,620	1,361,477
	<b>1,723,620</b>	<b>1,361,477</b>

**10 Other Current Liabilities**

Particulars	31/03/2015 (₹)	31/03/2014 (₹)
1 Statutory dues (Refer note iv below)	147,307	87,788
2 Creditors for expenses	1,531,066	2,310,362
3 Creditors for others	4,938,524	5,609,565
4 Expenses payable	1,008,494	1,222,339
5 Other Current Liabilities	38,505,815	36,790,695
	<b>46,131,207</b>	<b>46,299,761</b>

Notes:

Other Current Liabilities include balances to Related parties

	Current year	Previous year
Ayyappa Roller Flour Mills Ltd	31,866,045	35,523,008
Prima Agro Ltd	6,639,770	1,267,688
	<u>38,505,815</u>	<u>36,790,695</u>

iv <b>Statutory dues includes:-</b>	31/03/2015 (₹)	31/03/2014 (₹)
ESI Damages Payable	34,333	50,125
Excise Duty Payable	22,784	-
Tds Payable	50,789	-
KVAT Payable	10,835	10,134
EPF Payable	20,749	13,365
ESI Payable	7,817	14,164
	<u>147,307</u>	<u>87,788</u>

#### Non-Current Investments

Particulars	31/3/2015 (₹)	31/3/2014 (₹)
-------------	------------------	------------------

#### 1 Non-Trade Investments

a) Investment in Mutual Funds	7,000,000	-
(Reliance Mutual Fund, Quoted)	<u>7,000,000</u>	<u>-</u>

The particulars of Investment are as follows:

No. of units	NAV in Rs.	Current Value
157404.374	45.5507	<b>7169879.4</b>

## FIXED ASSETS &amp; DEPRECIATION FOR THE YEAR 2014-15

ASSETS	GROSS BLOCK		ADDITIONS	(DELETION)	AS AT	DEPRECIATION		FOR THE YEAR	Deletions during the year	UPTO	NET BLOCK	
	AS AT	01.04.14				UPTO	UPTO				AS AT	AS AT
		01.04.14			31.03.15	01.04.14	YEAR	31.03.15	31.03.15	31.03.14		
Land and Development	8,575,215		111,235	-	8,686,450	-	-	-	-		8,686,450	8,575,215
Building	56,875,460		46,008	-	56,921,468	29,475,984	931,749	30,407,734	-		26,513,734	26,678,464
Plant and Machinery	176,151,285		114,653	-	176,265,938	106,486,561	6,707,100	113,193,661	-		63,072,277	54,095,033
Air Condition	104,350		-	-	104,350	2,954	20,870	41,740	(17,916)		62,610	
Electrical Installation	21,758,298		-	-	21,758,298	20,588,256	1,076,815	21,665,071	-		93,227	-
Office Equipments	1,103,530		-	-	1,103,530	768,178	88,750	1,053,279	(196,351)		50,251	387,769
Computers	437,682		-	-	437,682	415,042	8,833	428,849	(4,974)		8,833	-
Printers	52,500		-	-	52,500	8,743	8,167	50,533	(33,624)		1,967	41,503
Furniture and Fixtures	966,318		17,896	-	984,214	956,273	2,329	966,848	(8,246)		17,366	-
Lab Equipments	803,200		9,871	-	813,071	605,495	51,371	792,929	(136,063)		20,142	235,857
Vehicles	333,814		-	-	333,814	53,717	41,727	146,661	(51,216)		187,154	276,462
Weighing Machines	766,557		148,015	-	914,572	553,231	28,432	549,799	31,864		364,773	234,240
<b>TOTAL</b>	<b>267,928,209</b>		<b>447,678</b>	<b>-</b>	<b>268,243,634</b>	<b>159,914,434</b>	<b>8,966,144</b>	<b>152,577,502</b>	<b>(416,525)</b>		<b>115,666,132</b>	<b>108,013,775</b>
<b>Previous Year</b>	<b>240,581,664</b>		<b>27,346,545</b>	<b>-</b>	<b>267,928,209</b>	<b>150,057,118</b>	<b>9,857,316</b>	<b>159,914,434</b>			<b>108,013,775</b>	<b>90,524,544</b>

## Loans and Advances

Particulars	Non - Current		Current	
	31/03/2015 (₹)	31/03/2014 (₹)	31/03/2015 (₹)	31/03/2014 (₹)
<b>1 Security Deposits;</b>				
a.) Secured, considered good	-	-	-	-
b.) Unsecured, considered good;	1,408,351	1,015,061	250,000	250,000
c.) Doubtful	-	-	-	-
	1,408,351	1,015,061	250,000	250,000
Provision for doubtful security deposit	-	-	-	-
	1,408,351	1,015,061	250,000	250,000
<b>2 Loans and advances to related parties</b>				
Unsecured, considered good;	-	-	-	-
	-	-	-	-
<b>3 Other loans and advances</b>				
a.) Prepaid Expenses	-	-	252,406	308,895
b.) Advances to Employees ( <i>note i</i> )	-	-	11,740	86,846
c.) Advance for expenses and other advances ( <i>note ii</i> )	-	-	1,256,960	6,563,337
d.) Balances with statutory/ government authorities ( <i>refer note iii</i> )	-	-	4,950	7,201
	-	-	1,526,056	6,966,279
<b>Total</b>	1,408,351	1,015,061	1,776,056	7,216,279

Note:

Particulars	Current	
	31/03/2015 (₹)	31/03/2014 (₹)
<b>i Advance to employees include</b>		
- Dues from staff	11,740	86,846
<b>ii Advances for expenses and other advances include</b>		
- Dues from staff	85,800	114,062
- Advance for expense	1,171,160	6,449,275
	1,256,960	6,563,337
<b>iii Balances with statutory/ government authorities (<i>refer note iii</i>)</b>		
- KVAT	2,450	-
-Excise Duty	-	7,201
-Professional Tax	2,500	-
	4,950	7,201

**13 Other Assets**

Particulars	Non - Current		Current	
	31/03/2015	31/03/2014	31/03/2015	31/03/2014
	(₹)	(₹)	(₹)	(₹)
<b>1 Other Current Assets</b>				
i) Interest accrued on fixed deposits	-	-	-	-
ii) Advance tax and Tax Deducted at Source (note i)	-	-	2,994,360	2,169,554
iii) Other Current Assets(note ii)	-	-	500,000.00	500,000
	-	-	<b>3,494,360</b>	<b>2,669,554</b>

Note:

Particulars	Current	
	31/03/2015	31/03/2014
	(₹)	(₹)
i) Advance tax and Tax Deducted at Source Tax Deducted at Source	2,994,360	2,169,554
Less : Provision for taxation	-	-
	<b>2,994,360.00</b>	<b>2,169,554.00</b>

**14 Inventories (valued at lower of cost or net realizable value)**

Particulars	31/03/2015	31/03/2014
	(₹)	(₹)
a. Raw Materials (Refer note i below)	3,500	7,814
b. Finished Goods (Refer note ii)	-	15,451
c. Consumables, Stocks and Spares (Refer note i)	2,071,209	964,725
	<b>2,074,709</b>	<b>987,991</b>

Notes:

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

**15 Trade Receivables**

Particulars	31/03/2015	31/03/2014
	(₹)	(₹)
<b>1 Aggregate amount of Trade Receivables outstanding for a period exceeding six months from the date they are due for payment</b>		
a) Secured, considered good	-	-
Unsecured, considered good	1,513,750	3,617,488
Doubtful	-	-
	1,513,750	3,617,488
add:Provision for doubtful receivables	-	-
	<b>1,513,750</b>	<b>3,617,488</b>

(A)

**2 Other Receivable**

a) Secured, considered good	-	-
Unsecured, considered good	12,697,563	8,281,845
Doubtful	-	-
	12,697,563	8,281,845
Provision for doubtful receivables	-	-
<b>(B)</b>	12,697,563	8,281,845
	<u>14,211,313</u>	<u>11,899,333</u>

**16 Cash & Bank Balances**

Particulars	31/03/2015 (₹)	31/03/2014 (₹)
a.) Balances with banks		
(i) In current accounts	178,980	536,640
b.) Cash on hand	136,517	20,388
	<u>315,497</u>	<u>557,028</u>

**Notes:** The details of balances as on Balance Sheet date with banks are as follows:

Particulars	31/03/2015 (₹)	31/03/2014 (₹)
<b><u>In Current Accounts</u></b>		
Canara Bank	5,738	5,784
ICICI	11,935	15,236
ICICI kalamassery	113,773	465,302
State Bank of India	47,190	47,910
State Bank of Travancore	344	2,408
	<u>178,980</u>	<u>536,640</u>

**17 Revenue from operations**

Particulars	31/03/2015 (₹)	31/03/2014 (₹)
a. Sale of products (Refer Note (i) below)		
Finished goods	195,167,841	223,428,091
b. Sale of services (Refer Note (ii) below)	39,653,366	22,125,170
	<u>234,821,207</u>	<u>245,553,261</u>

Notes:

i Sale of products comprises

**Finished goods**

Coconut Oil - Refined	188,115,526	219,648,317
Cattle Feed	5,386,480	-
Other Products	1,665,835	3,779,775
<b>Total sale of Products</b>	<u>195,167,841</u>	<u>223,428,091</u>

ii Sale of Services comprises

Processing Charges	39,653,366	22,125,170
<b>Total - Sale of services</b>	<u>39,653,366</u>	<u>22,125,170</u>

**18 Other income**

Particulars	31/03/2015 (₹)	31/03/2014 (₹)
a. Other non-operating income.(Refer Note (i) below)	1,348,502	1,746,389
	<u>1,348,502</u>	<u>1,746,389</u>
<b><u>i Other non operating income comprises</u></b>		
Lab Analysis	58,900	34,671
Creditors written back	961,977	857,494
Discount received	400	3,446
Weigh Bridge receipt	3,780	8,860
Insurance Reimbursement	20,265	55,492
Interest income	61,027	87,002
Loan Written Off	202,128	-
Miscellaneous Income	40,025	701,695
	<u>1,348,502</u>	<u>1,746,389</u>

**19 Cost of material consumed**

Particulars	31/03/2015 (₹)	31/03/2014 (₹)
a.) <u>Raw Materials</u>		
Opening stock	7,814	7,700,291
Add: purchases	192,506,284	193,872,021
	192,514,099	201,572,312
Less: Closing stock	3,500	7,814
	<u>192,510,599</u>	<u>201,564,497</u>

**20 (Increase)/ Decrease in inventories**

Particulars	31/03/2015 (₹)	31/03/2014 (₹)	(Increase) / Decrease
a.) Inventories at the end of the year			-
- Finished goods	-	15,451	15,451
	-	15,451	15,451
b.) Inventories at the beginning of the year			
- Finished goods	15,451	65,628	50,177
	15,451	65,628	50,177
<b>Net (increase) /decrease</b>	<b>15,451</b>	<b>50,177</b>	

**21 Employee benefits expense**

Particulars	31/03/2015 (₹)	31/03/2014 (₹)
a.) Salaries, Wages & Bonus	2,581,894	3,494,572
b.) Contribution to provident and other funds	235,109	214,022
c.) Gratuity Expense	40,456	47,137
d.) Ex Gratia	223,917	284,320
e.) Post employment medical benefits	87,974	130,783
f.) Staff welfare	2,338,330	2,059,383
	<u>5,507,680</u>	<u>6,230,217</u>

**22 Finance costs**

Particulars	31/03/2015 (₹)	31/03/2014 (₹)
a.) Interest expense on:		
(i) Borrowings	-	12,342
(ii) Others		
- Bank charges	15,395	24,494
	<u>15,395</u>	<u>36,836</u>

**23 Other expenses**

Particulars	31/03/2015 (₹)	31/03/2014 (₹)
a. <u>Manufacturing Expenses:</u>		
Consumables	14,039,482	8,733,316
Gunny Marking & Stitching Expenses	549,616	339,131
Electricity Charges	9,127,177	6,845,069
Freight Inwards	49,703	-
General Expenses-Factory	465,238	-
Lab Expenses	14,755	-
Loading & Unloading Charges	28,015	-
Diesel Charges	-	224,887
Machinery Maintenance	719,577	1,435,941
Production Expenses	-	29,396
	<u>24,993,563</u>	<u>17,605,469</u>

(A)

<b>b. Administrative Expenses:</b>			
Advertisement Expenses		113,562	92,251
Auditor's Remuneration		75,000	88,485
Debtors written off		-	295,418
Sales / Business Promotion Expenses		100,950	126,520
Travelling & Conveyance			
-Director's		-	515,363
- Others		449,890	174,504
Donation		10,401	31,401
Electrical Expenses		74,921	34,748
Fees & Taxes		601,686	330,146
Festival Expense		16,545	68,725
Vehicle running expenses		283,687	212,468
Bad Debts		645,817	
General Expenses		547,549	1,105,281
Legal & Professional Charges		439,200	895,921
Discount allowed		133,684	54,231
Miscellaneous Expense		81,926	168,034
Postage & Telegram		7,825	15,507
Rate Difference		123,544	-
Packing and Forwarding Charges		25,155	-
Printing & Stationery		52,529	44,787
Repairs & Maintenance - Others		2,370,509	650,573
Fee For Technical Services		75,000	-
ROC filing fees		5,400	2,500
Security charges		60,899	29,500
Late Filing Fee		29,730	-
Interest on tds		1,402	-
Tours & Travelling Expences		16,500	-
Workers Welfare		87,007	
Insurance		338,872	344,115
Interest on Sales tax and TDS		15,932	60
Rates, taxes, penalty			180
Telephone Charges		117,380	120,784
Other expenses		64,778	
Transportation Charges		350,991	361,196
	(B)	<u>7,318,271</u>	<u>5,762,697</u>
<b>c. Selling Expenses:</b>			
	(C)		-
Brokerage and commission		<u>6,311</u>	-
Notes:	(A) + (B) + (C)	<u>32,318,145</u>	<u>23,368,166</u>

	31/3/2015 (₹)	31/3/2014 (₹)
<u>Consumables, Stocks and Spares</u>		
Opening stock	964,725	791,289
Add: purchases	<u>15,145,966</u>	<u>8,906,752</u>
	16,110,691	9,698,041
Less: Closing stock	<u>2,071,209</u>	<u>964,725</u>
	<u>14,039,482</u>	<u>8,733,316</u>

i Payments to the auditors comprises (net of service tax input credit, where applicable):			
a.) As auditors - statutory audit		65,000	65,000
b.) For taxation matters		10,000	10,000
c.) Others		-	13,485
		<u>75,000</u>	<u>88,485</u>

**24 Tax expense:**

Particulars	31/03/2015 (₹)	31/03/2014 (₹)
1. Current Tax	-	-
2. Deferred Tax	12,501	14,565
	<u>12,501</u>	<u>14,565</u>

**25 Earnings per equity share:**

Particulars	31/03/2015 (₹)	31/03/2014 (₹)
<b>1. Basic Earnings per Share</b>		
Net profit / (loss) for the year	(3,151,205)	6,207,006
Weighted average number of equity shares	10,791,900	10,791,900
<b>Earnings per share - Basic (of ` 10/- each)</b>	<b>(0.29)</b>	<b>0.58</b>
<b>2. Diluted Earnings per share</b>		
Net profit / (loss) for the year	(3,151,205)	6,207,006
Weighted average number of equity shares for Basic EPS	10,791,900	10,791,900
Add: Effect of Warrants, ESOPs and Convertible bonds which are dilutive	-	-
Weighted average number of equity shares - for diluted EPS	10,791,900	10,791,900
<b>Earnings per share - Diluted (of ` 10/- each)</b>	<b>(0.29)</b>	<b>0.58</b>

**26 Segment Reporting****Primary Segment Information(By Business Segment)**

The company's primary segment have been identified as

- (a) Cattle Feed Division,
- (b) Oil Cake Processing Division.

There are no reportable secondary segments.

**27 Related party transactions****1. Details of Related Parties:**

Description of relationship	Names of related parties
a.) Key Management Personnel	1 . Mr. Sanjay Gupta (Managing Director) 2 . Mr. S.K. Gupta (Director)
b.) Associates	1. Prima Agro Limited 2. Ayyappa Roller Flour Mills Limited 3. Prima Beverage Pvt Limited 4. Prima Credits Limited

2. Details of related party transactions during the year ended 31 March, 2014 and balances outstanding for the year ended 31 March, 2014:

Transactions	31/03/2015 (₹)	31/03/2014 (₹)
<b>a.) Transactions during</b>		
<b><u>Purchase of fixed</u></b>		
Prima Agro Limited	-	-
<b><u>Loans taken</u></b>		
Prima Agro Limited	(6,523,131)	(14,820,000)
Ayyappa Roller Flour Mills Ltd	-	(13,515,000)
Prima Beverages Pvt Ltd	(200,000)	(690,000)
<b><u>Loans Repaid</u></b>		
Prima Agro Limited	430,004.00	14,565,000
Prima Beverages Pvt Ltd	200,000.00	2,444,552
Ayyappa Roller Flour Mills Ltd	3,656,963.00	6,050,000
S K Gupta	-	500,000
Sanjay Gupta	100,000.00	300,000
<b><u>Loans (taken from) / given to directors</u></b>		
S K Gupta	-	(500,000)
Sanjay Gupta	-	(400,000)
<b><u>Cash (received)/Paid</u></b>		
Prima Agro Limited	9,311	430435
Prima Beverages Pvt Ltd	-	-
Ayyappa Roller Flour Mills Ltd	-	-
Sanjay Gupta	-	-
<b><u>Issue of Preference</u></b>		
Ayyappa Roller Flour	-	-
<b><u>Other expenses</u></b>		
Prima Agro Limited	-	(669,035)
Ayyappa Roller Flour Mills Ltd	-	(83,714.00)
Prima Beverages Pvt Ltd	-	-
<b>b.) Balances outstanding at the end of the year</b>		
<b><u>Other Current</u></b>		
Prima Agro Limited	6,639,770	1,267,688
Ayyappa Roller Flour Mills Limited	31,866,045	35,523,007.82

## 28 Employee benefit plans

### 1 Gratuity plan

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

## 29 Operating Lease

Operating Lease payments are recognised as expenses in the Profit & Loss Account for the year

Particulars	31/03/2015 (₹)	31/03/2014 (₹)
a.) Total Minimum lease payment for each of the following periods		
-Not Later than 1 year	-	-
-Later than 1 year	-	-
-Later than 5 years	-	-
b.) Total of Future Minimum sub- lease payments, if any	-	-
c.) Lease payments recognised in the Profit & Loss A/c for the year		
- Rent for the accommodation of Staff	-	-

**30 Contingent Liabilities and commitments (to the extent not provided for)**

Particulars	31/03/2015 (₹)	31/03/2014 (₹)
<b>1 Contingent Liabilities</b>		
(a) Claims against the company not acknowledged as debt;	Nil	Nil
(b) Guarantees;		
- Guarantees issued by the bank	Nil	Nil
(c) Other money for which the company is contingently liable		
- Sales Tax demand disputed by the Company	Nil	Nil
- Central Sales Tax demand disputed by the Company	Nil	Nil
- KGST demand disputed by the Company	5,365,029	5,365,029
- Penalty disputed by the Company	Nil	Nil
<b>2 Commitments</b>		
(a) Estimated amount of contracts remaining to be executed on capital	Nil	Nil
(b) Uncalled liability on shares and other investments partly paid	Nil	Nil
(c) Other commitments - Dividend on Cumulative Redeemable Preference	11,197,403	11,197,403

**31 Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development**

Particulars	31/03/2015 (₹)	31/03/2014 (₹)
(i) Principal amount remaining unpaid to any supplier at the end of the	Nil	Nil
(ii) Interest due thereon remaining unpaid to any supplier at the end of the	Nil	Nil
(iii) The amount of interest paid along with the amounts of the payment made to the supplier beyond the appointed day	Nil	Nil
(iv) The amount of interest due and payable for the year	Nil	Nil
(v) The amount of interest accrued and remaining unpaid at the end of the	Nil	Nil
(vi) The amount of further interest due and payable even in the succeeding year, until such date when the interest dues as above are actually paid	Nil	Nil

Note:

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

**32 Activity in foreign currency**

Particulars	31/03/2015 (₹)	31/03/2014 (₹)
a.) Earnings in Foreign Exchange	Nil	Nil
b.) CIF Value of Imports	Nil	Nil
c.) Expenditure in Foreign Currency	Nil	Nil
d.) Dividends remitted in	Nil	Nil

As per our report of even date attached

**For G Joseph & Associates**

Chartered Accountants

(Firm Reg. No.006310S)

For and on behalf of the board of directors

**Prima Industries Limited**

**P. Rajagopal**

Partner

Membership No. 202134

**Sanjay Gupta**

Managing Director

**S K Gupta**

Director

Place : Cochin

Date : 5/30/2015

## Prima Industries Limited

No. V-679/C, Industrial Development Area, Muppathadam, Edayar, Cochin -683110

CIN:L15142KL1994PLC008368

### Notes to financial statements for the year ended March 31, 2015

#### 1 Corporate information

Prima Industries Limited (the "Company") , Indian Company registered under the Indian Companies Act, 1956. The Company was promoted primarily for Solvent Extraction and also for the refining of Oil.

#### 2.1 Basis of accounting and preparation of financial statements

The Financial Statements have been prepared on the historical cost convention. These statements have been prepared in accordance with the generally accepted accounting principles and the applicable Mandatory Accounting Standards and relevant requirements of The Companies Act, 1956 ('the Act'). The accounting policies have been consistently applied by the Company. The preparation required adoption of estimates and as sumptions that can affect the reported amounts of revenue and expenditure and the assets and liabilities as well as the disclosure of contingent liabilities. Differences between the actual results and estimates are recognised in the year in which they become known or materialises.

#### 2.2 Use of estimates

Accounting estimates could change from period to period. Actual results could differ from those estimates. Appropriate changes in estimates are made as the Management becomes aware of changes in circumstances surrounding the estimates. Changes in estimates are reflected in the financial statements in the period in which changes are made and, if material ,their effects are disclosed in the notes to the financial statements.

#### 2.3 Summary of Significant accounting policies

##### a. Inventories

Finished goods, Raw materials and Inventories are valued at lower of cost and net realizable value.

##### Cost Formula

Inventories are valued by using First in First Out method.

Net realisable value is the estimated selling price in the ordinary course of business.

(where cost includes purchase cost and processing expenses (for finished goods))

##### b. Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

##### c. Depreciation and amortisation

Depreciation on Fixed Assets is provided to the extent of depreciable amount on Straight line Method (SLM) .

Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

##### d. Revenue recognition

Revenue from sale of goods is recognised at the point of despatch to the customers, net of sales returns. Income from processing is recognised on accrual basis.

##### e. Fixed assets

Fixed Assets are stated at their original cost of acquisition including taxes, duties, freight and other incidental expenses relating to the acquisition and installation of the concerned assets less accumulated depreciation.

##### f. Employees Benefits

##### Retirement Benefits

Contribution to provident fund and employees welfare fund are charged to Profit & Loss Account on accrual basis. The liability on account of gratuity has been provided for on the basis of company's own valuation as per AS-15.

**g. Borrowing Costs**

Borrowing Cost that are directly attributable to the acquisition and construction of the qualifying asset are capitalised. A qualifying asset is an asset that necessarily takes substantial period of time to get ready for its intended use. Other borrowing cost are recognised in the period in which they are incurred.

**h. Earnings per share**

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by the weighted average number of equity shares outstanding during the period.

**i. Taxes on Income**

The company does not have any income tax liability during the year. Deferred tax is measured based on the tax rates and the tax laws enacted or substantively enacted at the Balance Sheet date. Deferred tax assets are recognised 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 realised. If the company has unabsorbed depreciation or carry forward tax losses, deferred tax assets are recognised only if there is virtual certainty supported by convincing evidence that such deferred tax assets can be realised against future taxable profits.

At each balance sheet date the Company re-assesses unrecognised deferred tax assets. It recognises unrecognised deferred tax assets to the extent that it has become reasonably certain or virtually certain, as the case may be that sufficient future taxable income will be available against which such deferred tax assets can be realised.

**j. Impairment Loss**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital. After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

**k. Segment Reporting**

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

**l. Cash Flow Statement**

Cash Flow Statement has been prepared under the Indirect Method as per AS - 3. Cash & Cash Equivalents in the statement comprises of Cash in hand & balances with banks representing overdrafts.

**m. Provisions and contingencies**

The Company creates a provision when there is a present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation or a present obligation that may, but probably will not, require an outflow of resources. Where there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made. Provisions for onerous contracts i.e. contracts where the expected unavoidable costs of meeting the obligations under the contract exceed the economic benefits expected to be received under it, are recognised when it is probable that an outflow of resources embodying economic benefits will be required to settle a present obligation as a result of an obligating event, based on a reliable estimate of such obligation.

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

**One Time Settlement with Banks**

The interest waiver obtained on one time settlement with banks during the year 2011 - 12 and 2012 - 13 have been credited to profit & loss account. The interest waiver obtained in earlier years has been reduced from the brought forward losses and the principal amount waived were credited to the Capital Reserves. The OTS amount for the Term Loan includes the value of Cumulative Redeemable Preference Shares allotted to the Bank, against overdue interest upto 31/03/2012 and converting the outstanding Principal amount and converting the present value of savings on account of reduction in rate on a restructuring. The OTS amount net of the value of the Cumulative Preference shares is considered to be principal amount waiver and the entire interest outstanding as per books is considered to be waived and has been reduced from the brought forward losses.

- 4 In the opinion of the management, current assets, loans and advances will realise the values as stated in the Balance Sheet, if realised in the normal course of business.
- 5 The amount of borrowing costs capitalized during the year is Rs. Nil.
- 6 As the company carries inventory of finished goods of various grade / quality, and the net realisable value of all such grade / quality are not available, the valuation is done based on the rates as certified by the Managing Director.

26 <b>SEGMENT REPORTING</b>		<b>Annexure 1</b>					
Particulars	Animal Feed Division		Crude Oil Processing/Solvent Extraction		Consolidated Total		
	Current Year	Prev Year	Current Year	Prev Year	Current Year	Prev Year	
<b>A. Revenue</b>							
External Sale	-	-	195,167,841	223,428,091	195,167,841	223,428,091	
Processing Charges	35,175,427	22,125,170	4,477,939	-	39,653,366	22,125,170	
Others	4,985	768,256	175,632	111,779	180,617	880,035	
Unallocated income	-	-	-	-	1,167,885	866,354	
<b>Total Segment Revenue</b>	<b>35,180,412</b>	<b>22,893,426</b>	<b>199,821,412</b>	<b>223,539,870</b>	<b>236,169,709</b>	<b>247,299,650</b>	
<b>B. Result</b>							
Stock Differential	-	-	15,451	50,177	15,451	50,177	
Raw material consumed	-	-	192,510,599	201,564,497	192,510,599	201,564,497	
Packing Mat consumed	-	-	-	-	-	-	
Consumables	387,479	786,901	13,652,003	7,946,415	14,039,482	8,733,316	
Freight Inwards	1,372	-	48,331	-	49,703	-	
Gunny Sticking	549,616	339,131	-	-	549,616	339,131	
Electricity	251,903	616,764	8,875,274	6,228,305	9,127,177	6,845,069	
Other overheads	-	-	465,238	254,283	465,238	254,283	
Repairs and Maintenance	927,026	916,573	2,163,060	1,127,070	3,090,086	2,043,643	
Depreciation on segment assets	-	-	-	-	-	-	
Other Repairs	-	-	-	-	-	-	
Advertisement Expenses	3,134	8,312	110,428	83,939	113,562	92,251	
Employee benefits expense	152,007	561,363	5,355,673	5,668,854	5,507,680	6,230,217	
Loading and Unloading expense	773	-	27,242	-	28,015	-	
Lab expenses	407	(205)	14,348	(2,067)	14,755	(2,271)	
Insurance	9,353	31,006	329,519	313,109	338,872	344,115	
Selling Expenses	174	11,400	6,137	115,120	6,311	126,520	
Finance cost	425	3,319	14,970	33,517	15,395	36,836	
Allocated segment expenses	2,283,669	3,274,565	223,588,274	223,383,221	225,871,943	226,657,785	
Un-allocated expenses	-	-	-	-	4,495,328	4,592,109	
<b>Operating Profit/(Loss)</b>	<b>32,896,743</b>	<b>19,618,862</b>	<b>(23,766,862)</b>	<b>106,473</b>	<b>5,802,439</b>	<b>16,049,756</b>	
Less: Interest Expense	-	-	-	-	-	-	
Less: Fringe Benefit Tax	-	-	-	-	-	-	
Less: Deferred Tax	-	-	-	-	(12,501)	(14,565)	
Profit from ordinary activities	32,896,743	19,618,862	(23,766,862)	106,473	5,789,938	16,035,191	
Less : Extra-ordinary loss	-	-	-	-	-	-	
<b>Net Profit/(Loss)</b>	<b>32,896,743</b>	<b>19,618,862</b>	<b>(23,766,862)</b>	<b>106,473</b>	<b>5,789,938</b>	<b>16,035,191</b>	

C.	<u>OTHER INFORMATION:</u> <u>Assets</u>					-	-
	Segment Assets		32,292,695		68,428,424		100,721,119
	Fixed Assets	22,290,385	28,140,232	41,396,429	55,637,834	63,686,814	83,778,065
	Capital Work in Progress		-		-		-
	Current Assets, Loans & Advances	2,332,462	4,152,463	16,907,247	12,790,590	19,239,709	16,943,053
	Un-allocated assets		-		-	46,432,547	31,652,469
	<b>Total Assets</b>	<b>25,873,699</b>	<b>32,292,695</b>	<b>64,520,214</b>	<b>68,428,424</b>	<b>129,359,070</b>	<b>132,373,587</b>
D.	<u>Liabilities</u>					-	-
	Segment Liabilities	742,016	1,407,176	2,149,765	2,909,514	2,891,781	4,316,691
	Un-allocated liabilities	-	-	-	-	45,371,360	43,702,059
		742,016	1,407,176	2,149,765	2,909,514	48,263,141	48,018,749
E.	<u>Depreciation</u>						
	Segment Depreciation	3,138,150	958,195	5,827,994	6,215,217	8,966,144	7,174,310
	Unallocated Depreciation	-	-	-	-	-	2,683,006
	<b>Total Depreciation</b>	<b>3,138,150</b>	<b>958,195</b>	<b>5,827,994</b>	<b>6,215,217</b>	<b>8,966,144</b>	<b>9,857,316</b>

**Related Party Transactions****Annexure 1**

Parties	Prima Agro Ltd (Tvm)	Ayyappa Roller Flour Mills Ltd	Prima Beverages Pvt Ltd	Prima Agro Ltd Edayar	Universal Trading Company	S K Gupta	Sanjay Gupta
<b>Balance outstanding at the beginning of the year</b>	<b>50,998</b>	<b>(35,523,008)</b>	<b>-</b>	<b>(1,318,686)</b>	<b>1,452,963</b>	<b>-</b>	<b>(100,000.00)</b>
Sales	-	-	-	-	-	-	-
Purchase of raw materials or finished goods	-	-	-	-	-	-	-
Provision/ (Receipt) of management services	-	-	-	-	-	-	-
Loans (Taken)	(6,523,131)	-	(200,000)	(5,120,000)	(1,452,963)	-	-
Loans Repaid	430,004	2,904,000	200,000	5,850,000	-	-	100,000
(Sale)/Purchase of Fixed Asset	-	-	-	-	-	-	-
Issue of CRPS	-	-	-	-	-	-	-
Loans (taken from) / given to directors	-	-	-	-	-	-	-
Cash (received)/Paid	9,311	-	-	-	-	-	-
Rent (Expense) / Income	-	-	-	-	-	-	-
(Other expenses) met	-	-	-	(18,266)	-	-	-
Assets (leased) / obtained on lease	-	-	-	-	-	-	-
R&D (Received) / Transferred	-	-	-	-	-	-	-
Guarantees given / (obtained)	-	-	-	-	-	-	-
Royalty (Expense) / Income	-	-	-	-	-	-	-
Provision for bad and doubtful debts	-	-	-	-	-	-	-
Write (off) /back of amounts due	-	-	-	-	-	-	-
<b>Balance outstanding at the year end</b>	<b>(6,032,818)</b>	<b>(32,619,008)</b>	<b>-</b>	<b>(606,952)</b>	<b>-</b>	<b>-</b>	<b>-</b>

## Prima Industries Limited

No. V- 679/C, Industrial Development Area, Muppathadam, Edayar, Cochin -683110  
CIN:L15142KL1994PLC008368

### Cash flow statement for the year ended March 31, 2015

Particulars	Note	For year ended March 31, 2015 (₹)	For year ended March 31, 2014 (₹)
<b>Schedules to Cash flow statements</b>			
<b>I Cash flows from operating activities</b>			
<b>Profit before tax and exceptional item</b>		(3,163,705)	6,192,441
Non- cash adjustment to reconcile profit before tax to net cash flows		-	-
Depreciation and amortization expense		8,966,144	9,857,316
Finance charges		15,395	36,836
Interest received (net of TDS)		(40,025)	(87,002)
<b>Operating profit before working capital changes</b>		<b>5,777,809</b>	<b>15,999,590</b>
<b>Movements in working capital:</b>			
Increase/(decrease) in other liabilities		115,842	3,149,955
Increase/(decrease) in provisions		202,294	26,817
Increase/(decrease) in trade payables		362,143	(9,034,600)
Decrease/(increase) in loans and advances		5,046,933	(4,670,779)
Decrease/(increase) in other assets		(824,806)	1,154,664
Decrease/(increase) in Inventories		(1,086,718)	7,569,217
Decrease/(increase) in trade receivables		(2,311,980)	(2,938,675)
<b>Cash generated from/(used in) operations</b>		<b>7,281,517</b>	<b>11,256,189</b>
Direct tax paid (net of refunds)		-	-
Gratuity paid		-	-
<b>Net cash flow from/(used in) operating activities (I)</b>		<b>7,281,517</b>	<b>11,256,189</b>
<b>II Cash flows from investing activities</b>			
Capital Work in progress		-	16,323,473
Purchase of fixed assets		(447,678)	(27,346,545)
Proceeds from sale of assets		-	-
Proceeds from non- current investments		-	-
Purchase of non- current investments		(7,000,000)	-
Purchase of current investments		-	-
Proceeds from current investments		-	-
Interest received (net of TDS)		40,025	87,002
Dividend received		-	-
<b>Net cash flow from/(used in) investing activities (II)</b>		<b>(7,407,653)</b>	<b>(10,936,071)</b>
<b>III Cash flows from financing activities</b>			
Increase/(decrease) in secured loans		-	-
Receipts from shares issue		-	-
Unsecured Loans from directors		(100,000)	100,000
Finance charges		(15,395)	(36,836)
Dividend paid on equity shares		-	-
<b>Net cash flow from/(used in) financing activities (III)</b>		<b>(115,395)</b>	<b>63,164</b>

<b>Net increase /(decrease) in cash and cash equivalents (I+II+III)</b>		(241,531)	383,282
Effect of exchange differences on cash & cash equivalents held on foreign currency		-	-
Cash and cash equivalents at the beginning of the year		557,028	(5,265)
<b>Cash and cash equivalents at the end of the year</b>		<b>315,497</b>	<b>378,017</b>
Summary of significant accounting policies	2.3		

  

As per our report of even date attached <b>For G Joseph &amp; Associates</b> Chartered Accountants (Firm Reg. No.006310S)	For and on behalf of the board of directors <b>Prima Industries Limited</b>
<b>P. Rajagopal</b> Partner Membership No. 202134	<b>Sanjay Gupta</b> Managing Director DIN:00248003
	<b>S K Gupta</b> Director DIN:01575160
Place: Cochin Date 30/05/2015	

Form No. MGT-7

ANNUAL RETURN

**As on the financial year ended on 31/03/2015 of M/s Prima Industries Limited**

[Pursuant to Section 92(1) of the Companies Act, 2013

And

Rule 11(1) of the Companies (Mgt. and Administration) Rules, 2014]

## I. REGISTRATION AND OTHER DETAILS:

- i) CIN: Registration Date [DDMMYY] : L15142KL1994PLC008368  
ii) Category of the Company : Public Company  
ii) Sub Category of the Company : Limited by shares  
iv) Whether shares listed on recognized Stock Exchange(s): Listed in Bombay Stock Exchange.  
v) AGM details-  
Whether extension of AGM was granted – Yes / No. : NO (AGM Date-07-09-2015)

## Vi) NAME AND REGISTERED OFFICE ADDRESS OF COMPANY:

PRIMA INDUSTRIES LIMITED  
"Door No: V/679-C  
Industrial Development Area  
Muppathadam P O, Edayar  
Ernakulam Dist, Cochin – 683 110, Kerala, India.  
Telephone : 91-484-2551533  
Fax Number : 91-484-2556060  
Email Address : prima@vsnl.in  
Website : [www.prima.net.in](http://www.prima.net.in)  
Name of the Police Station having jurisdiction where the registered office is situated:  
BINANIPURAM POLICE STATION

## Vii) Name and Address of Registrar &amp; Transfer Agents ( RTA ): - Full address and contact details to be given.

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

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY (All the business activities contributing 10 % or more of the total turnover of the company shall be stated)

SN	Name and Description of main products / services	NIC Code of the Product/service
1	Cattle Feed - NIC CODE:2171-	20% to total turnover of the company
2	Solvent Extraction - NIC CODE:2113-	80% to total turnover of the company

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES [No. of Companies for which information is being filled]]

S. NO. NAME OF THE COMPANY

1	.Ayyappa Real Estate (P) Ltd.	-	Associate Company
2.	Ayyappa Roller Flour Mills Ltd.	-	"
3.	PAPL Exim India Ltd.	-	"
4.	Prima Credits Ltd.	-	"
5.	Prima Alloys (P) Ltd.	-	"
6	Prima Beverage (P) Ltd.	-	"
7.	Prima Agro Ltd.	-	"

IV. SHARE CAPITAL, DEBENTURES AND OTHER SECURITIES OF THE COMPANY

i) Share Capital

a) Authorised Capital-

Class of Shares	Nominal Value per share (Rs.10/-)	Total Nominal value of shares [Rs.]
Equity Share :-		
At the beginning of the year	: 1,35,00,000 Shares	13,50,00,000
Changes during the year (Increase)	: Nil	Nil
Changes during the year (Decrease)	: Nil	Nil
At the end of the year	: 1,35,00,000 Shares	13,50,00,000
Preference Share :-		
At the beginning of the year	: 1,15,00,000 Shares	11,50,00,000
Changes during the year (Increase)	: Nil	Nil
Changes during the year (Decrease)	: Nil	Nil
At the end of the year	: 1,15,00,000 Shares	11,50,00,000
Total Authorized Capital at the beginning of the year	: 2,50,00,000	25,00,00,000
Total Authorised Capital at the end of the year	: 2,50,00,000	25,00,00,000

b) Issued Share Capital

At the beginning of the year	: 1,07,91,900 Shares	10,79,19,000
Changes during the year (Increase)	: Nil	Nil
Changes during the year (Decrease)	: Nil	Nil
At the end of the year	: 1,07,91,900 Shares	10,79,19,000
Preference Share :-		
At the beginning of the year	: 1,11,97,403 Shares	11,19,74,030
Changes during the year (Increase)	: Nil	Nil
Changes during the year (Decrease)	: Nil	Nil
At the end of the year	: 1,11,97,403 Shares	11,19,74,030
Total Authorized Capital at the beginning of the year	: 2,19,89,303	21,98,93,030
Total Authorised Capital at the end of the year	: 2,19,89,303	21,98,93,030

C) Subscribed Share Capital

At the beginning of the year	: 1,07,91,900 Shares	10,79,19,000
Changes during the year (Increase)	: Nil	Nil
Changes during the year (Decrease)	: Nil	Nil
At the end of the year	: 1,07,91,900 Shares	10,79,19,000
Preference Share :-		
At the beginning of the year	: 1,11,97,403 Shares	11,19,74,030
Changes during the year (Increase)	: Nil	Nil

Changes during the year (Decrease)	:	Nil	Nil
At the end of the year	:	1,11,97,403 Shares	11,19,74,030

Total Authorized Capital at the beginning of the year :	2,19,89,303	21,98,93,030
Total Authorised Capital at the end of the year :	2,19,89,303	21,98,93,030

## d) (i) Paid Up Share Capital-

At the beginning of the year	:	1,07,91,900 Shares	10,79,19,000
Changes during the year (Increase)	:	Nil	Nil
Changes during the year (Decrease)	:	Nil	Nil
At the end of the year	:	1,07,91,900 Shares	10,79,19,000

## Preference Share :-

At the beginning of the year	:	1,11,97,403 Shares	11,19,74,030
Changes during the year (Increase)	:	Nil	Nil
Changes during the year (Decrease)	:	Nil	Nil
At the end of the year	:	1,11,97,403 Shares	11,19,74,030

Total Authorized Capital at the beginning of the year :	2,19,89,303	21,98,93,030
Total Authorised Capital at the end of the year :	2,19,89,303	21,98,93,030

ii) Debentures : No debentures are issued by the Company

iii) Other Securities- : No Other Securities are Issued by the Company

iv) Securities Premium Account : N.A

vii. Others please specify..... : N.A

## V. Turnover and net worth of the company (as defined in the Act)

(i) Turnover:  
- Turnover at the end of the financial year : Rs. 2361.69 Lacs

(ii) Net worth of the Company:  
- Net worth at the end of the financial year : Rs. 807.77 Lacs

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

(Annexed separately as part of annual report.)

F) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment  
Secured Loans excluding deposits,Unsecured Loans,Deposits

Total Indebtedness	
Indebtedness at the beginning of the financial year	: Rs.480.29 Lacs
Change in Indebtedness during the financial year	
* Addition	: Rs.5.80 Lacs
Indebtedness at the end of the financial year	: Rs 486.09 Lacs

## VII) DETAILS OF MEMBERS, DEBENTURE HOLDERS AND OTHER SECURITIES HOLDER

( RTA of the Company is maintaining the Share Holders Register)

VIII) Details of shares / debentures transfers since the close of last financial year [or in the case of the first return at any time since the incorporation of the Company.]

(RTA of the Company is maintaining the Share Transfer Register)

## IX) PROMOTERS/DIRECTORS / KEY MANAGERIAL PERSONNEL AND CHANGES THEREIN

[Designation: - P- Promoter, C – Chairman, CMD- Chairman cum Managing Director, CW-Chairman cum Whole time Director, W –Whole Time Director, CS –Company Secretary, M –Manager, D –Director, MD – Managing Director, CEO - Chief Executive Officer, CFO -Chief Financial Officer]

[Category:- I- Independent, N- Nominee, A- Alternate, ED-Executive Director, NED - Non- Executive Director ]

( These Details are showing separately )

## X. MEETINGS OF MEMBERS/CLASS OF MEMBERS/BOARD/COMMITTEES OF THE BOARD OF DIRECTORS

( These Details are showing separately )

## XI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL -

( These Details are showing separately )

## XII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES: NA

## XIII. MATTERS RELATED TO CERTIFICATION OF COMPLIANCES AND DISCLOSURES

## A. CERTIFICATION OF COMPLIANCES

Details of events / matters in respect of which the company was liable to file returns or comply with requisite provisions of the Companies Act and rules made hereunder;-

Description of the Event / Matter Date of Filing SRN/ SR compliance	Date Of The Event Concerned with Authority (ROC/ NCL /Court)	Section & Description	Due date for filing / compliance Reasons for delay, if any
--	---	-----------------------	---

## B. DISCLOSURES

1. The Register of Members and Share Transfer Books of the Company will be closed from Wednesday, 02<sup>nd</sup> September, 2015 to Monday, 07<sup>th</sup> September, 2015 (both days inclusive) for AGM purpose.

2.No Dividend was declared for the current financial year due to conservation of Profits/due to loss incurred by the Company /due to insufficient profit.

3.Delisting of Shares / Securities, if any	Name of Stock Exchange from where it is delisted	Date of Delisting	Remarks
-NIL-			

4.Change in Nominal Value of Shares	Nominal Value per share before Change	Nominal Value per share after Change	Date of Change
-NIL-			

5.Particulars of inter- corporate loans, investments, etc (for each body corporate)	Name of the body corporate Relation with such body corporate (whether it is holding, subsidiary or associate)	Aggregate amount of loans, investments during the year	Remarks
--	--	--	---------

Name of the Associate Loan granted	during the year	Balance as on 31/03/2015
Ayyappa Roller Flour Mills Ltd	318.66 Lacs	355.23 Lacs
Prima Agro Ltd	66.40 Lacs	12.68 Lacs

6.Contracts or arrangements in which directors are interested / related party transactions	Name of the director / related party
Date of disclosure of interest	Date of contract / arrangement
	Brief particulars of the contract /arrangement
-NIL-	

7.Details of resolutions passed by postal ballot	Brief Particulars of resolution	Number of votes cast For	Against	
-NIL-				

XIV. Details in respect of shares held by or on behalf of the FII's. NA

## XV. OTHER DISCLOSURES

(1) Corporate Social Responsibility:-

(a) Amount spent by the company during the financial year in pursuance of its Corporate Social Responsibility policy – NIL

(b) The amount spent as percentage of the average net profits of the company made during the three immediately preceding financial years-NIL

(2) Disclosure of Directors:-

- All the Directors have furnished notices in form 12.1 and additional disclosures, wherever applicable, during the year;

- Each independent director has given a declaration that he meets the criteria of independence as provided in sub-section (6) of section 149.

(4) The Company has duly re-appointed, M/s G.Joseph & Associates, Chartered Accountants, (Registration No.006310S) as the Auditor of the Company at the annual general meeting held on 16<sup>TH</sup> August,2014.

We certify that:

(a)The return states the facts, as they stood on the date of the closure of the financial year aforesaid correctly and adequately.

(b)The Company has maintained all the registers as per the provisions of the Act and the rules made there under and

(d)Unless otherwise anything in contrary is stated expressly elsewhere in this Return, the Company has complied with the applicable provisions of the Act during the financial year.

Sd/-  
Director

sd/-  
Company Secretary

Form No: MR 3

**SECRETARIAL AUDIT REPORT  
FOR THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2015**

[Pursuant to section 204(1) of the Companies Act, 2013 and

Rule 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

To,

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

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

Based on our verification of M/s. Prima Industries Limited, books, papers, minute books, forms and returns filed and other records produced to us and according to information and explanations given to us by the Company, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31.03.2015 complied with the provisions of the Companies Act, 2013 (Act) and the Rules made there under, the Memorandum and Articles of Association of the Company and also applicable provisions of the aforesaid laws, standards, guidelines, agreements, etc.

We have examined the books, papers, minute books, forms and returns filed and other records maintained by M/s. Prima Industries Limited ("the Company") for the financial year ended on 31.03.2015 according to the provisions of:

- 1 The Companies Act, 2013 and the Rules made there under.
- 2 The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the Rules made there under.
- 3 The Depositories Act, 1996 and the Regulations and Bye-laws framed there under.
- 4 The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act').
  - a. The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011.
  - b. The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992.
  - c. The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009.
  - d. The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999.
  - e. The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008.
  - f. The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; and.
  - g. The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
- 5 The Listing Agreements entered into by the Company with Bombay Stock Exchange  
As informed to us the following other Laws specifically applicable to the Company as under:
  1. The Factories Act, 1948.
  2. The payment of wages Act 1936
  3. The Minimum Wages Act 1948.
  4. The Employees State Insurance Act 1948.
  5. The Employees' Provident Fund and Miscellaneous Provisions Act, 1952.
  6. The payment of Gratuity Act, 1972.
  7. The Maternity Benefit Act 1961.
  8. The Competition Act, 2002.
  9. The Kerala Panchayat Raj Act and Kerala Municipalities Act.
  10. The Kerala Shops & Establishment Act, 1960
  11. Kerala Industrial Establishments (National & Festival Holidays Act) 1958
  12. Sexual Harassment of Women at the work place (prevention, prohibition and redressal

13. Food Safety And Standards Act, 2006
14. Indian Boilers Act 1923
15. The Water (Prevention and Control of Pollution) Act, 1974.
16. The Air (Prevention & Control of Pollution) Act, 1981
17. The Environment (Protection) Act, 1986.
18. The Legal Metrology Act.
19. The Standard of Weight & Measures (Enforcement) Act, 1985.

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

- 1) Draft secretarial standards issued by the institute of Company Secretaries of India, to the extent applicable (The secretarial Standards on Board Meeting and General Meeting have not yet been notified).
- 2) Corporate Governance Voluntary Guidelines- 2009 issued by the Ministry of Corporate Affairs, Government of India;
- 3) Corporate Social Responsibility Voluntary Guidelines, 2009 issued by the Ministry of Corporate Affairs, Government of India;

We report that, during the year under review:

1. The status of the Company during the financial year has been that of a Listed Public Company.
2. The Company has not been a holding or subsidiary of another company. The company is a Listed Public Company.
3. 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 Companies Act, 2013.

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

4. The Directors have complied with the disclosure requirements in respect of their eligibility of appointment, their being independent and compliance with the code of Business Conduct & Ethics for Directors and Management Personnel.
5. The Directors have complied with the requirements as to disclosure of interests and concerns in contracts and arrangements, shareholdings/debenture holdings and directorships in other companies and interests in other entities.
6. The company has not advanced loans, given guarantees and provided securities to directors and/or persons or firms or companies in which directors were interested.
7. The amount borrowed by the Company from its directors, members, bank(s)/ financial institution(s) and others were within the borrowing limits of the Company. Such borrowings were made by the Company in compliance with applicable laws.
8. The Company has not defaulted in the repayment of unsecured loans, facilities granted by bank(s)/financial institution(s) and non-banking financial companies. The Company has not issued Debentures and collected Public Deposits.
9. The Company has not created modified or satisfied charges on the assets of the company and complied with the applicable laws.
10. All registrations under the various state and local laws as applicable to the company are valid as on the date of report.
11. The Company has not issued and allotted the securities during the period under scrutiny.
12. The Company has not declared and paid dividends to its shareholders during the period under scrutiny.
13. The Company has;
  - a. no unpaid dividends,
  - b. not issued debentures and
  - c. not accepted fixed deposits
 So there is no need for transferring amount to the Investor Education and Protection Fund during the period under scrutiny.
14. As informed by the Management, the Company has paid all its Statutory dues and satisfactory arrangements have been made for arrears of any such dues.
15. The Company being a listed entity has complied with the provisions of the Listing Agreement.
16. The Company being a listed company is required to appoint Chief Financial Officer as per Section 203 of the Companies Act, 2013 read with the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The company has been advised to comply the provisions and the company is in the process of complying with the provisions of the Act as certified by the Management.
17. As per the information from the management, the company is in the process of updating the statutory register.
18. The Company has provided a list of statutes in addition to the laws as mentioned above and it has been observed that there are proper systems in place to ensure compliance of all laws applicable to the company.

We further report that:

1. the Company has complied with the provisions of Corporate Governance Voluntary Guidelines, 2009 issued by the Ministry of Corporate Affairs, Government of India;

2. the Company has complied with the provisions of Corporate Social Responsibility Voluntary Guidelines, 2009 issued by the Ministry of Corporate Affairs, Government of India;
3. the Company has followed the draft Secretarial Standards issued by the Institute of Company Secretaries of India to the extent applicable (The Secretarial Standards on Board Meetings and General Meetings have not yet been notified).
4. the Company has complied with the provisions of Equity listing Agreements entered into with Bombay Stock Exchange.
5. the Company has complied with the provisions of the Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 including the provisions with regard to disclosures and maintenance of records required under the Regulations;
6. the Company has complied with the provisions of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992 including the provisions with regard to disclosures; and the company is in the process of preparing the required documents and records as per the rules and regulations as certified by the management.
7. the provisions of the Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 are not applicable for the company during the period under scrutiny.
8. the Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 with regard to grant of Stock Options and implementation of the Schemes are not applicable for the company during the period under scrutiny.
9. the provisions of Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 are not applicable for the company during the period under scrutiny.
10. the Company has complied with the provisions of the Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
11. the provisions of Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 are not applicable for the company during the period under scrutiny.
12. the provisions of the Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 with regard to buy back of Equity shares are not applicable for the company during the period under scrutiny.
13. the Company has been advised to provide E-voting facility to the members and the Company is in the process of entering in to try party agreement between RTA and NSDL as certified by the management.
14. the company had complied with the Provisions of The Competition Act, 2002 with regard to prohibition of anticompetitive agreements, abuse of dominance and ensuring of competition advocacy . As per the verification, the company is ensuring fair competition in the market among its competitors.

We Further Report That:

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

1. The factories Act, 1948
  - a. Factory license valid till 31.12.2015
  - b. Statutory registers as per factories act has been maintained.
  - c. The company has regularly filed annual and half yearly returns with the concerned authorities.
2. Payment of wages Act 1936:-Overall Compliance under the Act is compiled by the Company
3. The Minimum Wages Act 194:- The Company has complied with the provisions of the Act.
4. The Employees State Insurance Act 1948:-The Company has complied with the provisions of the Act.
5. Employees' Provident Fund and miscellaneous provisions Act, 1952:-Overall Compliance under the Act has been complied by the Company
6. The payment of Gratuity Act, 1972:-Overall Compliance under the Act complied by the company
7. The Maternity Benefit Act 1961:-Overall Compliance under the Act complied by the Company.
8. The Competition Act, 2002:-Overall Compliance under the Act complied by the Company.
9. The Kerala Panchayat Raj Act and Kerala Municipalities Act:-The Company has complied with the provisions of the Act.
10. The Kerala Shops & Establishment Act, 1960:-Overall Compliance under the Act complied by the Company.
11. Kerala Industrial Establishments (National & Festival Holidays Act) 1958:- The Company has complied with the provisions of the Act.
12. Sexual Harassment of Women at the work place (prevention, prohibition and redressal) Act, 2013:- The Company has been advised to comply with the necessary requirements under this Act.
13. Food safety and Standards Act, 2006:-The Company has complied with the provisions of the Act.
14. Indian Boilers Act 1923:-The Company has complied with the provisions of the Act.
15. The Water (Prevention and Control of Pollution) Act, 1974:-The Company has obtained necessary license under the Act.
16. The Air (Prevention & Control of Pollution) Act, 1981:-The Company has obtained necessary license under the Act.

17. The Environment (Protection) Act, 1986:- The Company has obtained necessary license under the Act.
18. The Legal Metrology Act:-The Company has complied with the provisions of the Act.
19. The Standard of Weight & Measures (Enforcement) Act, 1985:-The Company has complied with the provisions of the Act.

We further report that:

There are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines. This Report is to be read with our letter of even date which is annexed as Annexure -A and forms an integral part of this report.

Place:Cochin  
Date :22/07/2015

CS N Balasubramanian  
Partner, BVR & Associates, Company Secretaries  
ACS/FCS No. F6439  
C P No.: 4996

#### **Annexure A'**

To,  
The Members  
**M/s. PRIMA INDUSTRIES LIMITED**

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

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

Place:Cochin  
Date :22/07/2015

CS N Balasubramanian  
Partner, BVR & Associates, Company Secretaries  
ACS/FCS No. F6439  
C P No.: 4996

## FORMAT FOR REGISTERING EMAIL ID

<b>DP/Client ID / Folio No</b>	:
<b>Name of the sole / first holder</b>	:
<b>Postal Address</b>	:
<b>Email Address</b>	:
<b>Signature</b>	:

**PRIMA INDUSTRIES LIMITED**

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

**PROXY FORM**

I/We .....  
.....of.....in the district of.....  
.....being a Member(s) of above named Company, hereby appoint Shri.....  
of.....in the district of.....  
.....or failing him Shri.....  
.....of.....  
of.....in the district of .....as my/our proxy to vote for me/us,  
on my/our behalf at the 21<sup>st</sup> Annual General Meeting of the members of the Company to be held on Monday the 07<sup>th</sup>  
September, 2015 at 11.00 a.m. at its Regd.Office: "Door No: V/679-C , Industrial Development Area , Muppathadam P O ,  
Edayar, Cochin – 683 110 on Kerala, India and at any adjournment thereof.

Signed at .....this.....day of.....2015

Signature of the Member

Affix  
Re.1/-  
Revenue  
Stamp

Regd. Folio No:  
No of shares held:

The Companies Act, 1956 lays down that an Instrument appointing a proxy shall be deposited at the Registered Office of the Company not less than 48 hours before the time of holding the Meeting.

-----Cut here-----

**PRIMA INDUSTRIES LIMITED**

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

**ATTENDANCE SLIP**

(To be handed over at the entrance of the Meeting Hall)

Full name of the Member attending (IN BLOCK LETTERS).....

Full Name of the First Holder.....  
(To be filled in if First Holder does not attend Meeting)

Name of the Proxy .....  
(To be filled in if the Proxy Form has been duly deposited with the Company)

I hereby record my presence at the 21<sup>st</sup> Annual General Meeting of the Members of the Company being held on Monday the 07<sup>th</sup> September, 2015 at 11.00 a.m. at Regd.Office: "Door No: V/679-C, Industrial Development Area, Muppathadam P O, Edayar, Cochin – 683 110, Kerala, India

Regd. Folio No:  
No of shares held:

Member's/Proxy's Signature  
(to be signed at the time of handing over this slip)

PRINTEDBOOK

T

If undelivered, please return to:

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