



PREMCO
GLOBAL LTD.

Date: 20th August 2019

To,
The Secretary
BSE Limited
Corporate Relations Department,
P. J. Towers, Dalal Street,
Mumbai-400 001

Dear Sir,

Sub: Submission of Annual Report under Regulation 34(1).

Ref: Scrip Code- 530331

Pursuant to Regulation 34(1) of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, Please find attached herewith Annual Report of the Company.

Kindly take the above on your records.

Thanking you,

Yours faithfully,
For **PREMCO GLOBAL LIMITED**


Ashok Harjani
Managing Director
DIN: 00725890



"PREMCO HOUSE", Street No. 3, M.I.D.C., Marol, Andheri(East), Mumbai - 400093.
POST BOX NO. 9426, MUMBAI-93. Tel.: +91-22-2822 3232 / +91-22-6105 5000/5001
E-mail: admin@premcoglobal.com Web: www.premcoglobal.com,
CIN NO. L18100MH1986PLC040911



PREMCO
GLOBAL LTD



ANNUAL REPORT

2018-2019



PREMCO GLOBAL LIMITED
CIN: L18100MH1986PLC040911

BOARD OF DIRECTORS

MR. ASHOK B. HARJANI
CHAIRMAN & MANAGING DIRECTOR

MR. LOKESH P. HARJANI
WHOLE TIME DIRECTOR

MS. NISHA P. HARJANI
CHIEF FINANCIAL OFFICER & DIRECTOR

MS. SONIA A. HARJANI
DIRECTOR

MS. SONU A. CHOWDHRY
DIRECTOR

MR. RAJESH M. MAHTANI
INDEPENDENT DIRECTOR

MR. DEVENDRA K. SHAH
INDEPENDENT DIRECTOR (Resigned w.e.f. 18th March, 2019)

MR. PREM I. GIDWANI
INDEPENDENT DIRECTOR

MR. LALIT D. ADWANI
INDEPENDENT DIRECTOR (Appointed w.e.f. 28th May, 2019)

MR. R. C. PANWAR
CHIEF EXECUTIVE OFFICER

MS. SNEHAL TONDWALKAR
COMPANY SECRETARY & COMPLIANCE OFFICER

Plot No. -41, Diwan & Sons Industrial
Estate, Aliyali Village, Dist.Thane,
Palghar, Maharashtra-401 404

8, Marol Udyog Premises, Steelmade
Industrial Estate, Marol-Maroshi Road,
Andheri (E) Mumbai Maharashtra- 400 059

STATUTORY AUDITOR
SANjAy RAJA jAIN & CO.

SECRETARIAL AUDITOR
SANjAy DHOLAKIA & ASSOCIATES

REGISTRAR & TRANSFER AGENT
Big Share Services Private Limited
1st Floor, Bharat Tin Works Building, Opp. Vasant
Oasis, Makwana Road, Marol, Andheri (E), Mumbai 400 059.
Tel.No.091-022-62638200
Fax No.091-022-62638299

BANKERS
HDFC BANK LIMITED
STATE BANK OF INDIA

REGISTERED OFFICE
A/26, Premco House, Street No.3, MIDC
Marol , Andheri (E) Mumbai – 400 093
Telephone No.: 022 – 61050 5000
Fax No. : 022 – 2835 1812
Email - admin@premcoglobal.com

FOREIGN SUBSIDIARY
PREMCO GLOBAL VIETNAM COMPANY LIMITED
LOT NO 18, ROAD NO 7, TAN DUC INDUSTRIAL PARK,
DUC HOA HA, DUC HOA DISTRICT,
LONG AN PROVINCE. VIETNAM
TEL NO: +84 123 952 8344/+84 986493991

PLANT LOCATIONS

Plot No. -202/2, Old Check post,
Dadra & Nagar Haveli,
Union Territory -D&NH-396 230

C/O. Akay Filtips Pvt.Ltd.
Plot No.- 2/23/24, GIDC, Silvassa Road
Near Nathani Paper Mills, Vapi-396 195

CONTENTS

	PAGE NO.
BOARD OF DIRECTORS	1
NOTICE	2
DIRECTORS REPORT	12
CORPORATE GOVERNANCE REPORT	44
INDEPENDENT AUDITORS REPORT ON CONSOLIDATED FINANCIAL STATEMENT	56
CONSOLIDATED BALANCE SHEET	60
CONSOLIDATED STATEMENT OF PROFIT AND LOSS	61
CONSOLIDATED CASH FLOW STATEMENT	62
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	63
CONSOLIDATED NOTES TO FINANCIAL STATEMENT	64
INDEPENDENT AUDITORS REPORT ON STANDALONE FINANCIAL STATEMENT	104
STANDALONE BALANCE SHEET	110
STANDALONE STATEMENT OF PROFIT AND LOSS	111
STANDALONE CASH FLOW STATEMENT	112
STANDALONE STATEMENT OF CHANGES IN EQUITY	113
STANDALONE NOTES TO FINANCIAL STATEMENT	114
FINANCIAL HIGHLIGHTS	154-155
ATTENDANCE SLIP/PROXY FORM	157/159

NOTICE

NOTICE is hereby given that the 35th ANNUAL GENERAL MEETING of the Shareholders of **PREMCO GLOBAL LIMITED** (CIN:L18100MH1986PLC040911) will be held on **Tuesday, September 10, 2019** at 10.00 A.M. at **The International By Tunga, at B/11, MIDC Central Road, MIDC, Opp. Ahura Centre, Andheri (E), Mumbai – 400 093** to transact the following business:

ORDINARY BUSINESS

- 1) To receive, consider, and adopt
 - a) the Audited Standalone Financial Statements for the year ended 31st March 2019 together with the Report of Directors and the Auditors thereon, and
 - b) the Audited Consolidated Financial Statements for the year ended 31st March 2019 together with the Report of Auditors thereon, and
- 2) To declare dividend on Equity Shares for the financial year ended 31st March 2019.
- 3) To appoint a Director in place of Mr. Lokesh Harjani (DIN: 01496181) who retires by rotation and being eligible offers himself for re-appointment.

SPECIAL BUSINESS

- 4) **To Regularize Appointment of Mr. Lalit Daulat Advani (DIN- 00308138) as an Additional Director (Non-Executive & Independent) of the Company.**

To consider and if thought fit, to pass with the following resolution as an ordinary Resolution:

“RESOLVED THAT in accordance with the provisions of Section 152 and all other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the rules made thereunder (including any statutory modification(s) or re-enactment(s) thereof for the time being in force), Mr. Lalit Daulat Advani (DIN: 00308138) who was appointed as a Additional Director (Non-Executive & Independent) of the Company with effect from May 28, 2019, who holds office upto the date of this Annual General Meeting in terms of Section 160 (1) of the Act and who is eligible for appointment and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed as Additional Director (Non-Executive & Independent) of the Company, and is not liable to retire by rotation.

‘RESOLVED FURTHER THAT pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 (“the Act”) and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable

provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), hereby approves the appointment of Mr. Lalit Daulat Advani (DIN: 00308138), as an Independent Director for the period of five years with effect from May 28, 2019 and who holds office up to May 27, 2024 and being eligible and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a term of 5 (five) consecutive years on the Board of the Company w.e.f. May 28, 2019.

RESOLVED FURTHER THAT to give effect to this appointment, Mr. Ashok Harjani, Managing Director of the Company be and are hereby authorized to do all such acts, deeds and things as may be necessary to give effect to above resolution including filing of necessary forms with Registrar of Companies and to issue appointment letter for and on behalf of the Company.”

- 5) **To Re-appointment and Payment of Remuneration to Mr. Ashok Harjani (DIN-00725890) as Managing Director.**

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

“RESOLVED THAT as recommended by the Nomination and Remuneration Committee and Board of Directors in their meeting held on May 28, 2019 and pursuant to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), read with Schedule V to the Companies Act, 2013 and with consent and approval be and is hereby accorded to the appointment of and the remuneration being paid or provided to Mr. Ashok Harjani (DIN 00725890) as Managing Director of the Company for a period of Five years with effect from April 1, 2019 at a remuneration not exceeding Rs. 6,00,000/- per month including perquisites and on the terms and conditions set out in draft Letter of appointment a copy whereof initialed by Mr. Lokesh Prem Harjani, (DIN 01496181) Executive Director of the Company, for the purpose of identification has been placed before the Meeting, which draft Letter of appointment is hereby specifically approved.

RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorised to vary or increase the remuneration in the said draft Letter of appointment to the extent the Board of Directors may consider appropriate



and as may be permitted or authorised in accordance with any provision under the Act for the time being in force provided, however, that the remuneration payable to Mr. Ashok Harjani (DIN 00725890) shall be within the limits set out in the said Act including the said Schedule V to the Act or any amendments thereto or any modification(s) or statutory re-enactment(s) thereof and / or any rules or regulations framed thereunder and the terms of the aforesaid Letter between the Company and Mr. Ashok Harjani (DIN 00725890) shall be suitably modified to give effect to such variation or increase as the case may be.

RESOLVED FURTHER THAT, in the event of loss or inadequacy of profits in any financial year of the Company during the term of Mr. Ashok Harjani's office as Managing Director, the remuneration set out in the aforesaid draft Letter of appointment be paid or granted to Mr. Ashok Harjani (DIN 00725890) as minimum remuneration provided that the total remuneration by way of salary and other allowances shall not exceed the ceiling provided in Schedule V to the said Act or such other amount as may be amended from time to time or any equivalent statutory re-enactment(s) thereof."

6) **To Re-appointment and Payment of Remuneration to Mr. Lokesh Prem Harjani (DIN 01496181) as Executive Director**

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

"RESOLVED THAT as recommended by the Nomination and Remuneration Committee and Board of Directors in their meeting held on May 28, 2019 and pursuant to the provisions of Sections 196, 197, 198, 203 and any other applicable provisions of the Companies Act, 2013 and the rules made thereunder (including any statutory modification(s) or re-enactment thereof), read with Schedule V to the Companies Act, 2013 as amended up-to-date, consent and approval be and is hereby accorded to the remuneration being paid or provided to Mr. Lokesh Prem Harjani (DIN 01496181) as Executive Director of the Company for a period of Five years with effect from April 1, 2019 at a remuneration not exceeding Rs. 4,00,000/- per month including perquisites and on the terms and conditions set out in draft Letter of appointment a copy whereof initialed by Mr. Ashok Harjani, (DIN 00725890) Managing Director of the Company, for the purpose of identification has been placed before the Meeting, which draft Letter of appointment is hereby specifically approved.

RESOLVED FURTHER THAT, the Board of Directors of the Company be and is hereby authorised to vary or increase the remuneration in the said draft Letter of appointment to the extent the Board of Directors may consider appropriate

and as may be permitted or authorised in accordance with any provision under the Act for the time being in force provided, however, that the remuneration payable to Mr. Lokesh Prem Harjani (DIN 01496181) shall be within the limits set out in the said Act including the said Schedule V to the Act or any amendments thereto or any modification(s) or statutory re-enactment(s) thereof and / or any rules or regulations framed thereunder and the terms of the aforesaid Letter between the Company and Mr. Lokesh Prem Harjani (DIN 01496181) shall be suitably modified to give effect to such variation or increase as the case may be.

RESOLVED FURTHER THAT, in the event of loss or inadequacy of profits in any financial year of the Company during the term of Mr. Lokesh Prem Harjani's office as Executive Director, the remuneration set out in the aforesaid draft Letter of appointment be paid or granted to Mr. Lokesh Prem Harjani (DIN 01496181) as minimum remuneration provided that the total remuneration by way of salary and other allowances shall not exceed the ceiling provided in Schedule V to the said Act or such other amount as may be amended from time to time or any equivalent statutory re-enactment(s) thereof."

7) **Re-appointment of Mr. Rajesh Mathani (DIN: 00736091) as Independent Director of the Company.**

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

"RESOLVED That, pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), hereby approves the re-appointment of Mr. Rajesh Mathani (DIN: **00736091**), as an Independent Director for the period of five years with effect from April 1, 2019 and who holds office up to March 31, 2024 and being eligible and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company w.e.f. April 01, 2019."

8) **Re-appointment of Mr. Prem Gidwani(DIN: 01220570) as Independent Director of the Company.**

"RESOLVED THAT, pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act")

and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force), hereby approves the re-appointment of Mr. Prem Gidwani (DIN: 00021405), as an Independent Director for the period of five years with effect from April 1, 2019 and who holds office up to March 31, 2024 and being eligible and in respect of whom the Company has received a notice in writing under Section 160(1) of the Act proposing his candidature for the office of Director of the Company, be and is hereby re-appointed as an Independent Director of the Company, not liable to retire by rotation and to hold office for a second term of 5 (five) consecutive years on the Board of the Company w.e.f. April 01, 2019.”

BY ORDER OF THE BOARD OF DIRECTORS

ASHOK B.HARJANI
MANAGING DIRECTOR
DIN - 00725890

Date: 5th August, 2019
Place: Mumbai

Registered Office:
“Premco House”, A/26, M.I.D.C.,
Street No. 3, Andheri (East),
Mumbai - 400 093
CIN: L18100MH1986PLC040911

NOTES:

1. **A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and the proxy need not be a member of the company. The proxy to be effective should be lodged at the registered office of the company not later than forty-eight hours before the commencement of the meeting.**

A person can act as proxy on behalf of members not exceeding fifty (50) members and holding in the aggregate not more than 10% of the total share capital of the Company. A member holding more than 10% of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

2. The Register of member and the Share Transfer Books of the Company will remain closed from Wednesday, September 4, 2019 to Tuesday, September 10, 2019 (both days inclusive).
3. Electronic copy of the 35th Annual Report 2018-19, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent to all the members whose email IDs are registered with the Company/ Depository Participant(s) for communication purposes unless any member has requested for a hard copy of the same. For members who have not registered their email address, physical copies of the Notice of the 35th Annual Report 2018-19, inter alia, indicating the process and manner of e-voting along with Attendance Slip and Proxy Form is being sent in the physical mode.
4. The Dividend, if declared at the AGM, would be paid/ dispatched on/ after September 10, 2019 and within thirty days from the date of declaration of dividend to those persons (or their mandates):
 - whose names appear as beneficial owners as at the end of the business hours on September 3, 2019 in the list of the Beneficial Owners to be obtained from the Depositories i.e. National Securities Depository Limited [NSDL] and Central Depository Services (India) Limited [CDSL], in respect of the shares held in electronic/ dematerialized mode; and
 - whose names appear as Members in the Register of Members of the Company as on September 3, 2019, after giving effect to valid share transfers in physical forms lodged with the Company/ R & TA, in respect of the shares held in physical mode.

In respect of the Members holding shares in electronic form, the bank details obtained from the respective depositories will be used for the purpose of distribution of dividend



through various approved/ permissible electronic mode of payment viz. Electronic Clearing Services (ECS), National Electronic Funds Transfer (NEFT), Real Time Gross Settlement (RTGS), etc. The Company/ R & TA will not act on any direct request from the Members holding shares in dematerialized form for change/deletion of such bank details. Such changes are to be intimated by the Members:

- i. to their Depository Participants (DPs) in respect of their shareholdings in electronic (demat) form, and
- ii. to the Company's Registrar & Share Transfer Agents namely, M/s. Big Share Services Private Limited in respect of shareholdings in physical form.

Any query related to dividend should be directed to R & TA.

5. Members are requested to:
 - (i) Send all share transfer lodgements (Physical mode) / correspondence to the R & TA unto the date of book closure.
 - (ii) Quote Registered Folio Number or DP ID/ Client ID in all the correspondence.
6. Members who have not encashed/received the dividend warrants so far in respect of the below mentioned periods, are requested to make their claim to the Registrar and Share Transfer Agent namely, M/s. Big Share Services Private Limited well in advance of the above due dates. Members are requested to note that dividends not claimed within seven years from the date of transfer to the Company's Unpaid Dividend account, will be transferred to the Investor Education and Protection Funds (IEPF). It may be noted that once the amounts in the unpaid dividend accounts are transferred to IEPF, no claim shall lie against the IEPF or the Company in respect thereof and the Members would lose their right to claim such dividend.
7. Due dates of transferring unclaimed and unpaid dividends declared by the Company for the financial year 2010-11 and thereafter to IEPF:

Year	Dividend Per share	Date of Declaration of Dividend	Year for transfer to IEPF
2011-2012	1.20	18-Sep-2012	2019
2012-2013	1.80	19-Aug-2013	2020
2013-2014	2.00	14-Aug-2014	2021
2014-2015	2.70	01-Sep-2015	2022
2015-2016	3.00	18-Aug-2016	2023
2016-2017	3.00	20 July-2017	2024
2017-2018	3.00	25-Sep-2018	2025

8. As per Sections 101, 136 and all other applicable provisions of the Act, read with the Rules made under the Act, Companies can serve/send various reports, documents, communications, including but not limited to Annual

Report comprising of the Report of the Board of Directors, Auditors' Report, Financial Statements, Notice of General Meeting, etc. (hereinafter referred to as 'the Documents') to its Members through electronic mode at their e-mail addresses.

The Company believes in green initiative and is concerned about the environment. The Company has e-mailed the Documents in electronic mode at your e-mail address obtained from the depositories/available with R & TA unless a Member has requested for a hard copy of the same. For Members who have not registered their e-mail addresses, physical copies of the relevant documents are being sent by the permitted mode.

Members are requested to furnish/update the details of their address, e-mail address, bank account details, relevant information for availing various approved/permissible modes of electronic funds transfer facilities viz. Electronic Clearing Services (ECS), National Electronic Funds Transfer (NEFT), Real Time Gross Settlement (RTGS), etc.:

- (i) to their depository participants in respect of their shareholdings in electronic (dematerialized) form;
- (ii) to R & TA, in respect of their shareholdings in physical form, quoting their folio numbers.

Members are entitled to have, free of cost, a copy of the Documents upon placing a specific requisition addressed to R & TA.

9. Annual Report including *inter alia* the Report of the Board of Directors, Auditors' Report, Financial Statements, Notice of this AGM, Attendance Slip, Proxy Form, etc. is being sent by electronic mode to all Members whose e-mail addresses are registered with the Company/ R & TA/ depositories unless a Member has requested for a hard copy of the same. For Members who have not registered their e-mail addresses, physical copies of the relevant documents are being sent by the permitted mode. The same are also available on the Company's website at: www.premcoglobal.com.
10. Members/Proxies/Authorized Representatives should bring their copy of the Annual Report and Attendance Slip sent herein for attending the Meeting. Proxy/Authorized Representatives of Members should state on the Attendance Slip as 'Proxy' or 'Authorized Representative', as the case may be. Further, those who hold shares in demat form are requested to write their Client Id and DP Id and those who hold shares in physical forms are requested to write their folio number on the attendance slip for easy identification at the meeting.

11. Members are requested to :-
 - i. Members holding shares in Physical form are requested to convert their holding into dematerialize form to eliminate all risk associated with Physical shares; Members can contact our RTA in this regard.
 - ii. Members holding shares in dematerialize form are requested to intimate all changes pertaining to their Bank details, Email address, Contact Numbers which will help Company and its Registrar's to provide better & efficient services.
 - iii. Write to the Company at least 7 days before the date of the meeting, in case they desire any information as regards the Audited Accounts for the financial year ended 31st March 2019, so as to enable the Company to keep the information ready.
 - iv. Bring their copy of the Annual Report, Attendance slip and their photo identity proof at the Annual General Meeting.
 - v. Quote Registered Folio no. or DP ID/Client ID no. in all their correspondence.
 - vi. Approach the R&TA of the Company for consolidation of folios.
 - vii. Avail of Nomination facility by filing in and forwarding the nomination form to the R&TA, if not already done.
 - viii. Send all share transfer lodgments (physical mode)/ correspondence to the R&TA of the Company, M/s Big Share Services Pvt. Ltd., 1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400 059 upto the date of book closure.
 12. Corporate Members are requested to forward a certified copy of the Board Resolution authorizing their representatives to attend and vote at the Annual General Meeting.
 13. In case of joint holders, the vote of only such joint holder who is higher in the order of names, whether in person or proxy, shall be accepted to the exclusion of the votes of other joint holders.
 14. Members, who are holding Shares in identical order of names in more than one Folio, are requested to apply to the Company/ R&TA along with the relevant Share Certificates for consolidation of such Folios in one Folio.
 15. Members desiring any information pertaining to the financial statements are requested to write to the Company Secretary at an early date so as to enable the Management to reply at the AGM.
 16. The Company has listed its shares on the Bombay Stock Exchange Limited. The listing fees till date have been paid.
 17. All the documents referred to in the Notice are open for inspection at the Registered Office of the Company between 11:00 a.m. to 3:00 p.m. on all working days except Saturdays, Sundays and Public Holidays until the date of the Annual General Meeting or any adjournment(s) thereof.
 18. The Securities and Exchange Board of India has mandated the submission of the Permanent Account Number (PAN) by every participant in the securities market and Members holding shares in electronic form are requested to submit their PAN to their Depositories Participant(s). Members holding shares in physical form shall submit their PAN details to R & TA, if not already submitted.
 19. In compliance with provisions of Section 108 of the Companies Act, 2013, Rule 20 of the Companies (Management and Administration) Rules, 2014 as amended by the Companies (Management and Administration) Amendment Rules, 2015 and Regulation 44 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote on resolutions proposed to be considered at the Annual General Meeting (AGM) by electronic means and the business may be transacted through e-Voting Services. The facility of casting the votes by the members using an electronic voting system from a place other than venue of the AGM ("remote e-voting") will be provided by National Securities Depository Limited (NSDL).
 20. The facility for voting through ballot paper shall be made available at the AGM and the members attending the meeting who have not cast their vote by remote e-voting shall be able to exercise their right at the meeting through ballot paper.
 21. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
 22. The remote e-voting period commences on Saturday, September 07, 2019 (9:00 am) and ends on Monday 09, 2019 (5:00 pm). During this period members' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 03, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by NSDL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.
- The procedure to login to e-Voting website consists of two steps as detailed hereunder:**
- The way to vote electronically on NSDL e-Voting system consists of "Two Steps" which are mentioned below:*
- Step 1 : Log-in to NSDL e-Voting system at <https://www.evoting.nsdl.com/>**
- Step 2 : Cast your vote electronically on NSDL e-Voting system.**
- Details on Step 1 is mentioned below:**
- How to Log-into NSDL e-Voting website?**
1. Visit the e-Voting website of NSDL. Open web browser by



- typing the following URL: <https://www.evoting.nsdl.com/> either on a Personal Computer or on a mobile.
2. Once the home page of e-Voting system is launched, click on the icon "Login" which is available under 'Shareholders' section.
 3. A new screen will open. you will have to enter your User ID, your Password and a Verification Code as shown on the screen.
Alternatively, if you are registered for NSDL eservices i.e. IDEAS, you can log-in at <https://eservices.nsdl.com/> with your existing IDEAS login. Once you log-in to NSDL eservices after using your log-in credentials, click on e-Voting and you can proceed to Step 2 i.e. Cast your vote electronically.
 4. your User ID details are given below :
Manner of holding shares i.e. Demat (NSDL or CDSL) or Physical
Your User ID is:
 - a) For Members who hold shares in demat account with NSDL.
8 Character DP ID followed by 8 Digit Client ID
For example if your DP ID is IN300*** and Client ID is 12***** then your user ID is IN300***12*****.
 - b) For Members who hold shares in demat account with CDSL.
16 Digit Beneficiary ID
For example if your Beneficiary ID is 12***** then your user ID is 12*****.
 - c) For Members holding shares in Physical Form.
EVEN Number followed by Folio Number registered with the company
For example if folio number is 001*** and EVEN is 101456 then user ID is 101456001***
 5. your password details are given below:
 - a) If you are already registered for e-Voting, then you can use your existing password to login and cast your vote.
 - b) If you are using NSDL e-Voting system for the first time, you will need to retrieve the 'initial password' which was communicated to you. Once you retrieve your 'initial password', you need to enter the 'initial password' and the system will force you to change your password.
 - a) How to retrieve your 'initial password'?
 - (i) If your email ID is registered in your demat account or with the company, your 'initial password' is communicated to you on your email ID. Trace the email sent to you from NSDL from your mailbox. Open the email and open the attachment i.e. a .pdf file. Open the .pdf file. The password to open the .pdf file is your 8 digit client ID for NSDL account, last 8 digits of client ID for CDSL account or folio number for shares held in physical form. The .pdf file contains your 'User ID' and your 'initial password'.
 - (ii) If your email ID is not registered, your 'initial password' is communicated to you on your postal address.
 6. If you are unable to retrieve or have not received the "Initial password" or have forgotten your password:
 - a) Click on "**Forgot User Details/Password?**" (If you are holding shares in your demat account with NSDL or CDSL) option available on www.evoting.nsdl.com.
 - b) **Physical User Reset Password?** (If you are holding shares in physical mode) option available on www.evoting.nsdl.com.
 - c) If you are still unable to get the password by aforesaid two options, you can send a request at evoting@nsdl.co.in mentioning your demat account number/folio number, your PAN, your name and your registered address.
 - d) Members can also use the OTP (One Time Password) based login for casting the votes on the e-Voting system of NSDL.
 7. After entering your password, tick on Agree to "Terms and Conditions" by selecting on the check box.
 8. Now, you will have to click on "Login" button.
 9. After you click on the "Login" button, Home page of e-Voting will open.
- Details on Step 2 is given below:**
How to cast your vote electronically on NSDL e-Voting system?
1. After successful login at Step 1, you will be able to see the Home page of e-Voting. Click on e-Voting. Then, click on Active Voting Cycles.
 2. After click on Active Voting Cycles, you will be able to see all the companies "EVEN" in which you are holding shares and whose voting cycle is in active status.
 3. Select "EVEN" of company for which you wish to cast your vote.
 4. Now you are ready for e-Voting as the Voting page opens.
 5. Cast your vote by selecting appropriate options i.e. assent or dissent, verify/modify the number of shares for which you wish to cast your vote and click on "Submit" and also "Confirm" when prompted.
 6. Upon confirmation, the message "Vote cast successfully" will be displayed.
 7. you can also take the printout of the votes cast by you by clicking on the print option on the confirmation page.
 8. Once you confirm your vote on the resolution, you will not be allowed to modify your vote.
- General Guidelines for shareholders**
1. Institutional shareholders (i.e. other than individuals, HUF, NRI etc.) are required to send scanned copy (PDF/JPG Format) of the relevant Board Resolution/ Authority letter etc. with attested specimen signature of the duly authorized signatory(ies) who are authorized to vote, to the Scrutinizer by e-mail to sanjayrd65@gmail.com with a copy marked to evoting@nsdl.co.in.

2. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential. Login to the e-voting website will be disabled upon five unsuccessful attempts to key in the correct password. In such an event, you will need to go through the “[Forgot User Details/Password?](#)” or “[Physical User Reset Password?](#)” option available on www.evoting.nsdl.com to reset the password.
3. In case of any queries, you may refer the Frequently Asked Questions (FAQs) for Shareholders and e-voting user manual for Shareholders available at the download section of www.evoting.nsdl.com or call on toll free no.: 1800-222-990 or send a request atevoting@nsdl.co.in

Please note the following:

A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting as well as voting at the AGM through ballot paper.

The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of ballot paper for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.

The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer's report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith

Other information:

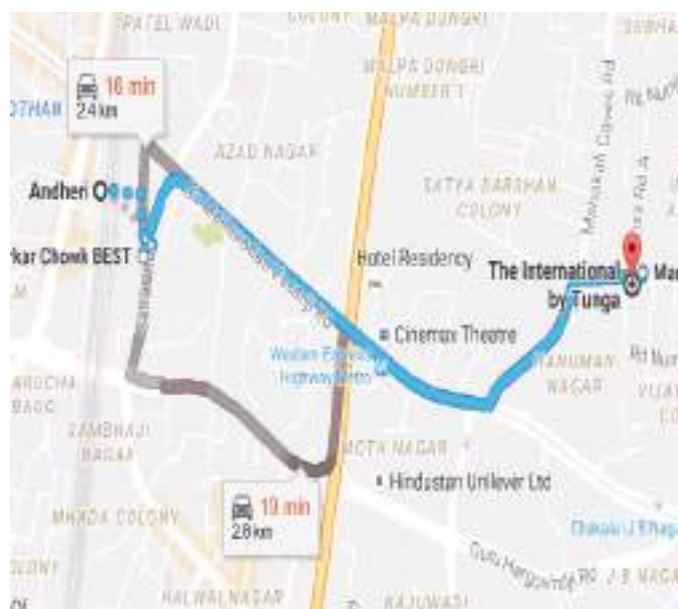
- o your login id and password can be used by you exclusively for e-voting on the resolutions placed by the companies in which you are the shareholder.
- o It is strongly recommended not to share your password with any other person and take utmost care to keep it confidential.

In case of any queries, you may refer to the Frequently Asked Questions (FAQs) for members and e-voting user manual for members available at the Downloads sections of <https://www.evoting.nsdl.com> or contact NSDL at the following toll free no.: 1800-222-990.

23. The voting rights of shareholders shall be in proportion to their shares of the paid up equity share capital of the Company as on the cut-off date (record date) of September 03, 2019

24. Mr. Sanjay Dholakia, Practising Company Secretary (FCS 2655 and CP 1798) has been appointed as the Scrutinizer to scrutinize the e-voting process in a fair and transparent manner. At the Annual General Meeting the Chairman shall provide voting facilities for the attending members who have not cast their votes electronically through poll.
25. The Scrutinizer shall immediately after the conclusion of voting at the general meeting, first count the votes cast at the meeting and thereafter unblock the votes cast through e-voting in the presence of at least two (2) witnesses not in the employment of the Company and make, within a period not exceeding three (3) days from the conclusion of the meeting a Consolidated Scrutinizer's Report of the total votes cast in favour or against, if any, forthwith to the Chairman of the Company or a person authorised by him in writing who shall countersign the same.
26. The Chairman or the authorised person shall declare the results of the voting forthwith and the results declared alongwith the report of the scrutinizer shall be placed on the website of the Company i.e. <http://www.premcoglobal.com/> and on the website of NSDL.
27. Map of venue of AGM:

The International By Tunga, at B/11, MIDC Central Road, MIDC, Opp. Ahura Centre, Andheri (E), Mumbai – 400 093.





28. A brief resume of Directors proposed to be re-appointed at this Annual General Meeting pursuant to Regulation 36 (3) of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 and Secretarial Standard -2 is as follows:

Name of the Director	Mr. Lokesh P. Harjani (DIN 01496181)	Mr. Ashok B. Harjani (DIN 00725890)	Mr. Lalit Daulat Advani (DIN- 00308138)	Mr. Rajesh Mathani (DIN: 00736091)	Mr. Prem Gidwani (DIN: 01220570)
Date of Birth	15/07/1974	24/06/1952	29/10/1966	01/03/1971	08/08/1951
Date of Appointment	01/04/2015	01/04/2015	28/05/2019	14/08/2014	14/08/2014
Qualification	MBA in Marketing Finance	Textile Engineering			
Expertise in Specific Functional Area	Expertise in Marketing	Expertise in Production related matters & Administration	Expertise in Hotel Management	Expertise in Textile Sector	Financial Expert
Executive or Non Executive Director	Executive Whole-time Director	Executive Managing Director	Non-Executive Independent Director	Non-Executive Independent Director	Non-Executive Independent Director
Date of First Appointment	11/11/2001	28/09/1994	28/05/2019	30/12/2005	10/10/1994
Promoter Group	yes	yes	No	No	No
Name of listed Companies in which holds Directorship	Pixel Packaging Limited	NIL	NIL	NIL	NIL
Name of other Companies in Committees of which holds Membership/ Chairmanship	NIL	NIL	NIL	NIL	NIL
Number of Shares held in the Company	4,35,921 Shares (13.19%)	9,64,817 Shares (29.19)	NIL	NIL	NIL

For **PREMCO GLOBAL LIMITED**

ASHOK B.HARJANI
MANAGING DIRECTOR
DIN - 00725890

Date: 5th August 2019

Place: Mumbai

Regd Office:

“Premco House”, A/26, M.I.D.C., Street No. 3,
 Andheri (East), Mumbai – 400 093.

CIN: L18100MH1986PLC040911

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

The following Explanatory Statement sets out all material facts relating to the business mentioned under.

ITEM NO 4.

The Board of Directors had appointed Mr. Latil Daulat Advani (DIN: 00308138) as a Additional Director (Non-Executive & Independent) of the Company with effect from May 28, 2019, on the recommendation of the Nomination and Remuneration Committee. As per the provisions of Section 161(1) of the Act, he holds office of Additional Director only up to the date of this Annual General Meeting of the Company and is eligible for appointment as Director. The Company in turn has received a notice in writing under Section 160(1) of the Act proposing his candidature for the office of Director of the Company.

The Board has also approved the appointment of Mr. Lalit Daulat Advani (DIN: 00308138), as an Independent Director for the period of five years with effect from May 28, 2019 and being eligible and be and is hereby appointed as an Independent Director of the Company, not liable to retire by rotation.

Further details of Mr. Lalit Daulat Advani (DIN: 00308138), have been given in the Annexure to this Notice.

None of the Directors and Key Managerial Personnel of the Company and their respective relatives is concerned or interested, in the Resolution set out at Item No. 4 of the Notice. The Board recommends the Resolution as set out in the Item No. 4 of the accompanying Notice for the approval by the Members of the Company.

ITEM NO 5 & 6.

The Board of Directors at its Meeting held on May 28, 2019 has decided to re-appoint Mr. Ashok B. Harjani (DIN 00725890), Managing Director and Mr. Lokesh P. Harjani (DIN 01496181), Executive Director for a period of 5 years w.e.f April 1, 2019 based on the recommendation of Nomination and Remuneration Committee.

As the Members are aware that Mr. Ashok B. Harjani is a Promoter, Chairman & Managing Director of the Company and under his able guidance and direction the Company has progressed very well. He normally looks after Sales Marketing (Local & Export), Expertise in production related matter and also overall administration of the Company. He has a vast experience of over 35 years in textile industry.

Mr. Lokesh P. Harjani is a Promoter, Executive Director of the Company, having vast experience in the industry. He is mainly Expertise in specific functioning area looking after Sales Marketing in Export and Production related matter.

- 1) The detailed terms and conditions regarding remuneration to be paid to them are given below:

Name Of The Director	Designation	Monthly Remuneration Not Exceeding Amount (Rs.) Including Perquisites
Ashok B. Harjani	Managing Director	6,00,000/-
Lokesh P. Harjani	Executive Director	4,00,000/-

- 2) Leave:

As per the Rules and regulations of the Company.

Where in any financial year, during the tenure of Managing Director and Executive Director, the Company has no profit or its profits are inadequate, the Company will pay remuneration not exceeding the limits specified under Schedule V of the Companies Act, 2013.

- 3) Other Conditions:

For all other terms and conditions not specifically spelt out above, the Rules and Order of the Company shall apply.

The Managing Director and Executive Director shall hold office as such, subject to the provisions of Section 167 of the Companies Act, 2013.

The explanatory Statement together with the accompanying notice should be treated as an abstract of the terms of the agreement of concern or interest under section 196 and 197 of the companies Act, 2013.

your Directors recommend the above special resolutions for your approval.

None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested in the above resolutions except Mr. Ashok Harjani and Mr. Lokesh Harjani, Interested Directors and Mrs. Sonia Harnjani and Mrs. Nisha Harjani, being relatives of aforesaid Directors are interested in these resolutions.

ITEM NO 7 & 8.

Mr. Rajesh Mahtani (DIN-00736091) & Mr. Prem Gidwani (DIN-01220570) are re-appointed as Independent Directors on the Board of the Company pursuant to the provisions of Sections 149 and 152 read with Schedule IV and other applicable provisions, if any, of the Companies Act, 2013 ("the Act") and the Companies (Appointment and Qualification of Directors) Rules, 2014 and the applicable provisions of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 (including any statutory modification(s) or re-enactment(s) thereof, for the time being in force). Mr. Rajesh Mahtani and Mr. Prem Gidwani hold office as Independent Director of the Company up to March 31, 2024 and not liable to retire by rotation.

The Nomination and Remuneration Committee of the Board of Directors, on the basis of the report of performance evaluation



of Independent Directors, has recommended re-appointment of Mr. Rajesh Mahtani and Mr. Prem Gidwani as Independent Directors, for a second term of 5 (five) consecutive years on the Board of the Company.

Mr. Rajesh Mahtani and Mr. Prem Gidwani are not disqualified from being appointed as Directors in terms of Section 164 of the Act and have given their consent to act as Directors.

The Company has also received declarations from Mr. Rajesh Mahtani and Mr. Prem Gidwani that they meet with the criteria of independence as prescribed.

None of the Directors, Key Managerial Personnel of the Company and their relatives is concerned or interested in the above resolutions except Mr. Rajesh Mathani and Mr. Prem Gidwani.

By ORDER OF THE BOARD OF DIRECTORS
For **PREMCO GLOBAL LIMITED**

ASHOK B.HARJANI
MANAGING DIRECTOR
DIN - 00725890

Date: 5th August 2019

Place: Mumbai

Regd Office:

“Premco House”, A/26, M.I.D.C., Street No. 3,
Andheri (East), Mumbai – 400 093.

CIN: L18100MH1986PLC040911

DIRECTOR'S REPORT**To the Members of
PREMCO GLOBAL LIMITED**

your Directors have pleasure in presenting their Thirty Fifth Premco Global Limited Annual Report together with the Audited Accounts for the year ended 31st March, 2019.

1. FINANCIAL SUMMARY HIGHLIGHTS

The Financial Performance for fiscal 2018-2019 is summarized in the following table:

Rs. in Lakhs

Particulars	Standalone		Consolidated	
	March 2019	March 2018	March 2019	March 2018
Revenue from Operations	5323.39	6567.42	7,212.41	8,136.64
Expenses	4985.15	5609.82	6409.93	7044.55
Profit Before Finance Cost, Depreciation & Amortization Exp.	338.24	957.6	802.48	1092.09
Finance Cost	79.62	83.41	150.17	100.36
Depreciation & Amortization Exp.	171.81	191.44	271.84	273.90
Profit before Exceptional Items	86.81	682.75	380.47	717.81
Extra Ordinary Items	(106.56)	-	(106.56)	-
Profit before Taxation	(19.75)	682.75	273.91	717.81
Less : Provision for current Taxation	19.16	234.49	19.16	234.49
Deferred Taxation adjustment	(54.78)	(57.56)	(54.78)	(57.56)
Profit After Taxation	15.87	505.82	309.53	540.88
Minority Interest	-	-	(48.82)	(14.41)
Other Comprehensive Income (Net of Tax)	79.17	1.65	79.17	1.65
Total Comprehensive Income	95.04	507.47	339.88	528.12
Paid up Equity Share Capital	330.48	330.48	330.48	330.48
Earnings Per Share (Rs.)	2.88	15.36	10.28	15.98

FINANCIAL PERFORMANCE, OPERATIONS AND STATE OF THE COMPANY'S AFFAIRS**STANDALONE ANALYSIS**

During the year under review, Company's revenue from operations stood at Rs. 5323.39 Lacs as against Rs.6567.42 Lacs in the previous year, The Company has earned a Net profit after Tax of Rs. 15.87 Lacs as compared to the Net Profit after Tax of Rs. 505.82 Lacs during the previous accounting year.

The Company's EBDIT for the year on standalone basis was at Rs 338.24 Lacs as against Rs. 957.6 Lacs. The standalone Profit after Tax of the Company Stood at Rs 15.87 as against Rs. 505.82 Lacs.

Extraordinary item includes expenditure of Rs. 106.56 Lakhs booked towards reversal of GST credit on inventory held as on date of implementation of GST law i.e. Rs. 82.25 for Trans 1 credit (01.07.2017) & Rs. 24.31 for in-advert credit (01.08.2018).

On the Standalone basis, Company's other operating revenue was lower by 67.02 % (Rs. 145.77 Lacs) due to lower duty drawback incentives post GST era w.e.f. 01.10.2017. Company has since revised the export prices to cover the cost. Other income was higher by 6.33% (Rs. 23.70 Lacs) as compared to previous year.

Domestic sales were lower by 10% (Rs. 295.98 Lacs) as compared to previous year. The decline was mainly on account of Lower domestic demand due to floods in Central & Southern part of India.

The Company exports were lower by 23% i.e. (Rs. 713.94 Lacs). This was on account of lower trading activity with company's own subsidiary & lower sales to one of our large customers.

PGVL Vietnam was able to develop and procure supplies locally, thereby reducing the Raw Material sourcing from India.



The Company was able to pass on the lower duty drawback effect due to reduction in Rates to export customers, thereby improving the RM Consumption to Sales ratio by 3.36 %.

There is an increase in RM Cost of Rs. 61.56 Lacs due to increase in RM Prices

The Company has incurred expenses (other than RM Cost) of Rs. 2496.59 Lacs in current year as compared to previous year of Rs. 2435.03 Lacs.

Also Employee cost increased by Rs 25.15 Lacs as compared to previous year, which was on account of new recruitment in the Marketing division, which would strongly focus on new Markets, and building business with big brands Internationally and in India.

There has been decline in finance cost of Rs. 3.79 Lacs and Depreciation by Rs. 19.63 Lacs during the financial year.

The Company's manufacturing expenses were higher by Rs. 59.83 Lacs due to revision in Contract / Piece rate & high electricity rates / cost. This was also partly due to higher production volumes

CONSOLIDATED ANALYSIS

During the year under review, On Consolidated basis, revenue from operations stood at Rs. 7,212.41 Lacs as against Rs. 8,136.64 Lacs in the previous year and Net Profit after Tax stood at 309.53Lacs as compared to the Net Profit after Tax of Rs. 540.88Lacs during the previous accounting year.

The Company's Consolidated EBDIT for the year stood at Rs. 802.48Lacs as against Rs. 1092.09Lacs, The Consolidated Profit after Tax of the Company Stood at Rs. 309.53Lacs as against Rs. 540.88Lacs.

On the Consolidated basis, Company's other operating revenue was lower by 67.02 % (Rs. 145.77 Lacs) due to lower duty drawback incentives post GST era w.e.f. 01.10.2017. Company has since revised the export prices to cover the cost. Other income was increased by 4.90 % (Rs. 14.66 Lacs) as compared to previous year.

The Company exports were lower by 8.23% i.e. (Rs. 388.01 Lacs). This was on account of lower sales to one of our large customers, as well as depressed market for all textile products due to poor retail sales globally.

Company's Gross Margins (Sales minus RM Cost on products improved substantially from 46.54% to 53.80% ensuring net saving of Rs. 503.71 Lacs.

The Company has incurred expenses (Other than RM Cost) of Rs. 3632.59 Lacs in current year as compared to previous year of Rs. 3350.04 Lacs. There is a slight increase in expenses of Rs. 282.54 Lacs on account of

increase in cost of Raw Material and growing competition in market. The rise in cost was partly also due to different Product Mix.

Also Employee cost increased by Rs 173.20 Lacs as compared to previous year, which was on account of new recruitment in the Marketing division, which would strongly focus on new Markets, and building business with big brands Internationally and in India. Also Vietnam Plant was run at Higher Capacity as compared to previous year resulting in Higher Employee cost incurred at Vietnam.

There has been increase in finance cost of Rs. 49.81 Lacs due to higher working Capital and Exchange Loss. Further there was a slight decline in Depreciation by Rs. 2.06 Lacs during the financial year.

The Company's manufacturing expenses were higher by Rs. 61.59 Lacs due to revision in Contract / Piece rate & high electricity rates / cost. This was also partly due to higher production rates.

2. **SHARE CAPITAL**

The issued, subscribed and paid up share capital of the Company as on 31st March, 2019 was at Rs. 330.48 lakh divided into 33,04,800 Equity Shares of Rs. 10 each. During the year under review, the Company has not issued any shares with differential voting rights, employee stock options and sweat equity shares.

3. **DIVIDEND**

your Directors are pleased to recommend to the Members, for their approval, a dividend of 2/- per Equity Share of Rs. 10/- each in the Company for the year ended 31st March, 2019. The total outflow on account of payment of Dividend is Rs. 66.10 Lacs and Tax on Dividend shall be Rs. 13.58 Lacs.

4. **RESERVES**

The Company proposes to transfer Rs. 1.59 Lacs to the general reserve out of the amount available for appropriation

5. **CHANGE IN NATURE OF BUSINESS**

The Company is engaged in the business of manufacturing Woven & Knitted Elastic Tapes. There was no change in nature of business activity during the year.

6. **MATERIAL CHANGES AND COMMITMENTS**

The Directors further states that there are no material changes have taken place affecting the financial position of the Company from the date of closure of financial year till the signing of Accounts.

7. **DEPOSITS**

The Company has not accepted any deposits from public and as such, no amount on account of principal or interest on deposits from public was outstanding as on the date of Balance sheet.

8. LOANS, GUARANTEE & INVESTMENTS

Details of Loans, Guarantee and Investment covered under the provision of Section 186 of the Companies Act, 2013 are given in the notes to the Financial Statements.

9. DIRECTORS AND KEY MANAGERIAL PERSONNEL

The Board in conjunction with its committees ensures transparency, responsibility and accountability with an aim to create long-term sustainable growth. All Directors are astute professionals coming from varied backgrounds possessing rich experience and expertise. The Board of Directors (the Board) holds a fiduciary position to promote the success of the Company for the benefit of its members. They are entrusted to direct, monitor and guide the Management towards building of such goals and objectives that guarantees effectiveness and enhancement of shareholder value and fulfils their aspirations.

COMPOSITION OF THE BOARD AS ON 31ST MARCH, 2019.

Sr. No.	Name of the Director	Category
1	Ashok B. Harjani	Chairman & Managing Director
2	Nisha P. Harjani	CFO & Director
3	Lokesh P. Harjani	Executive Director
4	Sonia A. Harjani	Director
5	Sonu A. Chowdhary	Non-Executive - Independent Director
6	Rajesh M. Mahtani	Non-Executive - Independent Director
7	Prem I. Gidwani	Non-Executive - Independent Director

* Mr. Devendra Shah vacated the office of Director w.e.f. 18th March, 2019.

CHANGES IN THE COMPOSITION OF THE BOARD OF DIRECTORS AND OTHER KEY MANAGERIAL PERSONNEL

During the year 2018-19 under review, there was a change in the composition of the Board of Directors and other Key Managerial Personnel.

The Companies Act, 2013 read with relevant Rules made there under, facilitates the participation of Director in Board / Committee meetings through video conferencing or other audio visual mode. Accordingly, the option to participate in the meeting was made available for the Directors except in respect of such meetings and/or items which are not permitted to be transacted through video conferencing.

Board Meetings held and attendance of Directors during the year 2018-19.

Sr. No.	Date of Board Meeting	Total No. of Directors	Total No. of Directors Present
1	29 th May, 2018	8	7
2	14 th August, 2018	8	5
3	13 th November, 2018	8	8
4	12 th February, 2019	8	7

None of the Directors on the Board is a member in more than 10 Committees and Chairman in more than 5 committees, as specified in Regulation 26(1) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [the "SEBI (LODR) Regulations, 2015"], across all Companies in which he/she is a Director. The necessary disclosures regarding Committee positions have been made by the Directors.

RETIREMENT BY ROTATION

In accordance with the provision of Companies Act, 2013 and the Articles of Association of the Company, Mr. Lokesh Harjani retires by rotation and is eligible for the re-appointment. Necessary information for Directors liable to retire by rotation has been included in the notice convening the ensuing Annual General Meeting and requisite details have been provided in the explanatory statement of the notice. your directors recommend the said appointment.

Resignation of Director

During the year under review, Mr. Devendra Shah having (DIN – 01254611) had been disqualified as the director of the company as per section 164(2) read with section 167 of the Companies Act, 2013 due to non-filing of financial results and annual returns of the company for the consecutive period of 3 years. Due to which DIN number of the director was deactivated and company was unable to file its financial results and annual returns.

In view of the same Mr. Devendra Shah vacated the office of Director w.e.f. 18th March, 2019.

The Board places on record its heartiest gratitude and appreciation for the valuable advices and continuous guidance received from Mr. Devendra Shah and the advices on strategic issues and feel that their prolonged stewardship to the Board shall go a long way for the overall growth of the Company.

Appointment of Director

The Board of Directors at its Meeting held on 28th May, 2019, appointed Mr. Lalit Daulat Advani (DIN-00308138) as Additional Director with the status of Non-Executive Independent Director with effect from 28th May, 2019, subject to approval of the Members at the ensuing Annual General Meeting pursuant to Sec. 150 (2) and other applicable provisions of the Companies Act, 2013. Mr. Lalit D. Advani is not related to any Directors. Further Mr. Rajesh Mathani (DIN 007360941) and Mr. Prem Gidwani (DIN 01220570) were appointed as an Independent Director of



the Company for a period of five years up to 31st March, 2019. The Nomination and Remuneration Committee and the Board at their meetings held on 28th May 2019 have recommended the re-appointment of Mr. Rajesh Mathani (DIN 007360941) and Mr. Prem Gidwani (DIN 01220570), as Independent Directors of the Company for a second consecutive term from 1st April 2019 till 31st March 2024 at the forth coming Annual General Meeting of the Company. Further Mr. Lalit Daulat Advani (DIN-00308138), Mr. Mr. Rajesh Mathani (DIN 007360941) and Mr. Prem Gidwani (DIN 01220570) are not disqualified to act as Director under the provisions of Companies Act, 2013 and rules made thereunder. Their appointment is subject to approval by Members in forthcoming Annual General Meeting.

The term of Mr. Lokesh Prem Harjani (DIN 01496181), Executive Director and Mr. Ashok B. Harjani (DIN 00725890), Managing Director of the Company had expired on 31st March, 2019, the Nomination and Remuneration Committee and the Board at their meetings held on 28th May 2019 have recommended the re-appointment of Mr. Lokesh Prem Harjani (DIN 01496181), as Executive Director and Mr. Ashok B. Harjani (DIN 00725890), as Managing Director of the Company for a further period of 5 years w.e.f 01st April, 2019 at the forth coming Annual General Meeting of the Company.

KEY MANAGERIAL PERSONNEL

The following persons continued as Key Managerial Personnel of the Company in compliance with the provisions of Section 203 of the Companies Act, 2013:

- Mr. Ashok B. Harjani –Managing Director
- Mrs. Nisha P. Harjani – Director - Chief Financial Officer
- *Ms. Pooja Shekhawat – Company Secretary

- Since Resigned with effect from 30th April, 2019.

Remuneration and other details of the Key Managerial Personnel for the Financial year ended 31st March, 2019 are mentioned in the Extracts of the Annual Return in Form MGT-9 which is enclosed as **Annexure – 3** and forms part of this Report.

INDEPENDENT DIRECTOR

your Company appointed Independent Directors who are renowned people having expertise / experience in their respective field/profession. In compliance with Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of the Listing Regulations, all Independent Directors have given a declaration that they meet the criteria of independence as provided under law. None of the Independent Directors are promoters or related to Promoters. The Non-executive Independent Directors have no pecuniary relationship or transactions with the Company in their personal capacity except for sitting fees drawn by them for attending the meeting of the Board and Committee(s) thereof and further do not hold two percent or

more of the total voting power of the Company.

During the year, meeting of Independent Directors was held on 12th February, 2019 to review the performance of the Board as a whole on parameters of effectiveness and to assess the quality, quantity and timeliness of flow of information between the management and the Board. The Independent Directors discussed, among other matters, the performance of the Company and risk faced by it, the flow of information to the Board, competition, strategy, leadership strengths and weaknesses, governance, compliance, Board movements, human resources matters and performance of executive directors including Chairman.

The Declarations required under Section 149(7) of the Companies Act, 2013 from the Independent Directors of the Company confirming that they meet the criteria of independence as prescribed under Section 149(6) of the Companies Act, 2013, was duly received by the Company.

10. AUDIT COMMITTEE

The Audit Committee which acts as a link between the management, external and internal auditors and the Board of Directors of the Company is responsible for overseeing the Company's financial reporting process by providing direction to audit function and monitoring the scope and quality of internal and statutory audits.

The composition of the Committee is in compliance with the provisions of Section 177 of the Companies Act, 2013 and Regulation 18 SEBI (LODR) Regulations, 2015. The Chairperson of the Committee is a Non-Executive Independent Director.

COMPOSITION OF AUDIT COMMITTEE OF THE COMPANY:

Sr. No.	Name of the Director	Category	Designation
1.	*Devendra Shah	Non-Executive - Independent Director	Chairman
2.	Ashok B. Harjani	Chairman & Managing Director	Member
3.	Rajesh M. Mahtani	Non-Executive - Independent Director	Member
4.	**Prem I. Gidwani	Non-Executive - Independent Director	Chairman
5.	***Nisha P. Harjani	Executive Director	Member

*has resigned w.e.f. 18th March, 2019.

** was appointed as the Chairman of the Committee w.e.f. 28th May, 2019

*** was appointed as the Committee Member w.e.f. 28th may, 2019

The Audit Committee also meets the Company's Statutory Auditors to ascertain their views on the financial statement. The Committee members meet regularly and make their recommendations in accordance with the terms of reference specified by the Board. Such recommendations are thoroughly discussed in Board meetings and by and large accepted for implementation.

AUDIT COMMITTEE MEETINGS HELD AND ATTENDANCE OF DIRECTORS DURING THE YEAR 2018-19

Sr. No.	Date of Board Meeting	Total No. of Directors	Total No. of Directors Present
1	29 th May, 2018	4	3
2	14 th August, 2018	4	4
3	13 th November, 2018	4	4
4	12 th February, 2019	4	4

The Audit Committee acts in accordance with the broad terms of reference specified by the Board of Directors in adherence to Section 177 of the Companies Act, 2013 (the 'Act'). The scope of activities of the Audit Committee includes the areas laid out in Section 177 of the Act and Part C of Schedule II of SEBI (LODR) Regulations, 2015.

11. STAKEHOLDERS RELATIONSHIP COMMITTEE

The composition of the Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 20 SEBI (LODR) Regulations, 2015. The Chairman of the Committee is a Non-Executive Independent Director.

COMPOSITION OF STAKEHOLDER'S RELATIONSHIP COMMITTEE OF THE COMPANY:

Sr. No.	Name of the Director	Category	Designation
1.	Rajesh M. Mahtani	Non-Executive - Independent Director	Chairman
2.	Ashok B. Harjani	Chairman & Managing Director	Member
3.	*Devendra Shah	Non-Executive - Independent Director	Member
4.	**Sonu A. Chowdhary	Non-Executive - Independent Director	Member

*has resigned w.e.f. 18th March, 2019

** was appointed as the Committee Member w.e.f. 28th May, 2019

Ms. Snehal Tondwalkar, had been appointed as the Company Secretary & Compliance Officer for complying with the requirements of the Listing Regulations and requirements of securities laws, including SEBI (Prohibition of Insider Trading) Regulations, 2015 in place of Ms. Pooja Shekhawat. The role of Stakeholder's Relationship Committee includes as specified in Part D of the Schedule

II of the SEBI (LODR) Regulations, 2015.

STAKEHOLDER'S RELATIONSHIP COMMITTEE MEETINGS HELD AND ATTENDANCE OF DIRECTORS DURING THE YEAR 2017-18

Sr. No.	Date of Board Meeting	Total No. of Directors	Total No. of Directors Present
1	29 th May, 2018	3	3
2	14 th August, 2018	3	3
3	13 th November, 2018	3	3
4	12 th February, 2019	3	3

M/s. Big Shares Services Pvt. Ltd. is the Registrar and Share Transfer Agent of the Company. The delegated authority is taking measures so that the share transfer formalities are attended to atleast once in a fortnight. The Company Secretary is also authorized by the Board to do all the acts, deeds and matters and sign all the documents that may be required in the matter relating to shares from time to time. No complaint was remained unattended and pending to be resolved as on March 31, 2019.

STATUS OF INVESTOR COMPLAINTS /OTHER CORRESPONDENCE

Subject matter of Correspondence	Pending as on 31 st March, 2018	Received & resolved during the year	Pending as on 31 st March, 2019
Non-receipt of Share Certificates	-	2	-
Non-receipt of Dividend	-	-	-
Non-receipt of Annual Report	-	-	-
Query -Transfer of shares	-	-	-

12. NOMINATION AND REMUNERATION COMMITTEE

The composition of the Committee is in compliance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of the of the SEBI (LODR) Regulations, 2015. The Chairperson of the Committee is a Non-Executive Independent Director.

COMPOSITION OF NOMINATION & REMUNERATION COMMITTEE OF THE COMPANY:

Sr. No.	Name of the Director	Category	Designation
1.	*Devendra Shah	Non-Executive - Independent Director	Chairman
2.	**Ashok B. Harjani	Chairman & Managing Director	Member



Sr. No.	Name of the Director	Category	Designation
3.	Rajesh M. Mahtani	Non-Executive - Independent Director	Member
4.	Prem I. Gidwani	Non-Executive - Independent Director	Chairman
5.	Sonu A. Chowdhary	Non-Executive - Independent Director	Member

*has resigned w.e.f. 18th March, 2019

** has ceased to be a member of the committee w.e.f. 13th November, 2018

The role of NRC includes the areas laid out in Section 178 of the Act and Part D of Schedule II of the SEBI (LODR) Regulations, 2015. The Board of Directors on recommendation of the NRC has adopted a policy for evaluation of the Board, its Committees. The details of remuneration paid to all Directors are provided under the head "Disclosures" in this Report. Nomination & Remuneration Policy has been framed, adopted and implemented by the Nomination and Remuneration Committee, with broad objectives, for determining and recommending the remuneration of the Directors, KMP and Senior Management to the Board. The NRC meeting held on 13th November, 2018 during the year 2018-19.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

Disclosures with respect to the remuneration of Directors and employees as required under Section 197(12) of Companies Act, 2013 and read with Rule 5(1) and (2) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2017 are forming part of this Annual Report.

13. AUDITORS

STATUTORY AUDITORS

M/s. Sanjay Raja Jain & Co, Chartered Accountants, Mumbai (ICAI Firm Registration No. 112364W) were appointed as Statutory Auditors of the Company pursuant to the provisions of Section 139(8) and other applicable provisions, if any, of the Companies Act, 2013 as amended from time to time or any other law for the time being in force (including any statutory modification or amendment thereto or re-enactment thereof for the time being in force), till the conclusion of the 39th Annual General Meeting of the Company to be held in the year 2023, at such remuneration plus applicable Tax, out of Pocket Expenses in connection with the audit as the Board of Directors of the Company may fix in this behalf in consultation with the Auditors. And as per the Companies (Amendment) Act, 2017, enforced on May 7, 2018 by the Ministry of Corporate Affairs, the

appointment of Statutory Auditors is not required to be ratified by the Members at every Annual General Meeting.

SECRETARIAL AUDITORS

During the year, Secretarial Audit was carried out by M/s. Sanjay Dholakia & Associates (Membership No. F2655), a firm of Company Secretaries in Practice, the Secretarial Auditor of the Company for the financial year 2018-19, Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014. The observations of the Secretarial Auditor are self-explanatory. The detailed report on the Secretarial Audit is attached as forming part of this Annual Report.

14. COMPLIANCES UNDER COMPANIES ACT, 2013

SHARE CAPITAL

The Issued, subscribed and Paid-up Equity Share Capital of Company has remained unchanged during the year. During the year under review the Company has not issued any securities, convertible Warrants/Bonds and/or other debt securities, which has likely impact on the Equity of the Company.

EXTRACT OF ANNUAL RETURN

The extract of Annual Return pursuant to the provisions of Section 92 of the Act read with Rule 12 of the Companies (Management and Administration) Rules, 2014 is furnished in Form MGT - 9 is forming part of the Annual Report.

PARTICULARS OF LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186 OF THE COMPANIES ACT, 2013

Details Loans, guarantees and Investments covered under the provisions of Section 186 of the Companies Act, 2013 are given in the notes to financial statements.

INSURANCE

your Company has taken appropriate insurance for all assets against foreseeable perils.

PARTICULARS OF EMPLOYEES

The information required under Section 197(12) of the Companies Act, 2013 read with Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Directors' Report for the year ended 31st March, 2018 is given in a separate Annexure to this Report.

The above Annexure is not being sent along with this Report to the Members of the Company in line with the provision of Section 136 of the Companies Act, 2013. Members who are interested in obtaining these particulars may write to the Company Secretary at the Registered Office of the Company. The aforesaid Annexure is also available for inspection by Members at the Registered Office of the Company before the 24th Annual General Meeting and upto the date of the ensuing Annual General Meeting during the business hours on working days.

None of the employees listed in the said Annexure is a relative of any Director of the Company. None of the employees hold (by himself or along with his spouse and dependent children) more than two percent of the equity shares of the Company.

15. RELATED PARTY TRANSACTIONS

The Company has formulated a policy on dealing with Related Party Transaction. The policy is placed on the website of the Company. All the transactions entered into with Related Parties as defined under the Companies Act 2013, Regulation 2(1)(zc) and Regulation 23 of SEBI (LODR) Regulations, 2015 during the financial year were in the ordinary course of business and on an arm's length basis and do not attract the provisions of Section 188 of the Companies Act, 2013. During the year, the Company has not entered into any contract / arrangement / transactions with related parties which can be considered material in nature. The Related Party Transactions are disclosed in the notes of financial statements for the financial year 2018-19 and the same is furnished in Form AOC-2 and is forming part of Annual Report.

16. DIRECTORS' RESPONSIBILITY STATEMENT

To the best of knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statement in terms of Section 134(3)(c) of the Act:

- i. that in the preparation of the Annual Accounts for the year ended March 31, 2019, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
- ii. the directors had selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profit of the Company for the year ended on that date;
- iii. that the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 2013 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. the annual accounts have been prepared on a going concern basis;
- v. that the Directors had laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and were operating effectively; and
- vi. that the Directors had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively.

Based on the framework of Internal Financial controls and compliance systems established and maintained by the

company, work performed by the internal, statutory and secretarial auditors and external consultants including audit of internal financial controls over financial reporting by statutory auditors, and the reviews performed by management and the relevant board committees, including the Audit committee, the board is of the opinion that company's internal financial controls were adequate and effective during the Fy 2018-19.

17. RISK MANAGEMENT POLICY AND FRAMEWORK

The Company's risk management policy and framework is based on a clear understanding of various risks, disciplined risk assessment and measurement procedures and continuous monitoring. The policies and procedures established for this purpose are continuously benchmarked with industry best practices. The Board of Directors has oversight on all the risks assumed by the Company. The Board reviews the level and direction of major risks pertaining to market, liquidity, operational, compliance, and capital at risk as part of risk profile overview.

The Audit Committee of the Board provides direction to and monitors the quality of the internal audit function and also monitors compliance with inspection and audit reports of statutory and internal auditors of the Company.

18. BOARD EVALUATION

Pursuant to the provisions of the Companies Act, 2013 and Regulation 17(10) of SEBI (LODR) Regulations, 2015 the Board has carried out an annual performance evaluation of its own performance and that of its statutory committee and that of the individual directors. Independent Directors at their meeting without the participation of the Non-independent Directors and Management considered / evaluated the Boards' performance, Performance of the Chairman and other Non-independent Directors. The Board has undergone a formal review which comprised Board effectiveness and review of materials.

The Board of Directors expressed their satisfaction with the evaluation process.

COMPANY'S CODE OF CONDUCT FOR PREVENTION OF INSIDER TRADING

In accordance with the requirements of the Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015, the Company has also in place a comprehensive code of conduct for prevention of insider trading.

19. CORPORATE GOVERNANCE

The Company is adhering to good corporate governance practices in every sphere of its operations. The Company has complied with the Corporate Governance requirements under the Companies Act, 2013 and as stipulated under Regulations 17 to 27 of the SEBI Listing Regulations) read with schedule II thereof. A separate report on Corporate Governance forms part of this Report along with the Certificate from the Practicing Company Secretary



- confirming compliance with the conditions of Corporate Governance.
20. **CORPORATE SOCIAL RESPONSIBILITY**
- The Company has a Policy on Corporate Social responsibility (CSR) duly approved by the Board and the same has been hosted on Company's website at www.premcoglobal.com. The CSR budget for the Financial year 2018-2019 was prepared in accordance with the provisions of Section 135 (5) of the Companies Act, 2013 read with the Company's CSR Policy. The amount so budgeted was fully spent on or before 31st March, 2019, the detailed report on CSR Activities/ Initiatives is enclosed as **Annexure-2** which forms part of this Report. (Annexure 4)
21. **ANNUAL RETURN & EXTRACTS OF ANNUAL RETURN**
- In compliance with Section 134 (3)(a) of the Companies Act, 2013, the Annual Return of the Company shall be made available on the website of the Company at www.premcoglobal.com. Extract of Annual Return enclosed as **Annexure 3**.
22. **VIGIL MECHANISM/ WHISTLE BLOWER POLICY**
- Pursuant to Section 177(9) read with Regulation 22 of the SEBI Listing Regulations, your Company has duly established Vigil Mechanism for Directors and employees to report concerns about unethical behavior, actual or suspected fraud or violation of company's code of conducts or ethics policy. Audit Committee of the Board monitors and oversee the vigil mechanism.
- The detailed policy related to this vigil mechanism is available in the Company's website at www.premcoglobal.com.
23. **RISK MANAGEMENT POLICY**
- The Company's business faces various risks - strategic as well as operational in respect of all its Divisions. The Company has an adequate risk management system, which takes care of identification, assessment and review of risks as well as their mitigation plans put in place by the respective risk owners. The risks which were being addressed by the Company during the year under review included risks relating to market conditions, environmental, information technology etc. The Company has developed and implemented the Risk Management Policy with an objective to provide a more structured framework for proactive management of all risks related to the business of the Company and to make it more certain that growth and earnings targets as well as strategic objectives are met.
- The development and implementation of risk management policy has been covered in the management discussion and analysis, which forms the part of this report.
- The Audit Committee of the Board reviews the risk assessment and minimization procedure in the light of the Risk Management Policy of the Company.
- In the opinion of the Board, there is no such element of risk which may threaten the present existence of the Company.
24. **INFORMATION REQUIRED UNDER SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION & REDRESSAL) ACT, 2013**
- The Company has in place a Prevention of Sexual Harassment Policy in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
- The Company has been employing women employees in various cadres. There were no instances taken place in the Company during the year which are required to be reported under Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013.
25. **Quality Policy**
- your Company strive for 'excellence' by providing customized solutions, products & services that best satisfies the requirements of our Customers and continuously improve quality, reliability & service with the help of an effective Quality Management System, encompassing all statutory, regulatory, health, safety & environment requirements at our work place.
26. **FAMILIARIZATION PROGRAMME FOR INDEPENDENT DIRECTORS**
- Independent Directors are familiarized with their roles, rights and responsibilities in the Company as well as with the nature of industry and business model of the Company through induction programmers' at the time of their appointment as Directors and through presentations on economy & industry overview, key regulatory developments, strategy and performance which are made to the Directors from time to time.
27. **DETAILS OF SUBSIDIARY/JOINT VENTURES/ ASSOCIATE COMPANIES:**
- The Company does not have joint Ventures/Associate Companies. The Company has incorporated foreign subsidiary in Vietnam viz. Premco Global Vietnam Company Limited in which it holds 85%.
28. **HUMAN RESOURCE**
- Company treats its "human resources" as one of the most important assets. The Management of the Company lays continuous focus on human resources, who are trained and updated on various issues from time to time to attain the required standards. The correct recruitment practices are in place to attract the best technical manpower to ensure that the Company maintains its competitive position with respect to execution. your Company continuously invests in attraction, retention and development of talent on an ongoing basis.
29. **INTERNAL CONTROL AND ITS ADEQUACY**
- The Company has adequate internal controls and processes in place with respect to its financial statements which provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements. These

controls and processes are driven through various policies, procedures and certifications. The processes and controls are reviewed periodically. The Company has a mechanism of testing the controls at regular intervals for their operating effectiveness to ascertain the reliability and authenticity of financial information.

30. **Transfer of Unclaimed Dividend and Shares to Investor Education and Protection Fund (IEPF)**

In compliance with the provisions of Section 124 (5) of the Companies Act, 2013 read with Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, a sum of Rs. 1,87,215 being the dividend lying unclaimed out of the dividend declared by the Company for the Financial year 2010-2011 were transferred to IEPF. The details of the said unclaimed dividend transferred is available at the website of the Company at <https://www.premcoglobal.com/investors>

Similarly, During the period under review 22,490 Equity Shares pertaining to financial year 2009-2010 have been transferred to IEPF dated 19.07.2019 Authorities vide Corporate Action in compliance with the provisions of Section 124 of the Companies Act, 2013 and Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 after sending letters to those Shareholders and also making an advertisement in the newspapers in this regard. Details of these shares transferred to IEPF are available on the website of the Company at <https://www.premcoglobal.com/investors>

31. **SIGNIFICANT AND MATERIAL ORDERS:**

There are no Significant and material orders passed by the regulators or courts or tribunals impacting the going concern status and company's operations in future.

32. **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION ETC. & FOREIGN EXCHANGE EARNINGS AND OUTGOINGS:-**

The information as required under Section 134(3)(m) of the Companies Act, 2013 read with Rule 8(3) of the Companies (Accounts) Rules, 2014 with respect to conservation of energy, technology absorption and foreign exchange earnings is given below:

A. Conservation of energy:

I. The steps taken or impact on conservation of energy

The Company has replaced the 36w/40w tube lights with 16w LED tube lights which consumes 50% less energy.

II. The steps taken by the company for utilising alternate sources of energy

The Company's present outlay does not recommend for alternate source of energy. The Company intends to replacing high capacity motors in covering dept. with energy efficient new motors which should give a huge saving.

III. The capital investment on energy conservation equipments

As explained in point No.(ii) above the Company do not propose any major capital investment on energy conservation equipments because the existing arrangement are sufficient to cater the company need and are cost effective.

B. Technology absorption:

I. The efforts made towards technology absorption.

The Company has replaced some of the machines with high speed / upgraded version. The Company is also working on its super soft yarn technology which will help the Company to improve the quality of products.

II. The benefits derived like product improvement, cost reduction, product development or import substitution

The improved efficiency in production has resulted in substantial cost reduction due to lower wastages. The Company is endeavor to deliver best quality products at a lower cost.

III. The details of technology imported

Last year, the company had imported higher hook j/Q machines to weave wider j/Q designs. The Company is also foraying into innovative and niche products with printing and value added finishes.

C. Foreign exchange earnings and Outgo:

The Foreign Exchange earned in terms of actual inflows during the year and the Foreign Exchange outgoes during the year are:

(Rs. In Lacs)

PARTICULARS	2018-19	2017-18
Foreign Exchange Earning	2354.62	3068.55
Foreign Exchange Outgo		
-Raw Materials & Spares	1.18	22.26
-Capital Goods	52.13	16.38
-Travelling	76.05	62.57
-Expenses for Export	7.96	22.65
-Insurance Charges	0.53	0.96
-Professional Fees	9.22	-

33. **MANAGERIAL REMUNERATION**

A) Details of the ratio of the remuneration of each director to the median employee's remuneration and other details as required pursuant to Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014



Name of the Director	Designation	Ratio of remuneration to median remuneration to all employees
Ashok B. Harjani	Chairman & Managing Director	25.46
Lokesh P. Harjani	Executive Director	17.84
Nisha P. Harjani	CFO & Director	11.46
Sonia A. Harjani	Director	1.03

- B) The percentage increase in remuneration of each Director, Chief Financial Officer, Chief Executive Officer, Company Secretary.

Particulars	% increase in remuneration
Ashok B. Harjani, Managing Director	-
Lokesh P. Harjani, Executive Director	-
Nisha P. Harjani, CFO & Director	-
Sonia A. Harjani, Director	-
Shantanu Dey Ex-CEO	-
R.C. Panwar, CEO	-
Snehal Tondwalkar, Company Secretary	-

-Independent Directors are given only sitting fees which is same as last year.

- C) Percentage increase in the median remuneration of employees in financial year 6%.
- D) The number of permanent employees as on 31st March, 2019 was 170.
- E) Explanation on relationship between average increase in remuneration and Company performance:
- The increase in remuneration is in line with market trends and also with Company's Performance

- Comparison of remuneration of key managerial personnel against performance of the company
(Rs. In Lacs)

Aggregate Remuneration of Key Managerial Personnel (KMP)	163.92
Revenue	5323.39
Remuneration of KMPs (as % of revenue)	3.02 %
Profit Before Tax	(19.75)
Remuneration of KMP(as % of PBT)	-

- F) Variation in Market Capitalization of the Company Price Earnings ratio of current financial year and previous financial year:

(Rs. In Lacs)

Particulars	March 31, 2019	March 31, 2018	% change
Market Capitalization	4659.76	10586.92	(-) 55.98 %
Price Earnings Ratio	48.96	20.89	(-) 134.37%

- G) Company has not made any public offer in the recent previous and accordingly the comparison of public offer price and current market price would not be relevant.
- H) Average percentile increase already made in the salaries of employees other than the managerial personnel in last financial year and its comparison with the percentile increase in managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial.
- I) It can be seen that increase in managerial remuneration is quite minimal as compared to last year, whereas the employee's remuneration has been increased as per market trends. There have been no exceptional circumstances for increase in managerial remuneration.

j) Comparison of each remuneration of the key managerial personnel against the performance of the Company:

(Rs. In Lacs)

	Ashok B. Harjani Managing Director	Lokesh P. Harjani Executive Director	Nisha P. Harjani Chief Financial officer	Shantanu Dey Chief Executive Officer (upto june, 2018)	Ramesh Chandra Panwar Chief Executive Officer (from March, 2019)	Pooja Shekhawat Company Secretary (from feb'18)
Remuneration in Fy 19	69.60	47.98	31.00	9.08	0.59	2.91
Revenue				5323.39		
Remuneration as % of revenue	1.31	0.90	0.58	0.17	0.01	0.05
Profit Before Tax (PBT)			(19.75)			
Remuneration as % of PBT	-	-	-	-	-	-

- K) The key parameters for the variable component of remuneration availed by the Directors are considered by the Board of Directors based on the recommendations of the Nomination and Remuneration Committee. The ratio of the remuneration of the highest paid director to that of the employees who are not directors but receive in excess of the highest paid director during the year: None
- L) Affirmation that the remuneration is as per the remuneration policy of the Company.
- M) No employee's remuneration throughout the year 2018-2019 exceeded remuneration aggregating Rs. 60 Lacs or more per annum.
- N) No employee's remuneration for the year 2018-2019 exceeded the remuneration of any Directors.
- O) No employee employed for a part of the year is in receipt of remuneration aggregating Rs. 5 Lacs or more per month.
- P) No employee's remuneration was in excess of the remuneration drawn by the managing director or whole-time director or manager and does not holds by himself or along with his spouse and dependent children, any equity shares more than 2% of the of the company.

34. MANAGEMENT DISCUSSION AND ANALYSIS REPORT:

In terms of the provisions of Regulation 34 of the Listing regulations, the Management's discussion and analysis is set out in this Annual Report as Annexure.

35. ACKNOWLEDGEMENT:

your Directors wish to place on record their appreciation for the co-operation extended by all the employees, Bankers, Financial Institutions, various State and Central Government authorities and stakeholders.

For Premco Global Limited

Ashok B. Harjani
Chairman & Managing Director
DIN-00725890

Place: Mumbai
Date: 28th May 2019

**ANNEXURE 1****Form AOC-1**

(Pursuant to first proviso to sub-section (3) of section 129 read with rule 5 of Companies (Accounts) Rules, 2014)

Statement containing salient features of the financial statement of subsidiaries/associate companies/joint ventures**Part "A": Subsidiaries**

(Information in respect of each subsidiary to be presented with amounts in Rs. in Lacs)

Sl. No.	Particulars	Details
1.	Name of the subsidiary	Premco Global Vietnam Company Limited
2.	Reporting period for the subsidiary concerned, if different from the holding company's reporting period	January 1, 2018 to December 31, 2018
3.	Reporting currency and Exchange rate as on the last date of the relevant Financial year in the case of foreign subsidiaries	VND 1RS.=331.20 VND
4.	Share capital	540.23
5.	Reserves & surplus	240.67
6.	Minority Interest	132.94
7.	Total assets	3172.97
8.	Total Liabilities	3172.97
9.	Investments	-
10.	Turnover	3657.35
11.	Profit before taxation	325.44
12.	Provision for taxation	-
13.	Profit after taxation	325.44
14.	Proposed Dividend	-
15.	% of shareholding	85%
16.	Country	Vietnam

Note: Indian rupee equivalent to the given foreign currencies in the account of subsidiary company is based on exchange rate as on March 31, 2019.

For Premco Global Limited

Ashok B. Harjani
Chairman & Managing Director
00725890

Date: 28th May, 2019

Place: Mumbai

ANNEXURE 2

Form No. AOC-2

(Pursuant to clause (h) of sub-section (3) of section 134 of the Companies Act, 2013 and Rule 8(2) of the Companies (Accounts) Rules, 2014)

1. Details of contracts or arrangements or transactions not at arm's length basis: Premco Global Limited (the Company) has not entered into any contract/arrangement/transaction with its related parties which are not in ordinary course of business during Fy 2018-19.
2. Details of material contracts or arrangement or transactions at arm's length basis: (in Lacs)

Name(s) of the related party	Premco Industries	Ashok B. Harjani	Lokesh P. Harjani	Nisha P. Harjani	Sonia A. Harjani
Nature of relationship	Associate Company	Managing Director	Whole time Director	Director	Director
Nature of contracts / arrangements / transactions	1.Rent paid	1. Tour Advance 2.Reimbursement of Expenses 3.Advance Given 4. Loan Taken 5.Interest paid	1. Tour Advance 2.Reimbursement of Expenses 3. Loan Taken 4.Interest paid 5.Imprest	1. Tour Advance 2.Reimbursement of Expenses 3.Advance Given 4.Interest paid 5.Imprest	1. Loan Taken 2.Interest paid
Duration of the contracts / arrangements / transactions	12 Months	12 Months	12 Months	12 Months	12 Months
Salient terms of the contracts or arrangements or transactions including the value, if any (in Lacs)	VALUE: 1) 62.29	VALUE: 1) 34.90 2) - 3) 20.00 4) 315.30 5) 18.03	VALUE: 1) 58.58 2) - 3) - 4) - 5) 18.3	VALUE: 1) 53.2 2) - 3) 67 4) - 5) 20.73	VALUE: 1) - 2) -
Date(s) of approval by the Board, if any	28.05.2019	28.05.2019	28.05.2019	28.05.2019	28.05.2019
Amount paid as advances, if any	NA	NA	NA	NA	NA

For Premco Global Limited

Ashok B. Harjani
Chairman & Managing Director
00725890

Date: 28th May, 2019

Place: Mumbai



(ANNEXURE 3)

EXTRACT OF ANNUAL RETURN FORM MGT 9

(Pursuant to Section 92 (3) of the Companies Act, 2013 and
Rule 12(1) of the Company (Management & Administration) Rules, 2014)
Financial year ended on 31.03.2019

I. REGISTRATION & OTHER DETAILS:

1	CIN	L18100MH1986PLC040911
2	Registration Date	15.09.1986
3	Name of the Company	PREMCO GLOBAL LIMITED
4	Category/Sub-category of the Company	Company having Share Capital
5	Address of the Registered office	A/26, "PREMCO HOUSE" M.I.D.C , Street No.3, Marol, Andheri (East), Mumbai-400093
6	Contact details	6105 5000
7	Email:	admin@premcoglobal.com
8	Whether listed company	yes (Listed on BSE)
9	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Big Share Services Private Limited, 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai 400 059. Tel.No.091-022-62638200 Fax No.091-022- 62638299 Email: investor@bigshareonline.com

II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY

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

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Manufacturing of Woven & Knitted Elastic Tapes	139(based on 2008 list)	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES -

Sr. No.	Name and Address of the Company	CIN/GLN	Holding/Subsidiary/ Associate	% of Shares Held	Applicable Section
1	Premco Global Vietnam Company Limited	NA	Subsidiary	85%	2(87)

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

i) Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year: 31 st March, 2018				No. of Shares held at the end of the year :31st March, 2019				% Change
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
Promoter Group									
Individual	2113454	-	2113454	63.95	2210550	0	2210550	66.89	-
Bodies Corporate	-	-	-	-	-	-	-	-	-
TOTAL (A)	2113454	-	2113454	63.95	2210550	0	2210550	66.89	2.94
Public Shareholding									
Govt.[Central & State]	-	-	-	-	-	-	-	-	-
Govt. Companies	-	-	-	-	-	-	-	-	-
Public Financial Institutions	-	-	-	-	-	-	-	-	-
Nationalised/ Other Banks	-	-	-	-	-	-	-	-	-
Mutual Funds	-	72,600	72,600	2.20	-	72600	72600	2.20	0.00
VentureCapital	-	-	-	-	-	-	-	-	-
Foreign Holdings (NRI)	241421	11600	253021	7.66	149375	11600	160975	4.87	(2.79)
Bodies Corporate	74400	4300	78700	2.38	100806	1100	101906	3.08	0.70
Individuals(Capital upto Rs. 1Lacs)	525447	111666	637113	19.28	532888	88566	621454	18.80	(0.47)
Individuals(Capital greater than Rs. 1Lacs)	139396	0	139396	4.22	104947	0	104947	3.18	(1.04)
Clearing Member	5516	0	5516	0.17	1044	0	1044	0.03	(0.14)
Foreign Portfolio Investor	5000	0	5000	0.15	8834	0	8834	0.27	0.12
IEPF	0	0	0	0.00	22490	0	22490	0.68	0.68
TOTAL (B)	991180	200166	1191346	36.05	920384	173866	1094250	33.11	(2.95)
GRAND TOTAL(A+B)	3104634	200166	3304800	100	3130934	173866	3304800	100.00	(0.00)

(ii) (a) Shareholding of Promoters

Sr. No.	Name of the Director/KMP	Shareholding at the end of the year- 1st April, 2018		Shareholding at the end of the year- 31st March, 2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	ASHOK B. HARJANI	9,16,269	27.72	9,64,817	29.19
2.	LOKESH P. HARJANI	4,35,921	13.19	4,35,921	13.19
3.	NISHA P. HARJANI	59,653	1.80	59,653	1.81
4.	SONIA A. HARJANI	1,845	0.05	1,845	0.06
5.	SURESH B. HARJANI	4,26,966	12.92	4,26,966	12.92
6.	PREM B. HARJANI	1,79,800	5.44	2,28,348	6.91



(ii) (b) Shareholding of Promoter Group

Sr. No.	Name of the Director/KMP	Shareholding at the end of the year- 1st April, 2018		Shareholding at the end of the year- 31st March, 2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	PREMCO INDUSTRIES	93,000	2.81	93,000	2.81

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

Change in Promoters' Shareholding

Sr. No	NAME	No. of Shares at the beginning/ End of the year	Date	Increase/ Decrease in share-holding	Reason	Number of Shares	Percentage of total shares of the company
1	ASHOK HARJANI B.	9,16,269	31-Mar-18	0	Transfer	9,16,269	27.72
			16-Nov-18	48548	Acquired	9,64,817	29.17
		9,64,817	30-Mar-19	0		9,64,817	29.17
2	PREM HARJANI B.	1,79,800	31-Mar-18	0	Transfer	1,79,800	5.44
			16-Nov-18	48548	Acquired	2,28,348	6.91
		2,28,348	30-Mar-18	0		2,28,348	6.91

(iii) (b) Change in Promoters' Group shareholding (please specify, if there is no change)

There is no change in Promoter's group Shareholding.

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

Sr. No.	Top Ten Shareholders	Shareholding at the beginning of the year- 01 st April, 2018		Shareholding at the end of the year- 31 st March, 2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	MULCHAND GIANCHAND ALWANI	97096	2.94	-	-
2.	MANJU M. ALWANI	83432	2.52	92774	2.81
3.	SOUTHERN INDIA DEPOSITORY SERVICES PVT. LTD.	71300	2.16	71300	2.16
4.	NEETA DHIRAJLAL CHHABRIA	47659	1.44	47659	1.44
5.	NEELAM MITTAL			-	-
6.	PRATYUSH MITTAL	25166	0.76	31914	0.97
7.	MANOJ DUA	20510	0.62	-	-
8.	GEOMETRIC SECURITIES AND ADVISORY P LTD	17494	0.53	20255	0.61
9.	APARNA SAREES PRIVATE LIMITED	16000	0.48	16514	0.50
10.	QOPPA TRADING PVT LTD	-	-	-	-
11.	JOINDRE CAPITAL SERVICES LTD. CLIENT A/C BSE	-	-	17000	0.51
12.	HANSABEN KAPURCHAND SHAH	-	-	-	-
13.	QOPPA TRADING PRIVATE LIMITED	170630	0.52	-	-
14.	SATYA PRAKASH MITTAL	-	-	-	-
15.	SATYA PRAKASH MITTAL (HUF)	-	-	17428	0.53
13.	RAJIV DAYAL	15061	0.46	10374	0.31

TOP TEN NON PROMOTERS MOVEMENT							
Sr. No	NAME	No. of Shares at the begining/End of the year	Date	Increase/ Decrease in share-holding	Reason	Number of Shares	Percentage of total shares of the company
1	MULCHAND GIANCHAND ALWANI	97,096	31-Mar-18	0	Transfer	97,096	2.94
			16-Nov-18	-97096	Transfer	0	0.00
			30-Mar-19	0	Transfer	0	0.00
2	MANJU MULCHAND ALWANI	92,774	31-Mar-18	0	Transfer	92,774	2.81
		92,774	30-Mar-19	0	Transfer	92,774	2.81
3	SOUTHERN INDIA DEPOSITORY SERVICES PVT.	71,300	31-Mar-17	0	Transfer	71,300	2.16
			25-Sep-18	71300	Transfer	142,600	4.31
			28-Sep-18	-71300	Transfer	71,300	2.16
		71,300	30-Mar-19	0	Transfer	71,300	2.16
4	NEETA DHIRAJ CHABRIA	47,659	31-Mar-18	0	Transfer	47,659	1.44
		47,659	30-Mar-19	0	Transfer	47,659	1.44
5	PRATYUSH MITTAL	0	31-Mar-18		Transfer	0	0.00
			25-Jan-19	100	Transfer	100	0.00
			01-Feb-19	70	Transfer	170	0.01
			15-Feb-19	9520	Transfer	9,690	0.29
			22-Feb-19	8951	Transfer	18,641	0.56
			01-Mar-19	13273	Transfer	31,914	0.97
6	NEELAM MITTAL	25,166	31-Mar-18	0	Transfer	25,166	0.76
			20-Apr-18	189	Transfer	25,355	0.77
			27-Apr-18	1	Transfer	25,356	0.77
			01-Jun-18	-1285	Transfer	24,071	0.73
			08-Jun-18	41	Transfer	24,112	0.73
			13-Jul-18	10	Transfer	24,122	0.73
			25-Sep-18	150	Transfer	24,272	0.73
			05-Oct-18	5	Transfer	24,277	0.73
			09-Nov-18	-726	Transfer	23,551	0.71
			16-Nov-18	-52	Transfer	23,499	0.71
			01-Feb-19	-66	Transfer	23,433	0.71
			08-Feb-19	-2550	Transfer	20,883	0.63
			15-Feb-19	-20883	Transfer	0	0.00
			30-Mar-19	0	Transfer	0	0.00



7	MANOj DUA	20,510	31-Mar-18	0	Transfer	20,510	0.62
			01-jun-18	-2585	Transfer	17,925	0.54
			24-Aug-18	60	Transfer	17,985	0.54
			14-Sep-18	-17985	Transfer	0	0.00
			30-Mar-19	0	Transfer	0	0.00
8	GEOMETRIC SECURITIES AND ADVISORY P LTD	0	31-Mar-18		Transfer	0	0.00
			24-Aug-18	2255	Transfer	2,255	0.07
			14-Sep-18	18000	Transfer	20,255	0.61
		20,255	30-Mar-19	0	Transfer	20,255	0.61
9	APARNAA SAREES PRIVATE LIMITED	17,494	31-Mar-18	0	Transfer	17,494	0.53
			17-Aug-18	-2921	Transfer	14,573	0.44
			14-Sep-18	130	Transfer	14,703	0.44
			20-Sep-18	445	Transfer	15,148	0.46
			25-Sep-18	1275	Transfer	16,423	0.50
			05-Oct-18	211	Transfer	16,634	0.50
			19-Oct-18	-120	Transfer	16,514	0.50
			26-Oct-18	50	Transfer	16,564	0.50
			16-Nov-18	-50	Transfer	16,514	0.50
		16,514	30-Mar-19	0	Transfer	16,514	0.50
10	QOPPA TRADING PVT LTD	17,063	31-Mar-18	0	Transfer	17,063	0.52
			18-jan-19	-17063	Transfer	0	0.00
			30-Mar-19	0	Transfer	0	0.00
11	JOINDRE CAPITAL SERVICES LTD. CLIENT A/C BSE	0	31-Mar-18		Transfer	0	0.00
			18-jan-19	17000	Transfer	17,000	0.51
			15-Feb-19	834	Transfer	17,834	0.54
			22-Feb-19	-627	Transfer	17,207	0.52
			01-Mar-19	-172	Transfer	17,035	0.52
			08-Mar-19	25	Transfer	17,060	0.52
			15-Mar-19	-60	Transfer	17,000	0.51
		17,000	30-Mar-19	0	Transfer	17,000	0.51
12	HANSABEN KAPURCHAND SHAH	16,000	31-Mar-18	0	Transfer	16,000	0.48
			24-Aug-18	-3314	Transfer	12,686	0.38
			31-Aug-18	-18	Transfer	12,668	0.38
			07-Sep-18	-82	Transfer	12,586	0.38
			14-Sep-18	-90	Transfer	12,496	0.38
			05-Oct-18	-6167	Transfer	6,329	0.19
			12-Oct-18	-1801	Transfer	4,528	0.14
			19-Oct-18	-4528	Transfer	0	0.00

PREMCO GLOBAL LTD

			30-Mar-19	0	Transfer	0	0.00
13	SATyA PRAKASH MITTAL	15,201	31-Mar-18	0	Transfer	15,201	0.46
			10-Aug-18	10	Transfer	15,211	0.46
			24-Aug-18	195	Transfer	15,406	0.47
			26-Oct-18	10	Transfer	15,416	0.47
			04-Jan-19	-2000	Transfer	13,416	0.41
			25-Jan-19	7	Transfer	13,423	0.41
			22-Feb-19	-13263	Transfer	160	0.00
		160	30-Mar-19	0	Transfer	160	0.00
14	SATyA PRAKASH MITTAL (HUF)	17,428	31-Mar-18	0	Transfer	17,428	0.53
		17,428	30-Mar-19	0	Transfer	17,428	0.53
15	RAjIV DAyAL	1,835	31-Mar-18	0	Transfer	1,835	0.06
			06-Apr-18	864	Transfer	2,699	0.08
			27-Apr-18	674	Transfer	3,373	0.10
			04-May-18	200	Transfer	3,573	0.11
			18-May-18	10	Transfer	3,583	0.11
			08-Jun-18	709	Transfer	4,292	0.13
			15-Jun-18	321	Transfer	4,613	0.14
			22-Jun-18	2647	Transfer	7,260	0.22
			29-Jun-18	915	Transfer	8,175	0.25
			06-Jul-18	600	Transfer	8,775	0.27
			13-Jul-18	414	Transfer	9,189	0.28
			03-Aug-18	406	Transfer	9,595	0.29
			14-Sep-18	113	Transfer	9,708	0.29
			22-Feb-19	150	Transfer	9,858	0.30
			01-Mar-19	309	Transfer	10,167	0.31
			08-Mar-19	120	Transfer	10,287	0.31
			15-Mar-19	87	Transfer	10,374	0.31
		10,374	30-Mar-19	0	Transfer	10,374	0.31
16	LINCOLN P COELHO	10,000	31-Mar-18	0	Transfer	10,000	0.30
		10,000	30-Mar-19	0	Transfer	10,000	0.30
17	USHA jAGDISH MANIAR	8,500	31-Mar-18	0	Transfer	8,500	0.26
			12-Oct-18	1500	Transfer	10,000	0.30
		10,000	30-Mar-19	0	Transfer	10,000	0.30

The shares of the Company are traded on daily basis and hence date wise increase/decrease in shareholding is not indicated.



(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	Name of the Director/KMP	Shareholding at the beginning of the year- 1 st April, 2018		Shareholding at the end of the year- 31 st March, 2019	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1.	ASHOK B. HARJANI	9,16,269	27.73	9,64,817	29.20
2.	LOKESH P. HARJANI	4,35,921	13.19	4,35,921	13.20
3.	NISHA P. HARJANI	59,653	1.81	59,653	1.81
4.	SONIA A. HARJANI	1,845	0.06	1,845	0.06

V. INDEBTEDNESS

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

(In Lacs)

PARTICULARS	Secured Loans Excluding Deposits	Unsecured Loans	Deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
1) Principal Amount	312.16	0.00	0.00	1016.28
2) Interest due but not paid	0.00	0.00	0.00	0.00
3) Interest accrued but not due	0.00	0.00	0.00	0.00
Total of (1+2+3)	312.16	0.00	0.00	1016.28
Change in Indebtedness during the financial year				
+ Addition		0.00	0.00	
- Reduction		0.00	0.00	
Net change	133.97	0.00	0.00	-704.12
Indebtedness at the end of the financial year				
1) Principal Amount	446.13	0.00	0.00	312.16
2) Interest due but not paid	0.00	0.00	0.00	0.00
3) Interest accrued but not due	0.00	0.00	0.00	0.00
Total of (1+2+3)	446.13	0.00	0.00	312.16

VI REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(Rs. In Lacs)

Sr. No	Particulars of Remuneration	Name of MD/WTD/DIRECTOR				Total Amount
		Ashok B. Harjani Managing Director	Lokesh P. Harjani Whole time Director	Nisha P. Harjani CFO & Executive Director	Sonia A. Harjani Executive Director	
1	Gross Salary					
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act	66.60	46.68	30.00	8.32	151.60
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-	-	-
2	Stock Option	-	-	-	-	-
3	Bonus	3.00	1.30	1.00	0.76	6.06
4	Sweat Equity	-	-	-	-	-
5	Commission - As % of Profit	-	-	-	-	-
6	Others, please specify Rent	-	-	-	-	-
	Total	69.60	47.98	31.00	9.08	157.66

B. Remuneration of other directors:

I. Independent Directors:-

(In Rs.)

Particulars of Remuneration	Devendra K. Shah	Rajesh M. Mahtani	Prem I. Gidwani	Sonu A. Chowdhary	Total
Sitting Fees for attending board/ committee meetings	6,000/-	4,500/-	6,000/-	3,000/-	19,500/-
Commission	-	-	-	-	-
Others	-	-	-	-	-
Total	6,000/-	4,500/-	6,000/-	3,000/-	19,500/-

* Mr. Devendra Shah has resigned w.e.f. 18th March, 2019.



C. Remuneration to Key Managerial Personnel Other Than MD/ Manager/ WTD

(Rs. In Lacs)

Sr. No	Particulars of Remuneration	Name of KMP				Total Amount
		Nisha P. Harjani CFO & Executive Director	Shantanu Dey CEO (Ceased w.e.f. 21.06.2018)	Ramesh Panwar CEO (Appointed w.e.f. 27.03.2019)	Pooja Shekhawat Company Secretary (Ceased w.e.f. 30.04.2019)	
1	Gross Salary	30.00	8.32	0.59	2.91	41.82
	(a) Salary as per provisions contained in section 17(1) of the Income Tax Act	-	-	-	-	-
	(b) Value of perquisites u/s 17(2) Income Tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under Section 17(3) Income Tax Act, 1961	-	-	-	-	-
2	Stock Option		-		-	-
3	Bonus	1.00	0.76	-	-	1.76
4	Sweat Equity	-	-		-	-
5	Commission - As % of Profit	-	-		-	-
6	Others, please specify		-		-	-
	Total	31.00	9.08	0.59	2.91	43.58

VII. PENALTIES/ PUNISHMENT/ COMPOUNDING OF OFFENCES (Under the Companies Act):

Type	Brief Description	Details of Penalty/ Punishment/ Compounding fees imposed	Authority (RD/ NCLT/Court)	Appeal made if any (give details)
A. COMPANY				
Penalty	None			
B. DIRECTORS				
Penalty	Punishment Compounding	None		
C. OTHER OFFICERS IN DEFAULT				
Penalty	Punishment Compounding	None		

(ANNEXURE 4)

CORPORATE SOCIAL RESPONSIBILITY ACTIVITIES TO BE INCLUDED IN THE BOARD'S REPORT

- (1) **A brief outline of the company's CSR policy, including overview of projects or programs proposed to be undertaken and a reference to the web-link to the CSR policy and projects or Programmes.**

Premco Global Limited is venturing into manufacturing high-quality Woven and Knitted Elastic and Rigid narrow fabric and tape products designed for use in industry-specific applications in the apparel, lingerie, sports-related, medical, footwear, luggage and automotive fields. Having its Headquarters in Mumbai, India with sales offices throughout major garment production centers like Delhi, Chennai, Tirupur, Bangalore, Calcutta and Ahmedabad, Premco maintains close customer ties and is able to service requirements in line with the latest in market trend throughout Asia and the major garment production centers of the world.

Our Key Focus areas of CSR are providing healthcare services, education, providing medical facilities and food facilities to needy students, widows, sick members & orphans. The focus on health includes creating awareness regarding physical fitness by doing yoga and playing sport. Free medicines, food, transportation, accommodation is provided to cancer patients by specified organizations stated below which are funded by Company to some extent.

- (2) **The Composition of the CSR Committee.**

1. Devendra K. Shah Chairman
2. Ashok B. Harjani Member (Managing Director)
3. Lokesh P. Harjani Member (Executive Director)

- (3) **Average net profit of the company for last three financial years-**

(Rs In Lacs)

2015-2016	2016-2017	2017-2018	AVERAGE
1950.93	1511.52	6827.51	1381.73

- (4) **Prescribed CSR Expenditure (two per cent. Of the amount as in item 3 above)**

Rs. 27.63 lacs

- (5) **Details of CSR spent during the financial year.**

- a) Total amount spent during the financial year- 35.32 lacs
- b) Amount unspent, if any; NA
- c) Manner in which the amount spent during the financial year is detailed below: (in Lacs)



Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programme Area	Amount outlay (budget project or programme wise)	Amount spent on the project or programme		Cumulative expenditure up to the reporting period	Amount Spent direct or through implementing agency
					(1) Direct expenditure on projects or programmes	Overheads		
1	Promoting Education	Child Education	Mumbai Maharashtra	6.30	5.900		5.900	St.Gonsalo Garcia Ashram
2	Social welfare projects	Social welfare projects	Mumbai Maharashtra	1.367	1.367		7.667	Direct Holy Mission Of Guru Nanak
3	Social Upliftment	Rural Development	Bihar	0.21	0.21		7.877	Sannyasa Peeth
4	To Promote yoga	yoga	Bihar	0.11	0.11		7.987	BIHAR SCHOOL OF yOGA
5	Social Upliftment	education among girls, medical facilities to economically backward section of society	Mumbai Maharashtra	5.265	2.115		13.252	Direct Shri SadhubellaUdasin Ashram
6	To Promote nationally recognized Sports	Badminton	Thane Maharashtra	0.25	0.25		13.502	Direct THE THANE CITY & DISTRICT BADMINTON ASSOCIATION,
7	Social Upliftment	Children Education	Rajasthan	14.5	14.5		28.002	Direct (TATPADAM UPAVAN)
8	Infrastructure Development	Support the Repairs and Maintenance of School Building	Mumbai Maharashtra	0.02	0.02		28.022	Direct THE SOCIETY OF THE POOR SISITERS OF OUR LADy
9	Social Upliftment	Social welfare projects	Mumbai Maharashtra	0.25	0.25		28.272	Direct MISSIONARIES OF CHARITy
10	Social Upliftment	Medical and Healthcare	Mumbai Maharashtra	0.500	0.500		28.772	Direct MISSIONARIES OF CHARITy
11	Social Upliftment	Rural Development & Social Upliftment	Mumbai Maharashtra	0.10	0.10		28.872	Direct ADIVASI SAMAj UTKARSH SANGH
12	Social Upliftment	To Arrange & conduct Drawing Competition For Kids	Mumbai Maharashtra	0.300	0.300		29.172	Direct LIGHT OF LIFE TRUST

Sr. No.	CSR project or activity identified	Sector in which the project is covered	Projects or programme Area	Amount outlay (budget project or programme wise)	Amount spent on the project or programme		Cumulative expenditure up to the reporting period	Amount Spent direct or through implementing agency
					(1) Direct expenditure on projects or programmes	Overheads		
13	Social Upliftment	To promote Education, Medical and Healthcare	Mumbai Maharashtra	1.700	1.700		30.872	Direct NATIONAL HEALTH & EDUCATION SOCIETY
14	Social Upliftment	To help animal suffering.	Mumbai Maharashtra	0.050	0.050		30.922	Direct WELOVE ANIMALS FOUNDATION
15	Social Upliftment	Children Education	Mumbai Maharashtra	0.890	0.300		31.812	Direct HDFC BANK LTD
	T O T A L A M O U N T S P E N T			31.812	31.812			

(6) Responsibility statement of the CSR Committee that the implementation and monitoring of CSR Policy is in compliance with CSR objectives and Policy of the company.

The CSR Committee affirms that the implementation and monitoring of CSR Policy is in compliance with the CSR Policy and objectives of the Company.

Ashok B. Harjani
Managing Director
DIN-00725890

Devendra K. Shah
Chairman CSR Committee
DIN- 01254611

Place: Mumbai
 Date: 28th May 2019

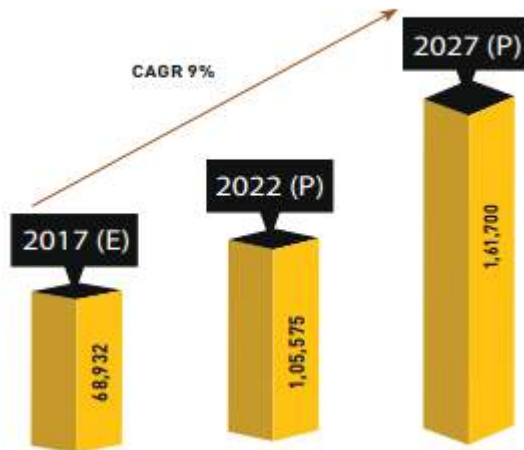


MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Indian fashion retail is presently witnessing a strong demand for knitwear products

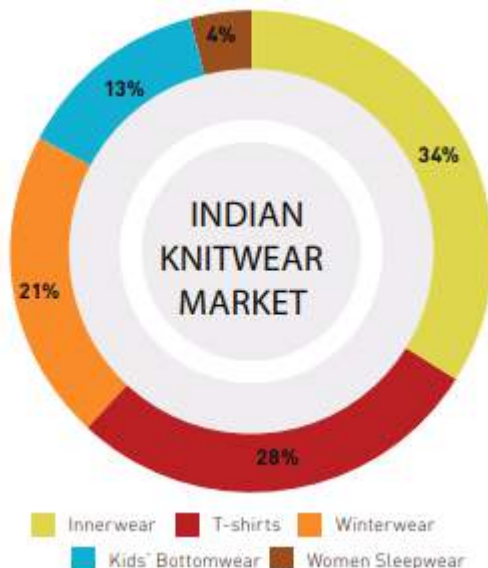
The knitwear market is expected to grow at a promising rate of 9 percent over the next decade to reach 1,61,700 crores from the current market size of 68,932 crores.

KNITWEAR MARKET (INR CR)

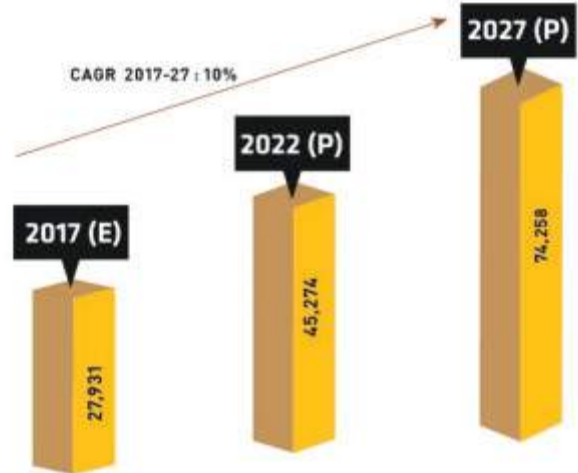


Men's wear is the single largest category in knitwear, accounting for 40 percent of the market, followed by women's wear, boys' wear and girls' wear with market shares of 34 percent, 18 percent and 8 percent respectively.

The innerwear category, in which Premco Global operates, accounts for 34% of knitwear market



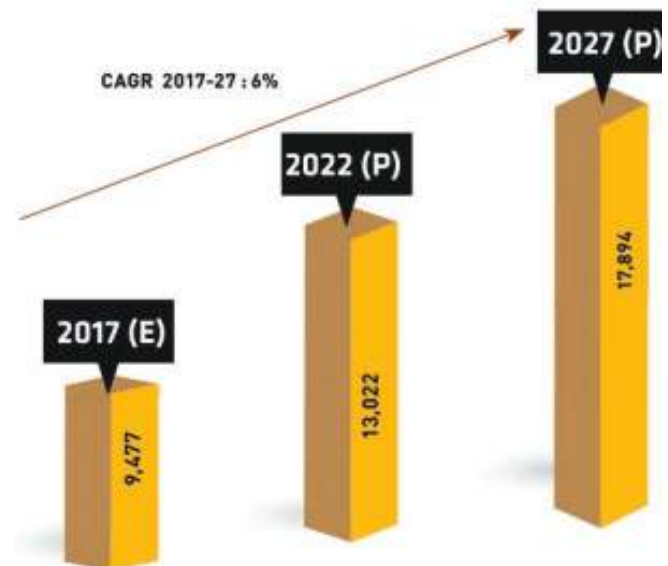
INDIAN INNERWEAR MARKET (INR CR)



The innerwear category, estimated to be worth ` 27,931 crore, accounts for 10 percent of the total apparel market in 2017. It is expected to grow at an impressive CAGR of 10% over the next decade to reach ` 74,258 crore.

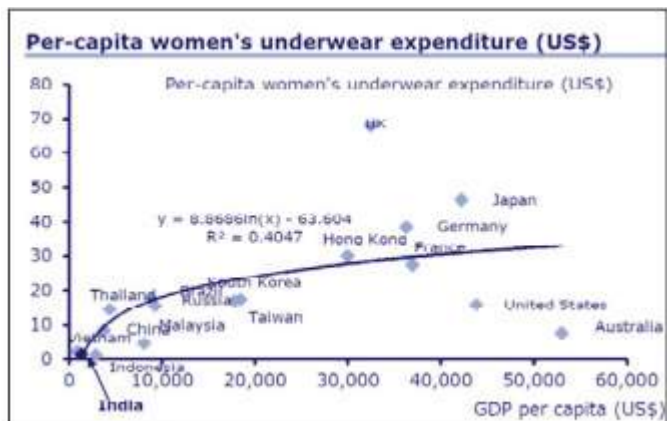
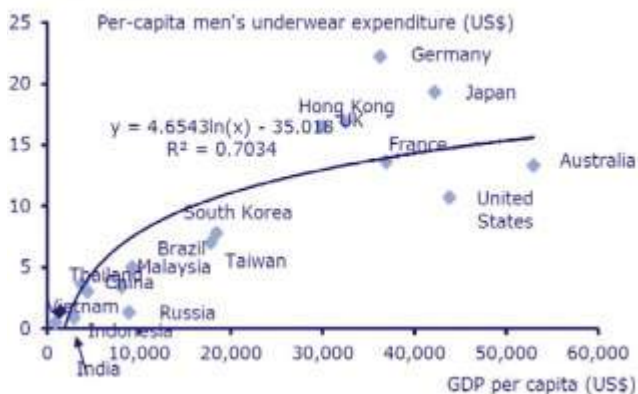
The men's innerwear market, which is estimated to be worth ` 9,477 crore in the year 2017, is estimated to grow at a CAGR of 6 percent to reach ` 17,894 crore by 2027.

MEN'S INNERWEAR MARKET (INR CR)



Indian consumer spend on innerwear products is significantly lower than other Asian peers. This trend is visible across both men's and women's segments with gaps of over 90% against countries like Thailand and China. This suggests that there is significant room for growth driven by rising per capita spending on such products.

Per-capita men's underwear expenditure (US\$)



Looking ahead, we expect growth in the innerwear market to be driven by broad based consumer trends in the form of rising discretionary spend, growing number of mid-high-income house hold and rising urbanization. Innerwear has graduated from being just a functional category to a category that offers additional fashion quotient. It is shifting from a price sensitive category to a brand sensitive category. Source: CLSA Asia-Pacific Markets, Euro monitor.

Premco Global which basically caters to Men's Innerwear category, has invested Rs230.85 Lacs in Capital expenditure for modernizing the Indian Operations. The areas of expenditure include modernizing of warehousing at Dadra factory and an increase in automation of its other Plants as well.

The year 2018-19 being the first full year in which GST was applicable (from April 18 to March 19), the results will have some difference in presentation compared to last year where part of the year was under the old VAT system. Hence the 'other revenue' figures are not comparable to last year, which included Duty Drawback income as well (Upto June, 30 2017)

OPPORTUNITIES AND THREATS FOR THE COMPANY

OPPORTUNITIES :

For the apparel industry in general and our market in particular:

- * In 2018-19, Company received SINGLE STAR EXPORT HOUSE CERTIFICATE, which will enable our company to be recognized for ease of operation with tax and banking officials.
- Company having locational advantage of supply of goods to overseas customer as it has plant in VIETNAM, which is presently a large global textile Hub, and ranks amongst the most rapidly growing countries for textiles manufacturing and exporting..
- Increasing fashion consciousness, higher disposable incomes and consumers becoming more aspirational, discerning and brand savvy, will help the brands for which Company has been manufacturing ELASTIC TAPES grow rapidly and indirectly will increase the demand for Company's products.

THREATS

Many major international apparel brands have commenced operations in India realizing that Indian markets are likely to emerge as one of the largest markets in the world in the next few decades. Due to this many small and big players will enter the Company's business.

Company's Exposure to Foreign Currency Risks due to Overseas Operations.

SEGMENTWISE PERFORMANCE :

As per the Management, Company is mainly engaged in the business of Manufacturing of Woven & Knitted Elastic Tapes and all other activities of the Company revolve around the main business, and as such, there are no separate reportable segments.

OUTLOOK

Company continues to strive for utilizing its full capacity by concentrating on new customers in India and overseas markets for its Products.

The Company's Vietnam Operations caters to large global orders. In the ensuing year, it expects to achieve 90% capacity Utilization, thereby improving Profitability and margins.

Looking ahead, the Company has already developed and launched new and innovative products, including Dyed Tapes and Tapes made from Super Soft yarns. The Company expects to cater to large orders from Global brands and customers.

**FINANCIAL PERFORMANCE :**

Rs. in Lakhs

Particulars	Standalone		Consolidated	
	March 2019	March 2018	March 2019	March 2018
Revenue from Operations	5323.39	6567.42	7,212.41	8,136.64
Expenses	4985.15	5609.82	6409.93	7044.55
Profit Before Finance Cost, Depreciation & Amortization Exp.	338.24	957.60	802.48	1092.09
Finance Cost	79.62	83.41	150.17	100.36
Depreciation & Amortization Exp.	171.81	191.44	271.84	273.90
Profit before Exceptional Items	86.81	682.75	380.47	717.81
Extra Ordinary Item	(106.56)	-	(106.56)	-
Profit before Taxation	(19.75)	682.75	273.91	717.81
Less : Provision for current Taxation	19.16	234.49	19.16	234.49
Deferred Taxation adjustment	(54.78)	(57.56)	(54.78)	(57.56)
Profit After Taxation	15.87	505.82	309.53	540.88
Minority Interest	-	-	(48.82)	(14.41)
Other Comprehensive Income (Net of Tax)	79.17	1.65	79.17	1.65
Total Comprehensive Income	95.04	507.47	339.88	528.12
Paid up Equity Share Capital	330.48	330.48	330.48	330.48
Earnings Per Share (Rs.)	2.88	15.36	10.28	15.98

STANDALONE ANALYSIS

During the year under review, Company's revenue from operations stood at Rs. 5323.39 Lacs as against Rs.6567.42 Lacs in the previous year, The Company has earned a Net profit after Tax of Rs. 15.87 Lacs as compared to the Net Profit after Tax of Rs. 505.82 Lacs during the previous accounting year.

The Company's EBDIT for the year on standalone basis was at Rs 338.24 Lacs as against Rs. 957.6 Lacs. The standalone Profit after Tax of the Company Stood at Rs 15.87 as against Rs. 505.82 Lacs.

Extraordinary item includes expenditure of Rs. 106.56 Lakhs booked towards reversal of GST credit on inventory held as on date of implementation of GST law i.e. Rs. 82.25 for Trans 1 credit (01.07.2017) & Rs. 24.31 for in-advert credit (01.08.2018).

On the Standalone basis, Company's other operating revenue was lower by 67.02 % (Rs. 145.77 Lacs) due to lower duty drawback incentives post GST era w.e.f. 01.10.2017. Company has since revised the export prices to cover the cost. Other income was higher by 6.33% (Rs. 23.70 Lacs) as compared to previous year.

Domestic sales were lower by 10% (Rs. 295.98 Lacs) as compared to previous year. The decline was mainly on account of Lower domestic demand due to floods in Central & Southern part of India.

The Company exports were lower by 23% i.e. (Rs. 713.94 Lacs). This was on account of lower trading activity with company's own subsidiary & lower sales to one of our large customers.

PGVL Vietnam was able to develop and procure supplies locally, thereby reducing the Raw Material sourcing from India.

The Company was able to pass on the lower duty drawback effect due to reduction in Rates to export customers, thereby improving the RM Consumption to Sales ratio by 3.36 %.

There is an increase in RM Cost of Rs. 61.56 Lacs due to increase in RM Prices

The Company has incurred expenses (other than RM Cost) of Rs. 2496.59 Lacs in current year as compared to previous year of Rs. 2435.03 Lacs.

Also Employee cost increased by Rs 25.15 Lacs as compared to previous year, which was on account of new recruitment in the Marketing division, which would strongly focus on new Markets, and building business with big brands Internationally and in India.

There has been decline in finance cost of Rs. 3.79 Lacs and Depreciation by Rs. 19.63 Lacs during the financial year.

The Company's manufacturing expenses were higher by Rs. 59.83 Lacs due to revision in Contract / Piece rate & high electricity rates / cost. This was also partly due to higher production volumes

CONSOLIDATED ANALYSIS

During the year under review, On Consolidated basis, revenue from operations stood at Rs. 7,212.41 Lacs as against Rs. 8,136.64 Lacs in the previous year and Net Profit after Tax stood at 309.53Lacs as compared to the Net Profit after Tax of Rs. 540.88Lacs during the previous accounting year.

The Company's Consolidated EBDIT for the year stood at Rs. 802.48Lacs as against Rs. 1092.09Lacs, The Consolidated Profit after Tax of the Company Stood at Rs. 309.53Lacs as against Rs. 540.88Lacs.

On the Consolidated basis, Company's other operating revenue was lower by 67.02 % (Rs. 145.77 Lacs) due to lower duty drawback incentives post GST era w.e.f. 01.10.2017. Company has since revised the export prices to cover the cost. Other income was increased by 4.90 % (Rs. 14.66 Lacs) as compared to previous year.

The Company exports were lower by 8.23% i.e. (Rs. 388.01 Lacs). This was on account of lower sales to one of our large customers , as well as depressed market for all textile products due to poor retail sales globally.

Company's Gross Margins (Sales minus RM Cost on products improved substantially from 46.54% to 53.80% ensuring net saving of Rs. 503.71 Lacs.

The Company has incurred expenses (Other than RM Cost) of Rs. 3632.59 Lacs in current year as compared to previous year of Rs. 3350.04 Lacs. There is a slight increase in expenses of Rs. 282.54 Lacs on account of increase in cost of Raw Material and growing competition in market. The rise in cost was partly also due to different Product Mix.

Also Employee cost increased by Rs 173.20 Lacs as compared to previous year, which was on account of new recruitment in the Marketing division , which would strongly focus on new Markets , and building business with big brands Internationally and in India .Also Vietnam Plant was run at Higher Capacity as compared to previous year resulting in Higher Employee cost incurred at Vietnam.

There has been increase in finance cost of Rs. 49.81 Lacs due to higher working Capital and Exchange Loss. Further there was a slight decline in Depreciation by Rs. 2.06 Lacs during the financial year.

The Company's manufacturing expenses were higher by Rs. 61.59 Lacs due to revision in Contract / Piece rate & high electricity rates / cost. This was also partly due to higher production rates.

FINANCIAL VISION AND OUTLOOK:

Company has been successful in training and fully operationalizing its VIETNAM PLANT facilities with achieving

financial breakeven and turnaround in Profitability as compared to PREVIOUS financial year.

With Vietnam Operations achieving more than 75% operational efficiencies this year, the Company is now focusing on improving its capacity utilizations in both India and Vietnam Operations , by developing new customers and offering them innovative products .

Company expects and targets to achieve a targeted growth of 10 to 15% next year. This will leverage the Company's Margins and Profitability.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES (INCLUDING NO OF PERSONNEL EMPLOYED)

The Company believes that Human Resources is one of the most vital resources and a key pillar in providing the Organization a competitive edge in a current business environment.

The Work Environment is very challenging and performance oriented. The Company recognizes employees potential and provides them with growth opportunities and takes suitable measures for employees welfare.

As on 31st March 2019, Premco Global limited Employs 500 strong work force in Indian Operations and more than 250 Managers , Workers and staff in Vietnam.

Performance Management for Staff Members

The Company has designed and implemented a Performance Management System (PMS) that allows individual Goal/KRA (Key Result Area) setting. This enables a two-way discussion between a Staff Member and his/her Reporting Manager (Coach) which ensures that the organization's objectives are percolated down to teams and individuals.

Talent Acquisition:

The Company continues to strengthen both leadership and managerial team. Taking into consideration the increasing scale of operation, we have inducted senior leaders and executives who bring rich experience from world-class organizations around the world, as well as youngsters, who bring fresh energy into our organization.

PICNIC :

Company conducts Picnic for its employees at the end of year. This year was carried out at Imagica, Khopoli, where employees participated alongwith their families and enjoyed the day.

Training :

The Company has taken various technical upgradation and training Programmes to upgrade the communication ,safety and technical skills of their employees. The Company conducts on the Job Training also gives rewards for Improvement in Delivery, Quality of products and automation within the Plants.



Form No. MR-3
SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31st March 2019

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

To,
The Members,

PREMCO GLOBAL LIMITED

Mumbai

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by PREMCO GLOBAL LIMITED (hereinafter called the company). Secretarial Audit was conducted in a manner that provided us a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing our opinion thereon.

Based on our verification of the Company of books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the company has, during the audit period covering the financial year ended on 31st March 2019 complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

We have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31st March 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed there under;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings; (Not applicable to the Company during the Audit Period);
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015;

- (b) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
- (c) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
- (d) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009; There were no further issue of securities during the year under review.
- (e) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 / The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014;
- (f) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
- (g) 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;
- (h) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009; There were no proposals for delisting of its Equity shares during the year under review.
and
- (i) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998; There were no Buy Back of its Equity shares during the year under review.
- (vi) Other laws applicable to Company
 1. Custom Act 2013
 2. Foreign Trade Policy 2015-2020
 3. Excise laws and Other State Vat Laws applicable
 4. Labour Laws and other incidental laws related to labour and employees.
 5. Shop and Establishment Act & Rules (State wise)
 6. Acts prescribed under prevention and control of pollution and environmental protection.

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

- (i) Secretarial Standards issued by the Institute of Company Secretaries of India;
- (ii) The Listing Regulations entered into by the Company with the BSE Limited and Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements), Regulations 2015.

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

We further report that

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

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

Majority decisions of the Board are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors.

1. *During the period under review, Mr. Devendra K Shah (Din: 01254611), Non-executive Independent director became disqualified under section 164(2) of the Companies Act, 2013 and has stepped down from the post of Directorship of the company w.e.f. 18th March, 2019.*

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.

For **SANJAY DHOLAKIA & ASSOCIATES**

(SANJAY R DHOLAKIA)
Practising Company Secretary
Proprietor
Membership No. 2655 /CP No. 1798

Date: 28th May, 2019

Place: Mumbai



Annexure A

To,
The Members,
PREMCO GLOBAL LIMITED
Mumbai

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

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

For **SANJAY DHOLAKIA & ASSOCIATES**

(SANJAY R DHOLAKIA)
Practising Company Secretary
Proprietor
Membership No. 2655 /CP No. 1798

Date: 28th May, 2019
Place: Mumbai

REPORT ON CORPORATE GOVERNANCE

In terms of Compliance to Schedule V of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015. The Corporate Governance report for current year is as follows:

1) COMPANY'S PHILOSOPHY:

The Company's policies, practices and philosophy adopted since inception are in line with Corporate Governance. The Company governance philosophy is based on trusteeship, transparency and accountability. These policies, practices are required periodically to ensure its effective compliance. The composition of Board of Directors is well balanced with a view to manage the affairs of the Company efficiently and professionally. The Company's philosophy is to produce Woven & Knitted Elastic Tapes of high quality conforming to the International Standards and provide satisfaction to all stakeholders including customers, shareholders and employees.

The Company is in Compliance with the requirements stipulated under Regulation 17 to 27 read with Schedule V and clauses (b) to (i) of sub-regulation (2) of Regulation 46 of Securities and Exchange Board of India (Listing Obligation and Disclosure Requirements) Regulations, 2015 as applicable with regard to corporate governance.

2) BOARD OF DIRECTORS

The Company has Eight Directors on the Board out of which four are Independent. The Board of Directors of the Company has an optimum combination of Executive, Non-Executive and Independent Directors who have an in-depth knowledge of business, in addition to the expertise in their areas of specialization.

i. Composition and Category of Directors as of 31st March 2018 is as follows:

Category	Name of the Director	Other Directorship
Executive Directors	**Ashok B. Harjani	-
	**Lokesh P. Harjani	1. Pixel Packaging Limited (Managing Director) 2. Formulateip Technolegal Solutions Private Limited 3. Onspot Solutions Private Limited
	**Nisha P. Harjani (CFO)	1. Pixel Packaging Limited 2. Onspot Solutions Private Limited
	**Sonia A. Harjani	Pixel Packaging Limited
Non Executive & Independent Directors	*Devendra K. Shah	-
	Rajesh M. Mahtani	-
	Prem I. Gidwani	-
	Sonu A. Chowdhary	-

*has resigned w.e.f. 18th March, 2019

** Executive Directors belong to Promoter Group and are related to each other.

None of the Directors of the Company holds membership of more than 10 Board Committee or Chairmanships of more than 5 Board Committees. All the Independent Directors have confirmed that they meet the criteria of Independence and do not hold any shares of the Company.

ii. Number of Board Meetings held, dates on which held:

The Board of Directors duly met four (4) times during the financial year from 1st April, 2018 to 31st March, 2019 and the gap between two meetings did not exceed one hundred and twenty days. The dates on which the meetings were held are as follows:

29th May, 2018, 14th August, 2018, 13th November, 2018 and 12th February, 2019.

The necessary Quorum was present for all the meetings.

iii. Attendance of each Director at the Board Meetings and the last AGM held on 25th September, 2018:

Name of the Director	Category	No. of Board Meetings Attended	Last AGM attendance (Yes / No)
Ashok B. Harjani Chairman and Managing Director	Non Independent Executive	4	yes
Nisha P. Harjani Chief Financial Officer and Director	Non Independent Executive	4	yes
Lokesh P. Harjani Whole Time Director	Non Independent Executive	3	yes
Sonia A. Harjani Director	Non Independent Executive	3	yes
Devendra K. Shah	Independent Non-Executive	4	yes
Rajesh M. Mahtani	Independent Director Non-Executive	3	yes
Prem Indur Gidwani	Independent Director Non-Executive	4	yes
Sonu A. Chowdhary	Independent Director Non-Executive	2	yes

iv. The terms and conditions of appointment of Independent Directors & Familiarization programmes are disclosed on the website of the company. The company has also obtained declarations from all the Independent Directors pursuant to section 149 (7) of the Companies Act, 2013.



- v. The details of Familiarization programme of the Independent Directors are available on the website of the Company. None of the Non-executive Directors during the year held any shares or convertible instruments. None of the Non-executive Directors had any inter-se relationships with the Company or with any of the Directors of the Company. The details of familiarization programmes imparted to Independent Directors is available on the website of the Company at www.premcoglobal.com
- vi. The Board evaluates the performance of Non-executive and Independent Directors every year. All the Non-executive and Independent Directors are eminent personalities having wide experience in the field of business, industry and administration. Their presence on the Board is advantageous and fruitful in taking business decisions.
- vii. The Independent Directors held a Meeting on 12th February, 2019 without the attendance of Non-Independent Directors. The Independent Directors reviewed the performance of non-independent directors and the Board as a whole.

Mr. Prem I. Gidwani Chairman and Independent Director (was appointed as the Chairman of the Committee w.e.f. 28th May, 2019)	Mr. Sonu A. Chowdhary Member Independent Director (was appointed as the Committee Member w.e.f. 28th May, 2019)	Mr. Prem I. Gidwani Chairman and Independent Director (was appointed as the Chairman of the Committee w.e.f. 28th May, 2019)	Rajesh M. Mahtani Chairman Independent Director (was appointed as the Chairman of the Committee w.e.f. 28th May, 2019)
Mrs. Nisha Harjani Member and Executive Director (was appointed as the Committee Member w.e.f. 28th May, 2019)	-	Mr. Sonu A. Chowdhary Member Independent Director (was appointed as the Committee Member w.e.f. 28th May, 2019)	-

3) Committees of the Board:

Audit Committee	Stakeholders Relationship Committee	Nomination and	Corporate Social Responsibility Committee
Mr. Devendra K. Shah Chairman Independent Director (Resigned w.e.f. 18th March, 2019)	Rajesh M. Mahtani Chairman Independent Director	Mr. Devendra K. Shah Chairman Independent Director (Resigned w.e.f. 18th March, 2019)	Mr. Devendra K. Shah Chairman Independent Director (Resigned w.e.f. 18th March, 2019)
Mr. Ashok B. Harjani Member and Managing Director	Mr. Ashok B. Harjani Member Managing Director	Mr. Ashok B. Harjani Member Managing Director (has ceased to be a member of the committee w.e.f. 13th November, 2018)	Mr. Ashok B. Harjani Member Managing Director
Mr. Rajesh M Mahtani Member Independent Director	Mr. Devendra K. Shah Member Independent Director (Resigned w.e.f. 18th March, 2019)	Rajesh M. Mahtani Member Independent Director	Mr. Lokesh P Harjani Member Whole time Director

i) AUDIT COMMITTEE:

The audit committee of the Company is constituted in line with the provisions of Regulation 18 of SEBI Listing Regulation, read with section 177 of the act.

i) Terms of reference:

The Audit Committee reviews the audit reports submitted by the Internal Auditor and Statutory Auditors, financial results, effectiveness of internal audit processes and the Company's risk management strategy.

- To oversee the financial reporting process.
- To oversee the disclosures of financial information.
- To recommend appointment / terms of appointment of auditors and fixation of their fees.
- To review the quarterly/half yearly financial results and annual financial statements with the management, internal auditor and the statutory auditor.
- To review with the management, statutory auditors and the internal auditors the nature and scope of audits and the adequacy of internal control systems.
- To review major accounting policies and compliance with accounting standards and listing regulations entered into with the stock exchange and other legal requirements concerning financial statements.
- To review and approve related party transactions of material nature, with promoters or the management and their relatives that may have potential conflict with the interests of the Company at large or any subsequent modification thereof.
- To investigate any matter covered under Section 177 of the Companies Act, 2013.
- To review the financial and risk management policies.

ii) **Composition:**

The Audit Committee of the Company consists of 2 Independent Directors and 2 Executive Director. The Chairman of the Audit Committee is Independent Director and is financially literate and majority of them having accounting or related financial management experience. Company Secretary acts as Secretary to the Committee.

iii) **No. of Meetings held during the year:**

During the year the Committee had 4 Meetings i.e. 29th May, 2018, 14th August, 2018, 13th November, 2018 and 12th February, 2019.

iv) **Composition, name of Members and attendance during the year:**

Name of the Director	Category	No. of Meetings held	No. of Meetings Attended
*Devendra Shah	Non-Executive - Independent Director	4	4
Ashok B. Harjani	Chairman & Managing Director	4	4
Rajesh M. Mahtani	Non-Executive - Independent Director	4	4
**Prem I. Gidwani	Non-Executive - Independent Director	4	4
***Nisha P. Harjani	Executive Director	-	-

*has resigned w.e.f. 18th March, 2019.

** was appointed as the Chairman of the Committee w.e.f. 28th May, 2019

*** was appointed as the Committee Member w.e.f. 28th May, 2019

II) NOMINATION AND REMUNERATION COMMITTEE:

The Nomination and remuneration committee of the Company is constituted in line with the provisions of Regulation 19 of SEBI Listing Regulation, read with section 178 of the act.

i) **Terms of reference:**

This Committee shall identify the persons, who are qualified to become Directors of the Company / who may be appointed in Senior Management in accordance with the criteria laid down, recommend to the Board their appointment and removal and also shall carry out evaluation of every director's performance. Committee shall also formulate the criteria for determining qualifications, positive attributes, independent of the Directors and recommend to the Board a Policy, relating to the remuneration for the Directors, Key Managerial Personnel and other employees.

ii) **Composition:**

The Nomination and Remuneration Committee of the Company consists of 3 Independent Directors.

iii) **No. of Meetings held during the year:**

During the year the Committee had 1 meeting i.e. on 13th November, 2018.

iv) **Composition, name of Members and attendance during the year:**

Name of the Director	Position	No. of Meetings held	No. of Meetings Attended
*Devendra Shah	Non-Executive - Independent Director	1	1
**Ashok B. Harjani	Chairman & Managing Director	1	1
Rajesh M. Mahtani	Non-Executive - Independent Director	1	1
***Prem I. Gidwani	Non-Executive - Independent Director	1	1
****Sonu A. Chowdhary	Non-Executive - Independent Director		

*has resigned w.e.f. 18th March, 2019

** has ceased to be a member of the committee w.e.f. 13th November, 2018

***was appointed as the Chairman of the Committee w.e.f. 28th May, 2019

**** was appointed as the Committee Member w.e.f. 28th May, 2019

v) **Details of Remuneration to Executive Directors and Non-Executive Director's is provided in Directors Report in point no. VI of Extract of Annual Return.**

- All pecuniary relationship or transactions of the non-executive directors vis-à-vis the listed entity- Company gives only sitting fees to non-executive directors and the same has been disclosed in extract of Annual Return in Director's Report.
- Criteria of making payments to non-executive directors and weblink - NA
- Disclosures with respect to remuneration: in addition to disclosures required under the Companies Act, 2013, the following disclosures to be made:
 - Details of fixed component and performance linked incentives, along with the performance criteria:- Basic Salary & Allowances are fixed components whereas Bonus, Performance Bonus, perquisites are variable components.
 - Service contracts, notice period, severance fees- NA
 - Stock option details, if any and whether issued at a discount as well as the period over which accrued and over which exercisable.

vi) **REMUNERATION POLICY****I. OBJECTIVE:**

The Nomination and Remuneration Committee (NRC or the Committee) has formulated the Nomination & Remuneration Policy in compliance with Section 178 of the Companies Act, 2013 read with the applicable rules thereto and Regulation 19(4) read with Part D of Schedule II under the Listing Regulations, as amended from time to time. This policy is mainly focused on nomination and remuneration of Directors, Key Managerial Personnel and Senior Management.

The objective of the policy is to ensure that:

- To formulate the criteria for determining qualifications, competencies, positive attributes and Independence for appointment of Director's and recommend to the Board policies relating to remuneration of Director's , Key Managerial Personnel and other Employees.
- To formulate the criteria for evaluation of performance of all Directors on the board.
- The level and composition of remuneration is reasonable and sufficient to attract, retain and motivate directors of the quality required to run the company successfully;
- Relationship of remuneration to performance is clear and meets appropriate performance benchmarks; and
- Remuneration to directors, key managerial personnel and senior management involves a balance between fixed and incentive pay reflecting short and long-term performance objectives appropriate to the working of the company and its goals.

II. DEFINITIONS

Key definitions of terms used in this Policy are as follows:

1. **Act** means the Companies Act, 2013 and Rules framed thereunder, as amended from time to time.
2. **Listing Regulations** means SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time.
3. **Board** means Board of Directors of the Company.
4. **Directors** mean Directors of the Company.
5. **Key Managerial Personnel** means
Chief Executive Officer or the Managing Director or the Manager;
Whole-time director;
Chief Financial Officer;

Company Secretary; and such other officer as may be prescribed.

6. **Senior Management** means personnel of the company who are members of its core management team excluding the Board of Directors including Functional Heads.

III. ROLE OF COMMITTEE

The Committee shall:

- i. Periodically reviewing the size and composition of the Board to ensure that it is structured in such a manner which enables to take appropriate decision in the best interest of the Company as a whole;
- ii. Formulate criteria for determining qualifications, positive attributes and independence of a Director. Establish and on regular basis review the succession plan of the Board, KMPs and Senior Executives;
- iii. Identify persons who are qualified to become Director and persons who may be appointed in Key Managerial and Senior Management positions in accordance with the criteria laid down in this policy;
- iv. To formulate criteria for evaluation of Independent Directors and the Board;
- v. Recommend to the Board performance criteria for the Directors, KMPs and Senior Management;
- vi. Recommend to the Board, appointment and removal of Director, KMP and Senior Management Personnel and their remuneration;
- vii. Help the Board to formulate and ensure the Board nomination process keeping in mind the diversity of gender, expertise, experience and Board structure;
- viii. To perform such other functions as may be necessary or appropriate for the performance of its duties.

IV. POLICY FOR APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT**i. Appointment criteria and qualifications**

- a. The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment, as per Company's Policy.
- b. A person, to be appointed as Director, should possess impeccable reputation for integrity, deep expertise and insights in sectors/areas relevant to the Company, ability to contribute to the Company's growth, complementary skills in relation to the other Board members.

- c. A whole-time KMP of the Company shall not hold office in more than one Company except in its Subsidiary Company at the same time. However, a whole-time KMP can be appointed as a Director in any Company with the permission of the Board of Directors of the Company.

i. **Term / Tenure**

A. Managing Director/Whole-time Director:

The Company shall appoint or re-appoint any person as its, Managing Director and CEO or Executive/Whole-time Director for a term not exceeding five years at a time. No re-appointment shall be made earlier than one year before the expiry of term.

B. Independent Director:

- An Independent Director shall hold office for a term up to five consecutive years on the Board of the Company and will be eligible for re-appointment on passing of a special resolution by the Company and disclosure of such appointment in the Board's report.
- No Independent Director shall hold office for more than two consecutive terms, but such Independent Director shall be eligible for appointment after expiry of three years of ceasing to become an Independent Director.

Provided that an Independent Director shall not, during the said period of three years, be appointed in or be associated with the Company in any other capacity, either directly or indirectly.

At the time of appointment of Independent Director it should be ensured that number of Boards on which such Independent Director serves is restricted to seven Listed Companies as an Independent Director and three Listed Companies as an Independent Director in case such person is serving as a Whole-time Director of a Listed Company or such other number as may be prescribed under the Act.

C. Evaluation

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management Personnel at regular interval (yearly) or at such intervals as may be considered necessary.

D. Removal

The Committee may recommend to the Board, with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the Act, rules and regulations and the policy of the Company.

E. Retirement

The Director, KMP and Senior Management Personnel shall retire as per the term of appointment, provisions of the Act, Listing Regulations and the Policies of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/remuneration or otherwise even after attaining the retirement age, for the benefit of the Company subject to compliance of provisions of the Act and Listing Regulations.

ii. **Policy relating to the Remuneration for the Managing Director, Whole-time Director, KMP and Senior Management Personnel**

i. **Remuneration to Managing Director / Whole-time Directors**

The Remuneration/ Commission etc. to be paid to Managing Director / Whole-time Directors, etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under or any other enactment for the time being in force and the approvals obtained from the Members of the Company.

ii. **Remuneration to Non- Executive / Independent Directors**

a) The Non-Executive / Independent Directors may receive sitting fees and such other remuneration as permissible under the provisions of Companies Act, 2013. The amount of sitting fees shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors.

b) All the remuneration of the Non-Executive / Independent Directors (excluding remuneration for attending meetings as prescribed under Section 197 (5) of the Companies Act, 2013) shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under or any other enactment for the time being in force.



The amount of such remuneration shall be such as may be recommended by the Nomination and Remuneration Committee and approved by the Board of Directors or shareholders, as the case may be.

iii. Remuneration to Key Managerial Personnel and Senior Management

- a) The remuneration to Key Managerial Personnel and Senior Management shall consist of fixed pay and incentive pay, in compliance with the provisions of the Companies Act, 2013 and in accordance with the Company's Policy.
- b) The Fixed pay shall include monthly remuneration, employer's contribution to Provident Fund, contribution to pension fund, pension schemes, etc. as decided from to time.
- c) The Incentive pay shall be decided based on the balance between performance of the Company and performance of the Key Managerial Personnel and Senior Management, to be decided annually or at such intervals as may be considered appropriate.

iv. Provisions for excess remuneration

If any Managing Director, Whole-time Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Act or without the approval of the shareholders or the Central Government, where required, he / she shall refund such sums to the Company and until such sum is refunded, hold it in trust for the Company. The Company shall not waive recovery of such sum refundable to it unless permitted by the shareholder or Central Government.

v. Implementation:

- The Committee may issue guidelines, procedures, formats, reporting mechanism and manuals in supplement and for better implementation of this policy as considered appropriate.
- The Committee may Delegate any of its powers to one or more of its members.

III) Stakeholders Relationship Committee:

The Stakeholders Relationship committee of the Company is constituted in line with the provisions of Regulation 20 of SEBI Listing Regulation, read with section 178 of the act.

i) Terms of reference:

The Committee focuses primarily on monitoring expeditious redressal of investors / stakeholders grievances and also functions in an efficient manner that all issues / concerns stakeholders are addressed / resolved promptly and transfers of shares.

ii) Composition of the Committee:

The Committee consists of 2 Non-Executive Independent Directors and 1 Executive Director.

iii) No. of meetings held and attended during the year:

During the year the 4 Stakeholders Relationship Committee Meetings were held i.e. 29th May 2018, 14th August, 2018, 13th November, 2018 and 12th February 2019.

The attendance of the Members at the meeting was as under:

Name of the Director	Position	No. of Meetings held	No. of Meetings Attended
Rajesh M. Mahtani	Non-Executive - Independent Director	4	3
Ashok B. Harjani	Managing Director	4	4
*Devendra Shah	Non-Executive - Independent Director	4	4
**Sonu A. Chowdhary	Non-Executive - Independent Director	-	-

*has resigned w.e.f. 18th March, 2019

** was appointed as the Committee Member w.e.f. 28th May, 2019

iv) Name and Designation of Compliance Officer:

Ms. Snehal Tondwalkar – Company Secretary and Compliance Officer w.e.f 10th May, 2019.

Ms. Pooja Shekhawat – Company Secretary and Compliance Officer has resigned w.e.f 30th April, 2019.

v) Shareholder's Services:

The total number of complaints received & resolved during the year was 2 & there were no complaints pending as on 31.03.2019.

Sr. No.	Nature of Complaints	2018-2019	
		Received	Redressed
1.	Non receipt of Dividend Warrants	2	2
	TOTAL	2	2

vi) Corporate Social Responsibility (CSR) Committee:

The CSR committee of the Company is constituted in line with the provisions of section 135 of the act.

- Recommend the amount of expenditure to be incurred on the activities for CSR.
- Monitor the CSR policy from time to time.
- 1 Meeting of CSR committee was held during the year on 26th March, 2019

Composition, name of Members and attendance during the year:

Name of the Director	Position	No. of Meetings held	No. of Meetings Attended
*Mr. Devendra K Shah	Independent, Non-Executive	1	1
Mr. Ashok B. Harjani	Non-Independent, Executive	1	1
	Non-Independent, Executive	1	1
Mr. Lokesh P. Harjani	Non-Independent, Executive	1	1
**Mr. Rajesh Mathani	Independent, Non-Executive	-	-

* has resigned w.e.f. 18th March, 2019

**was appointed as the Chairman of the Committee w.e.f. 28th May, 2019

4) GENERAL BODY MEETINGS:

Location and time for the last three AGMs:

Year	Date	Venue	Time	Special Resolution
2015-2016	09th September 2016	The International by Tunga B 11, MIDC Central Road, Andheri East, Mumbai- 400093.	10.00a.m	1. To approve "Premco Global Limited Employee Stock option scheme 2016."
2016-2017	20th July, 2017	Hotel Suncity Residency at 16th Road, MIDC, Marol, Near Maheshwari Nagar, Andheri (E), Mumbai – 400 093.	10.00a.m	1. To approve "Premco Global Limited Employee Stock option scheme 2016" Subsidiary Company Employees.
2017-2018	25th September 2019	The International by Tunga B 11, MIDC Central Road, Andheri East, Mumbai- 400093.	10.00a.m	NA

- No Postal Ballot was conducted during the year.

5) OTHER DISCLOSURES:

a) Related Party transaction:

All material transaction entered into with related parties as defined under the Act were in the ordinary course of business which have been approved by Audit Committee. The policy for related party has been uploaded on company's website

at www.premcoglobal.com. Transactions with related parties, as per requirements of Accounting Standard 18, are disclosed in notes to accounts annexed to the financial statements.

b) Certificate From Practising Company Secretary

The Company has obtained a certificate from M/s. Sanjay Dholakia & Associates, Practising Company Secretary, confirming that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Director of companies by the Securities and Exchange Board of India and Ministry of Corporate Affairs or any such authority and the same forms part of this Report.

c) Disclosures In Relation To The Sexual Harassment Of Women At Workplace (Prevention, Prohibition And Redressal) Act, 2013

The Prevention of Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 seeks to protect women colleagues against sexual harassment at their work place. The internal committee constituted under the said act has confirmed that no complaint/case has been filed/pending with the Company during the year.

d) Management Discussion And Analysis Report

The Management Discussion and Analysis Report form part of the Annual Report and include discussion on various matters specified under Schedule V of SEBI Listing Regulations.

e) Statutory Compliance, Penalties And Strictures

The Company has complied with the requirements of the Stock Exchanges, SEBI and other statutory authorities on all matters related to capital markets. No penalties or strictures have been imposed on the Company by the Stock Exchanges, SEBI, MCA or other statutory authorities relating to the above.

f) Whistle Blower Policy

Pursuant to Section 177(9) and sub section (10) of the Companies Act, 2013 and as per the Listing Regulations, the Company has formulated Whistle Blower Policy, which provides a formal mechanism for all Directors and employees of the Company to report to the management about the unethical behavior, fraud or violation of Company's code of conduct. The disclosures reported are addressed in the manner and within the time frame prescribed in the Policy. The Company affirms that no director or employee of the Company has been denied access to the Audit Committee. The Whistle Blower Policy is available on the website of the Company www.premcoglobal.com.

g) Non-mandatory Requirements

Adoption of non-mandatory requirements of the Listing Regulations is being reviewed by the Board from time-to-time.



h) Code For Prevention Of Insider Trading

With a view to regulate trading in securities by the Promoters, Directors and Designated/ Specified Employees, and based on the requirements under SEBI (Prohibition of Insider Trading) Regulations, 2015 the Company has adopted a Code of Conduct for prevention/prohibition of Insider Trading. The Code for Prevention of Insider Trading is available on the website of the Company www.premcoglobal.com.

i) Code Of Conduct

The Company is committed to conducting its business in conformity with ethical standards and applicable laws and regulations. This commitment stands evidenced by the Code of Conduct adopted by the Board of Directors which is applicable to each member of the Board of Directors and Senior Management of the Company. The Company has received confirmations from all the Directors and Senior Management of the Company regarding compliance with the said code for the financial year under review. A certificate from Mr. Ashok Harjani, Managing Director to this effect forms part of this report. The said code is also available on the Company's website www.premcoglobal.com.

j) Disclosure Of Accounting Treatment

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

k) Risk Management

Business risk evaluation and management is an ongoing process within the Company. The assessment is periodically examined by the Board.

l) Details of utilization of funds raised through preferential allotment or qualified institutions placement as specified under Regulation 32 (7a).

The Company has not raised any funds through preferential allotment or qualified institutions placement as specified under Regulation 32 (7A).

m) Details of Non-Compliance by the Company, penalty imposed by stock exchange or SEBI (Securities and Exchange Board of India) or any other Statutory Authority:

- i. There were no cases of non-compliance during the year 2016-17, 2017-18 and 2018-2019.
- ii. The Company has adopted Whistle blower policy and has established necessary vigil mechanism for Directors & Employees to report unethical behavior as per under regulation 22 of SEBI Listing Regulations. Whistle blower policy has been uploaded on company's website at www.premcoglobal.com
- iii. Company has Committee for prevention of sexual harassment as workplace, during the year under review no complaints has been reported as such.

iv. The Company has adopted a policy on Determination of Materiality for Disclosures as per Regulation 23 of SEBI Listing Regulations. Policy for the same been uploaded on company's website at www.premcoglobal.com

v. The Company has adopted preservation of documents policy as per Regulation 9 of SEBI Listing Regulations. Policy for the same been uploaded on company's website at www.premcoglobal.com

vi. Practising Company Secretary of the Company gives quarterly report on reconciliation of Share Capital Audit to reconcile total admitted equity shares with National Securities and Depository Limited (NSDL) and Central Depository Services (India) Limited (CDSL). The audit report confirms that total issued/paid up share capital is in agreement with total number of shares in Physical & Dematerialized shares with NSDL & CDSL.

vii. The Members of Board and senior management personnel have affirmed compliance with the Code of conduct applicable to them during the year ended March 31, 2018.

n) Means of Communication:

The Quarterly, Half-yearly and Annual Financial Results of the Company are communicated to the Stock Exchanges immediately after the same are considered by the Board and are published in the all India editions of Mumbai Lakshayadeep and The Afternoon (Mumbai). The results and official news releases of the Company are also made available on the Company's website i.e. www.premcoglobal.com.

o) SEBI Complaints Redressal System (SCORES):

SEBI has initiated SCORES for processing the investor complaints in a centralized web based redress system and online redressal of all the shareholders complaints. The company is in compliance with the SCORES and redressed the shareholders complaints well within the stipulated time.

p) General Shareholder's Information:

AGM Date	:	10 th September, 2019
Time and venue	:	10.00 A.M. at The International by Tunga at B 11, MIDC Central Road, Andheri East, Mumbai 400093
Financial year	:	1 st April, 2018 to 31 st March, 2019
Book Closure Date/ Record Date	:	As mentioned in AGM Notice
Listing on Stock Exchanges	:	BSE Ltd, Phiroze jeejeebhoy Towers, Dalal Street, Mumbai- 400001, Phones: 91-22-22721233/4
Stock Code	:	BSE: 530331
CIN	:	L18100MH1986PLC040911

q) Annual Listing Fees To Stock Exchanges

The Company has paid listing fees for the year 2019-20 stock exchanges.

r) Annual Custodial Fees To Depositories

Annual Custody Fee for the year 2019-20 has been paid by the Company to NSDL and CDSL.

s) Market Price Data:

Monthly High and Low quotations along with the volume of shares traded at National Stock Exchange of India Ltd & Bombay Stock Exchange Ltd during the financial year 2018-19.

Month & Year	BSE		
	High (Rs.)	Low (Rs.)	Volume
April, 2018	382.00	315.55	16,523
May, 2018	370.00	272.35	14,676
june, 2018	288.00	196.00	27,232
july, 2018	259.25	201.60	7,629
August, 2018	344.00	219.00	17,192
September, 2018	306.00	232.00	27,997
October, 2018	288.00	225.00	27,724
November, 2018	349.95	240.00	16,699
December, 2018	248.50	201.50	5,263
january, 2019	222.95	190.40	25,180
February, 2019	222.00	125.00	55,949
March, 2019	183.00	139.50	10,176

t) Subsidiary Company:

The Company holds 85% stake in its foreign Subsidiary viz. Premco Global Vietnam Company Limited. The Company completed its expansion projects and has been consistently operating with full capacity operations in last six months. The Consolidated Financials are provided for the year ended 31.03.2019.

u) Unclaimed Dividend Amounts:

Pursuant to the provisions of Section 124 of the Companies Act, 2013, the dividend for the following years, which remain unclaimed for seven years, will be transferred to Investor Education and Protection Fund (IEPF) established by the Central Government.

Members who have not so far encashed their dividend warrant(s) are requested to seek revalidation of dividend warrants in writing to the Company's Registrar and Transfer Agents, M/s. Bigshare Services Pvt. Ltd., immediately. Members are requested to note that no claims shall lie against the Company in respect of any amounts which were unclaimed and unpaid for a period of seven years from the dates that they first became due for payment and no payment shall be made in respect of any such claims.

Members are also advised to update their correspondence address in their demat accounts in case of their holdings in electronic form or inform their latest correspondence address to the Registrars in case of holdings in physical form.

Information in respect of such unclaimed dividends due for transfer to the Investor Education and Protection Fund (IEPF) is as follows.

Year	Dividend Per share	Date of Declaration of Dividend	Year for transfer to IEPF
2011-2012	1.20	18-Sep-2012	2019
2012-2013	1.80	19-Aug-2013	2020
2013-2014	2.00	14-Aug-2014	2021
2014-2015	2.70	01-Sep-2015	2022
2015-2016	2.50 + 0.50	22-Mar-2016/09-Sep-2016	2023
2016-2017	3.00	20-july-2017	2024
2017-2018	3.00	25-Sep-2018	2025

The Company has transferred Rs. 1,87,215/- to IEPF on 05.11.2018 pertaining to Financial year 2010-2011.

The total number of shares that were pending to be transferred to IEPF as on 31.03.2019 was 22,490 and the same were transfer to the IEPF on 19.07.2019.

6) Dematerialization of Shares and Liquidity:

The Equity Shares of the Company are traded compulsorily in Demat. The Demat facility is available to all Shareholder of the Company, who request for such facility.

ISIN No. of the Company's Equity Shares in Demat Form: INE 001E01012

Depository Connectivity: NSDL and CDSL

i. Registrar and Transfer Agents:

M/s. Big Share Services Private Limited is Registrar and Transfer Agent of the Company. Any request pertaining to investor relations may be addressed to the following address:

Big Share Services Private Limited,
1st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri (East), Mumbai – 400 059.
Tel.No.091-022-62638200
Fax No.091-022- 62638299
Email: investor@bigshareonline.com
Contact: Ms. Charul Bhalla

ii. Share Transfer System:

94.74% of equity shares of the Company are in electronic Form as on 31.03.2019. Transfer of these shares are done through the depositories with no involvement of Company, with regards to transfer of shares in Physical form the transfer documents can be lodged with Company's RTA M/S. Bigshare Services Pvt. Ltd.



iii. Shareholding as on March 31, 2019.

a. Distribution of Share Holdings:

No. of Equity Shares Held	As on 31.03.2019			
	No. of Shares	% to equity	No. of share holders	% to shareholders
1-5000	2662	98.7389	613282	18.5573
5001-10000	18	0.6677	137533	4.1616
10001-20000	4	0.1484	58888	1.7819
20001-30000	2	0.0742	42745	1.2934
30001-40000	1	0.0371	31914	0.9657
40001-50000	1	0.0371	47659	1.4421
50001-100000	4	0.1484	316727	9.5838
100001 and above	4	0.1484	2056052	62.2141
Total	33,04,800	100.00	3041	100.00

b. Categories of Equity shareholders as on 31st March 2019 :

Category	No. of Shares Held	% of paid up capital
Promoters & promoter group	22,10,550	66.89
Corporate Bodies	1,01,906	3.08
Clearing Member	1,044	0.03
NRIs	1,60,975	4.87
Mutual Funds	72,600	2.20
Foreign Portfolio Investor	8,834	0.27
Public	7,48,891	22.66
Total	33,04,800	100.00

c. Shareholding Profile:

Mode of Holding	As on 31 st March 2019		As on 31 st March 2018	
	No. of Shares	% to Equity	No. of Shares	% to Equity
Demat				
NSDL	2846692	86.14	28,43,530	86.04
CDSL	284242	8.60	2,61,104	7.90
Physical	173866	5.26	2,00,166	6.06
Total	3304800	100.00	33,04,800	100.00

d. Details of Top ten Shareholders is given in Directors Report (Extract of Annual Report Point No. IV, Annexure 3 in Director's Report

6) Outstanding GDRs/ADRs/warrants or any convertible instruments, conversion date and likely impact on equity

The Company has not issued any GDRs/ADRs/warrants or any commercial instrument in past and hence company does not have any outstanding as on 31.03.2019.

7) Declaration regarding compliance by Board members and senior management personnel

All members of the Board, the Executive officers and senior officers have affirmed compliance to the code as on March 31, 2019. A declaration to that effect, signed by the CEO, MD & CFO forms part of CEO & CFO certification.

8) Plant Locations

- Plot No. -41, Diwan & Sons Industrial Estate, Aliyali Village, Dist.Thane, Palghar, Maharashtra.
- Plot No. -202/2, Old Check post, Dadra & Nagar Haveli, Union Territory.
- C/O. Akay Filtips Pvt.Ltd. Plot No.-2/23/24, GIDC, Silvassa Road, Near Nathani Paper Mills, Vapi-396 195.
- 8, Marol Udyog Premises, Steelmade Industrial Estate, Marol-Maroshi Road, Andheri (E) Mumbai – 400 059.

9) Plant Location – Foreign Subsidiary

Lot No 18 - 20, Road No 7, Tan Duc Industrial Park, Duc Hoa Ha, Duc Hoa, Long An Province, Vietnam.

10) Address of Registered Office

A/26, Premco House, Street No.3, MIDC, Marol, Andheri (E) Mumbai – 400 093

Ms. Snehal S. Tondwalkar
Company Secretary and Compliance Officer
Telephone No.: 022 – 6105 5000
Fax No. : 022 – 2835 1812
Email: snehal@premcoglobal.com

DECLARATION BY THE MANAGING DIRECTOR UNDER SCHEDULE V (D) OF THE LISTING REGULATIONS REGARDING ADHERENCE TO THE CODE OF CONDUCT

I, Ashok B. Harjani (DIN: **00725890**), Chairman and Managing Director of Premco Global Limited, hereby declare that all the Board Members and Senior Management personnel have affirmed their compliance and adherence with the provisions of the Code of Conduct for the financial year ended March 31, 2019.

For **PREMCO GLOBAL LIMITED**

ASHOK B.HARJANI
CHAIRMAN & MANAGING DIRECTOR
DIN - 00725890

Date : 28th May, 2019

Place : Mumbai

MANAGING DIRECTOR/CFO CERTIFICATE

To,
The Board of Directors
Premco Global Limited
Dear Members of Board,

1. We have reviewed financial statements and the cash flow statement of Premco Global Limited for the year ended 31st March, 2019 and to the best of our knowledge and belief:
 - (a) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
 - (b) 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.
2. 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.
3. We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of Company's internal control systems pertaining to financial reporting. We have not come across any reportable deficiencies in the design or operation of such internal controls.
4. We have indicated to the Auditors and the Audit Committee:
 - (a) that there are no significant changes in internal control over financial reporting during the year;
 - (b) that there are no significant changes in accounting policies during the year; and
 - (c) that there are no instances of significant fraud of which we have become aware.
5. We further declare that all Board Members and senior management personnel have affirmed compliance with the code of conduct and Ethics for the year covered by this report.

Nisha P. Harjani
Chief Financial Officer

Ashok B. Harjani
Chairman and Managing Director
DIN- 00725890

Date: 28th May, 2019

Place: Mumbai

AUDITORS' CERTIFICATE ON CORPORATE GOVERNANCE

To the Members of Premco Global Limited

We have examined the compliance of conditions of Corporate Governance by **Premco Global Limited**, for the year ended on 31st March 2019, as stipulated in Schedule V (E) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 of the said Company with Stock Exchanges.

The Compliance of conditions of Corporate Governance is the responsibility of the management. Our examination was limited to a review of procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of Corporate Governance as stipulated under the above mentioned Listing Regulations, as applicable. It is neither an audit nor an expression of opinion on the financial statements of the Company.

Based on the procedures performed by us and to the best of our information and according to the explanations provided to us, in our opinion, the Company has complied, in all material respects, with the conditions of corporate governance as stipulated in the Listing Regulations during the year ended 31st March 2019.

We 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.

This certificate is issued solely for the purpose of complying with the aforesaid regulations and may not be suitable for any other purpose.

During the period under review, Mr. Devendra K. Shah (DIN:01254611), Non-executive Independent director became disqualified under section 164(2) of the Companies Act, 2013 and has stepped down from the Post of Directorship of the Company w.e.f. 18th March, 2019.

For **SANJAY DHOLAKIA & ASSOCIATES**

(SANJAY R DHOLAKIA)
Practicing Company Secretary
Proprietor
Membership No. 2655 /CP No. 1798

Date: 28th May, 2019

Place: Mumbai



CERTIFICATE OF NON-DISQUALIFICATION OF DIRECTORS

*(pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI
(Listing Obligations and Disclosure Requirements) Regulations, 2015)*

To,
The Members of
 PREMCO GLOBAL LIMITED
 A/26, Premco House, Street No. 3,
 MIDC, Marol, Andheri (E),
 Mumbai – 400 093

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of PREMCO GLOBAL LIMITED having CIN L18100MH1986PLC040911 and having registered office at A/26, Premco House, Street No. 3, MIDC, Marol, Andheri (E), Mumbai – 400 093 (hereinafter referred to as 'the Company'), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Sub clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal www.mca.gov.in) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the Financial year ending on 31st March, 2019 have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs or any such other Statutory Authority

Sr. No.	Name of Director	DIN	Date of Appointment in the Company
1.	ASHOK BHAGWANDAS HARJANI	00725890	28/09/1994
2.	LOKESH PREM HARJANI	01496181	11/11/2001
3.	NISHA PREM HARJANI	00736566	02/11/2015
4.	RAJESH MOHAN MAHTANI	00736091	30/12/2005
5.	PREM INDUR GIDWANI	01220570	10/10/1994
6.	SONIA ASHOK HARJANI	01220774	02/11/2015
7.	SONU AILDAS CHOWDHARY	07153810	10/04/2015

Ensuring the eligibility of for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. Our responsibility is to express an opinion on these based on our verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **SANJAY DHOLAKIA & ASSOCIATES**

(SANjAy DHOLAKIA)
Practising Company Secretary
 Proprietor

Place: Mumbai
 Date : 28th May, 2019

INDEPENDENT AUDITOR'S' REPORT ON CONSOLIDATED FINANCIAL STATEMENTS

TO THE MEMBERS OF
PREMCO GLOBAL LIMITED

Opinion

We have audited the accompanying consolidated financial statements of **PREMCO GLOBAL LIMITED** (hereinafter referred to as "the Holding Company") and its subsidiary (the Holding Company and its subsidiary together referred to as "the Group"), comprising of the Consolidated Balance Sheet as at 31st March, 2019, the Consolidated Statement of Profit and Loss (including other comprehensive income), the Consolidated Cash Flow Statement, Consolidated statement of Changes in Equity for the year then ended, and a summary of the significant accounting policies and other explanatory information (hereinafter referred to as "the consolidated financial statements").

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid consolidated 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 Ind AS and other accounting principles generally accepted in India, of the consolidated state of affairs of the Group, as at 31st March, 2019, and their consolidated profit, consolidated total comprehensive Income, their consolidated cash flows and consolidated changes in Equity for the year ended on that date

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon. There are no other key audit matters and we do not provide a separate opinion on these matters.

Information Other than the Consolidated Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information

comprises the information included in Management Discussion and Analysis, Board's Report including Annexures to Board's Report, Corporate Governance and Shareholders Information, but does not include the Consolidated Financial Statements and our auditor's report thereon. Our opinion on the Consolidated Financial Statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Consolidated Financial Statements, our responsibility is to read the other information and in doing so, consider whether the other information is materially inconsistent with the Consolidated Financial Statements or our knowledge obtained during the course of our audit or otherwise appears to be materially misstated.

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

Management's Responsibility for the Consolidated Ind AS Financial Statements

The Holding Company's Board of Directors is responsible for the preparation of these consolidated financial statements in terms of the requirements of the Companies Act, 2013 (hereinafter referred to as "the Act") that give a true and fair view of the consolidated financial position, consolidated financial performance including other comprehensive income, consolidated cash flows and consolidated statement of changes in Equity of the Group in accordance with the accounting principles generally accepted in India, including the Indian Accounting Standards prescribed under Section 133 of the Act.

The respective Board of Directors of the companies included in the Group are responsible for maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Group and for preventing and detecting frauds and other irregularities; the selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and the design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error, which have been used for the purpose of preparation of the consolidated financial statements by the Directors of the Holding Company, as aforesaid.

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



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

Auditor's Responsibility for the audit of the Consolidated Financial Statements

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

As part of an audit in accordance with Standards on Auditing, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risk of material misstatement of the Consolidated Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal financial control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under Section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the company and its subsidiary companies which are incorporated in India, has adequate internal financial controls systems in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the Consolidated Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the Consolidated Financial Statements, including the

disclosures, and whether the Consolidated Financial Statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the Consolidated Financial Statements. We are responsible for the direction, supervision and performance of the audit of the financial statements of such entities included in the Consolidated Financial Statements.

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

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

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

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

OTHER MATTERS

1. The Company has been providing depreciation at accelerated rate on plant & machinery based on triple shift working. During the year the plant & machinery has been used for a substantially lesser than the normal capacity, effectively resulting in achieving capacity equivalent to double shift working. Consequently, the useful life has been reviewed by the management and adjusted prospectively based on the accelerated rate of depreciation as applicable to double shift working. The effect of the above has resulted in reducing the depreciation expenditure for the year and increasing the written down value of plant & machinery by

- Rs. 44.42 lacs (P.Y. 46.44 lacs). Our report is not modified for this matter.
2. We did not audit the financial statements of the Foreign Subsidiary, Premco Global Vietnam Company Limited included in the Statement, whose interim financial statement reflect Total assets of Rs.3,172.97 lacs at 31st March 2019 as well as Total revenue of Rs.3,657.35 lacs for the year ended 31st March 2019. These interim financial statement and other financial information have been audited by other auditor whose report for the period ending 31st March 2019 is furnished to us by the management of the Company. Our opinion on the Statement, in so far as it relates to the amounts and disclosures included, is based solely on the report of the other auditor as well as management certified statements. Our opinion is not modified on this matter.

Report on Other Legal and Regulatory Requirements

1. As required by Section 143 (3) of the Act, we report that:
- 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 of the aforesaid consolidated financial statements.
 - In our opinion, proper books of account as required by law relating to preparation of the aforesaid consolidated financial statements have been kept so far as it appears from our examination of those books.
 - The Consolidated Balance Sheet, the Consolidated Statement of Profit and Loss (including other comprehensive Income), the Consolidated Cash Flow Statement and consolidated statement of changes in Equity dealt with by this Report are in agreement with the relevant books of account maintained for the purpose of preparation of the consolidated financial statements.
 - In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards prescribed under Section 133 of the Act.
 - On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2019 taken on record by the Board of Directors of the Holding Company, none of the directors of the company is disqualified as on 31st March, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure A”.
 - With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:
In our opinion and to the best of our information and according to the explanations given to us, the remuneration paid by the Company to its directors during the year is in accordance with the provisions of section 197 of the Act.
 - With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditor’s) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - The Consolidated financial statements disclose the impact of pending litigations on the consolidated financial position of the Group.
 - The Group has long-term contracts including derivative contracts as at March 31 2019 for which there were no material foreseeable losses.
 - There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company

For **SANJAY RAJA JAIN & CO.**
Chartered Accountants
FRN 120132W

Surjeet Jain
Partner
Membership No.: 129531

Place: Mumbai
Date:28/05/2019



“Annexure A” to the Independent Auditor’s Report of even date on the Consolidated Financial Statements of Premco Global Limited

(Referred to in Paragraph 1(f) under “Report on other Legal and Regulatory Requirements” of our report of even date)

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

In conjunction with our audit of the consolidated financial statements of the Company as of and for the year ended 31st March 2019, we have audited the internal financial controls over financial reporting of **Premco Global Limited** (“the Holding Company”) incorporated in India as of that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

We believe that the audit evidence we have obtained is sufficient

and appropriate to provide a basis for our audit opinion on the Company’s internal financial controls system over financial reporting.

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **SANJAY RAJA JAIN & CO.**
Chartered Accountants
FRN 120132W

Surjeet Jain
Partner
Membership No.: 129531

Place: Mumbai
Date:28/05/2019

PREMCO GLOBAL LTD

CONSOLIDATED BALANCE SHEET

(Rs. In Lakhs)

PARTICULARS	NOTE	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
ASSETS			
1. NON-CURRENT ASSETS			
(a) PROPERTY, PLANT AND EQUIPMENT	4	1,665.15	1,696.08
(b) OTHER INTANGIBLE ASSETS	5	0.91	1.35
(c) FINANCIAL ASSETS		-	-
(i) INVESTMENTS	6	1,209.33	2,052.85
(ii) LOANS	7A	2.22	0.29
(iii) OTHER FINANCIAL ASSETS	8A	117.01	112.62
(d) OTHER NON-CURRENT ASSETS	9A	36.05	43.93
		<u>3,030.67</u>	<u>3,907.12</u>
2. CURRENT ASSETS			
(a) INVENTORIES	10	2,218.64	1,642.60
(b) FINANCIAL ASSETS			
(i) TRADE RECEIVABLES	11	1,891.93	1,821.78
(ii) CASH AND CASH EQUIVALENTS	12	221.86	50.15
(iii) BANK BALANCE OTHER THAN (ii) ABOVE	13	58.18	58.98
(iv) LOANS	7B	11.81	14.26
(v) OTHER FINANCIAL ASSETS	8B	100.12	0.36
(c) CURRENT TAX ASSETS (NET)	14	87.46	0.42
(d) OTHER CURRENT ASSETS	9B	500.10	603.28
		<u>5,090.11</u>	<u>4,191.83</u>
TOTAL ASSETS		<u>8,120.78</u>	<u>8,098.95</u>
EQUITY AND LIABILITIES			
1. EQUITY			
(a) EQUITY SHARE CAPITAL	15	330.48	330.48
(b) OTHER EQUITY	16	6,531.88	6,161.70
		<u>6,862.36</u>	<u>6,492.18</u>
2. MINORITY INTEREST			
	16A	132.94	84.13
3. LIABILITIES			
A. NON - CURRENT LIABILITIES			
(a) FINANCIAL LIABILITIES			
(i) BORROWINGS	17A	162.87	178.45
(ii) OTHER FINANCIAL LIABILITIES	18A	101.73	89.40
(b) PROVISION	19A	26.95	29.29
(c) DEFERRED TAX LIABILITIES (NET)	20	98.37	121.65
(d) OTHER NON CURRENT LIABILITIES	21A	2.13	4.01
		<u>392.06</u>	<u>422.79</u>
B. CURRENT LIABILITIES			
(a) FINANCIAL LIABILITIES			
(i) BORROWINGS	17B	43.60	191.86
(ii) TRADE PAYABLES	22	332.39	454.55
(iii) OTHER FINANCIAL LIABILITIES	18B	248.16	221.97
(b) OTHER CURRENT LIABILITIES	21B	65.83	78.20
(c) PROVISION	19B	43.45	153.28
		<u>733.42</u>	<u>1,099.85</u>
TOTAL EQUITY AND LIABILITIES		<u>8,120.78</u>	<u>8,098.95</u>
SIGNIFICANT ACCOUNTING POLICIES			
THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF FINANCIAL STATEMENTS			
	1-3 34 to 49		

" AS PER OUR REPORT OF EVEN DATE "

SANJAY RAJA JAIN & CO.
CHARTERED ACCOUNTANTS
FRN 120132W

SURJEET JAIN
PARTNER
M.NO.129531

PLACE: MUMBAI
DATED: 28th May, 2019

FOR AND ON BEHALF OF THE BOARD

ASHOK B. HARJANI
CHAIRMAN & MANAGING DIRECTOR
DIN - 00725890

NISHA P. HARJANI
DIRECTOR
DIN - 00736566

SNEHAL TONDWALKAR
COMPANY SECRETARY



CONSOLIDATED STATEMENT OF PROFIT & LOSS		(Rs. In Lakhs)	
PARTICULARS	NOTE	FOR THE YEAR ENDED 31st MARCH 2019	FOR THE YEAR ENDED 31st MARCH 2018
I. INCOME			
REVENUE FROM OPERATIONS	23	7,008.69	7,839.44
OTHER INCOME	24	203.72	297.20
TOTAL INCOME		<u>7,212.41</u>	<u>8,136.64</u>
II. EXPENSES			
COST OF MATERIAL CONSUMED	25	3,185.15	2,425.98
PURCHASE OF STOCK IN TRADE	26	865.98	642.36
CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS	27	(851.78)	1,000.45
EMPLOYEE BENEFITS EXPENSES	28	1,583.59	1,410.38
FINANCE COSTS	29	150.18	100.36
DEPRECIATION AND AMORTIZATION EXPENSES	30	271.84	273.90
OTHER EXPENSES	31	1,626.99	1,565.40
TOTAL EXPENSES		<u>6,831.94</u>	<u>7,418.83</u>
III. PROFIT BEFORE EXCEPTIONAL/ EXTRA-ORDINARY ITEMS & TAX (I - II)		<u>380.47</u>	<u>717.81</u>
IV. EXTRA ORDINARY ITEMS	32	106.56	-
V. EXCEPTIONAL ITEMS		-	-
VI. PROFIT BEFORE TAX (III - IV)		273.91	717.81
TAX EXPENSES	33		
CURRENT TAX		15.50	250.00
DEFERRED TAX (ASSET)/LIABILITY		(54.78)	(57.56)
SHORT/(EXCESS) INCOME TAX PROVISION		3.66	(15.51)
TOTAL TAX EXPENSES		<u>(35.62)</u>	<u>176.93</u>
VIII. PROFIT FOR THE PERIOD BEFORE MINORITY INTEREST (VI - VII)		<u>309.53</u>	<u>540.88</u>
IX. MINORITY INTEREST		<u>48.82</u>	<u>14.41</u>
X. PROFIT FOR THE PERIOD AFTER MINORITY INTEREST (VIII - IX)		<u>260.71</u>	<u>526.46</u>
XI. OTHER COMPREHENSIVE INCOME (OCI)			
(A)(I) ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS			
REMEASUREMENT (GAIN/(LOSS) OF NET DEFINED BENEFIT LIABILITY		0.44	26.62
TAX ON ABOVE			
(II) INCOME TAX RELATING TO ABOVE		(0.12)	(9.21)
(B) (I) ITEMS THAT WILL BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS			
NET GAIN / (LOSS) ON HEDGING INSTRUMENTS IN CASH FLOW HEDGE		110.23	(24.09)
(II) INCOME TAX RELATING TO ABOVE		(31.38)	8.34
TOTAL OF OTHER COMPREHENSIVE INCOME		<u>79.17</u>	<u>1.65</u>
XII. TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (X + XI)		<u>339.89</u>	<u>528.11</u>
XIII. EARNING PER EQUITY SHARE			
BASIC	43	10.28	15.98
DILUTED	43	10.28	15.98
SIGNIFICANT ACCOUNTING POLICIES	1-3		
THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF FINANCIAL STATEMENTS	34 to 49		

" AS PER OUR REPORT OF EVEN DATE "

SANJAY RAJA JAIN & CO.
CHARTERED ACCOUNTANTS
FRN 120132W

SURJEET JAIN
PARTNER
M.NO.129531

PLACE: MUMBAI
DATED: 28th May, 2019

FOR AND ON BEHALF OF THE BOARD

ASHOK B. HARJANI
CHAIRMAN & MANAGING DIRECTOR
DIN - 00725890

NISHA P. HARJANI
DIRECTOR
DIN - 00736566

SNEHAL TONDWALKAR
COMPANY SECRETARY

PREMCO GLOBAL LTD

CONSOLIDATED CASH FLOW STATEMENT

(Rs. In Lakhs)

PARTICULARS	(Rs. In Lakhs)	
	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
A. CASH FLOW FROM OPERATING ACTIVITIES:		
NET PROFIT BEFORE TAX	273.91	717.81
ADJUSTMENTS FOR:		
DEPRECIATION	271.01	275.04
(PROFIT) / LOSS ON SALE OF FIXED ASSETS	(6.00)	(4.76)
PROFIT ON SALE OF INVESTMENTS	(84.14)	(173.70)
FINANCE EXPENSES	150.18	100.36
FOREIGN CURRENCY TRANSLATION -RESERVES	30.48	(0.84)
INTEREST RECEIVED	(4.67)	(6.43)
DIVIDEND RECEIVED	(0.36)	(7.13)
PROVISION FOR DOUBTFUL DEBTS WRITE BACK	(0.36)	(1.08)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES	630.05	899.27
ADJUSTMENTS FOR WORKING CAPITAL CHANGES		
INVENTORIES	(576.04)	598.19
TRADE RECEIVABLES	(69.79)	(580.26)
OTHER CURRENT FINANCIAL ASSETS	(96.51)	16.97
OTHER CURRENT ASSETS	16.14	(397.60)
LONG TERM FINANCIAL ASSETS	(6.32)	51.73
OTHER NON CURRENT ASSETS	12.75	(10.28)
OTHER LONG TERM LIABILITIES	3.71	10.55
TRADE PAYABLES	(122.15)	51.23
OTHER CURRENT LIABILITIES / OTHER FINANCIAL LIABILITIES	124.05	2.19
SHORT TERM PROVISIONS	(109.83)	(95.36)
NET WORKING CAPITAL CHANGES	(824.02)	(352.65)
LESS : CURRENT TAXES	(19.16)	(234.49)
NET CASH GENERATED FROM OPERATIONS	(213.13)	312.13
B. CASH FLOW FROM INVESTING ACTIVITIES:		
(PURCHASE)/SALE OF INVESTMENTS (NET)	927.66	618.64
PURCHASE OF FIXED ASSETS	(240.11)	(335.90)
SALE OF FIXED ASSETS	6.47	27.27
DIVIDEND RECEIVED	0.36	7.13
INTEREST RECEIVED	4.67	6.43
NET CASH USED IN INVESTING ACTIVITIES	699.05	323.58
C. CASH FLOW FROM FINANCING ACTIVITIES:		
LONG TERM BORROWINGS (NET OF REPAYMENTS)	(15.58)	(67.52)
SHORT TERM BORROWINGS(NET OF REPAYMENTS)	(148.26)	(671.18)
DIVIDEND & TAX THEREON	(0.20)	(119.33)
FINANCE EXPENSES	(150.18)	(100.36)
NET CASH FROM FINANCING ACTIVITIES	(314.21)	(958.39)
NET INCREASE IN CASH AND CASH EQUIVALENTS	171.71	(322.68)
OPENING BALANCE OF CASH AND CASH EQUIVALENTS	50.15	372.83
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS	221.86	50.15
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS		
(i) Cash in Hand	2.61	2.12
(ii) Balances with Banks	219.26	48.03
TOTAL	221.86	50.15

" AS PER OUR REPORT OF EVEN DATE "

SANJAY RAJA JAIN & CO.
CHARTERED ACCOUNTANTS
FRN 120132W

SURJEET JAIN
PARTNER
M.NO.129531

PLACE: MUMBAI
DATED: 28th May, 2019

FOR AND ON BEHALF OF THE BOARD

ASHOK B. HARJANI
CHAIRMAN & MANAGING DIRECTOR
DIN - 00725890

NISHA P. HARJANI
DIRECTOR
DIN - 00736566

SNEHAL TONDWALKAR
COMPANY SECRETARY



CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

A Equity share capital Rs. in Lakhs

Particulars	Notes	Amount
Balance as at April 1, 2017	15	330.48
Changes in the equity share capital		-
Balance as at March 31, 2018	15	330.48
Changes in the equity share capital		-
Balance as at March 31, 2019	15	330.48

B Other equity

Particulars	Notes	Reserves and Surplus						Total other equity
		Securities premium Reserve	Capital Reserve	Capital Subsidy Reserve	Foreign Currency Translation Reserve	General Reserve	Retained Earnings	
Balance as at April 1, 2017	16	459.92	3.00	22.78	(12.54)	1,707.00	3,573.61	5,753.76
Profit for the year		-	-	-	-	-	526.46	526.46
Other comprehensive income for the year		-	-	-	-	-	1.65	1.65
Total comprehensive income for the year, net of tax		-	-	-	-	-	528.11	528.11
Transfer to General Reserve / Foreign Currency Translation reserve		-	-	-	0	51.00	(51.00)	-
Foreign Currency Translation reserve Generated During year		-	-	-	(0.84)	-	-	(0.84)
Dividend paid on equity shares		-	-	-	-	-	(99.14)	(99.14)
Dividend distribution tax paid		-	-	-	-	-	(20.19)	(20.19)
Balance as at March 31, 2018	16	459.92	3.00	22.78	(13.39)	1,758.00	3,931.39	6,161.70
Profit for the year		-	-	-	-	-	260.71	260.71
Other comprehensive income for the year		-	-	-	-	-	79.17	79.17
Total comprehensive income for the year, net of tax		-	-	-	-	-	339.89	339.89
Transfer to General Reserve		-	-	-	0	1.59	(1.59)	-
Add : Translation Reserve Generated during Year		-	-	-	30.48	-	-	30.48
Reversal of Proposed Dividend		-	-	-	-	-	99.14	99.14
Reversal of Tax on Proposed Dividend		-	-	-	-	-	20.19	20.19
Dividend paid on equity shares		-	-	-	-	-	(99.14)	(99.14)
Dividend distribution tax paid		-	-	-	-	-	(20.38)	(20.38)
Balance as at March 31, 2019	16	459.92	3.00	22.78	17.10	1,759.59	4,269.49	6,531.88

The above consolidated statement of changes in equity should be read in conjunction with the accompanying notes.

" AS PER OUR REPORT OF EVEN DATE "

SANJAY RAJA JAIN & CO.
CHARTERED ACCOUNTANTS
FRN 120132W

SURJEET JAIN
PARTNER
M.NO.129531

PLACE: MUMBAI
DATED: 28th May, 2019

FOR AND ON BEHALF OF THE BOARD

ASHOK B. HARJANI
CHAIRMAN & MANAGING DIRECTOR
DIN - 00725890

NISHA P. HARJANI
DIRECTOR
DIN - 00736566

SNEHAL TONDWALKAR
COMPANY SECRETARY

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 1 : General Information

PREMCO GLOBAL LIMITED (the Company) (CIN : L18100MH1986PLC040911) is a public limited company and is listed on Bombay Stock Exchange (BSE). The Company is engaged inter alia, in the business of manufacturing of Knitted & Narrow woven Elastics.

2. BASIS OF CONSOLIDATION AND SIGNIFICANT ACCOUNTING POLICIES :

2A - BASIS OF CONSOLIDATION

- (a) The consolidated financial statements relate to PREMCO GLOBAL LIMITED (the Holding Company) and its subsidiary. The Company and its subsidiary together constitute the "Group". The consolidated financial statements have been prepared on the following basis:
- (i) The financial statements of the Company and its subsidiary have been combined on a line-by-line basis by adding together the book values of like items of assets, liabilities, income and expenses, after eliminating intra-group balances, intra-group transactions resulting in un realised profits or losses.
 - (ii) The unaudited financial statements of the consolidated subsidiary are drawn upto the same reporting date as that of the Company and have been considered for consolidation.
 - (iii) The Foreign Subsidiary being non-integral operations, revenue items are consolidated at the average rate prevailing during the year. All assets and liabilities are converted at the rates prevailing at the end of the year. Any exchange difference arising on consolidation is recognized in the 'Foreign Currency Translation Reserve'.
 - (iv) The Difference between the cost of investment in the subsidiary over the Group's portion of equity as at the date of making the investment is recognised in the financial statements as Goodwill or Capital Reserve as the case maybe.
 - v) Goodwill arising on consolidation, if any, is deemed to have an indefinite useful life and is reported at acquisition value with deduction for accumulated impairments after periodic tests.
 - vi) Minority Interest comprises:
 - a. The amount of equity attributable to the minorities at the date on which investment in a subsidiary is made; and
 - b. The minorities' share of movements in equity since the date the parent-subsidiary relationship came into existence.
 - vii) Minority interest in the net assets of the consolidated subsidiary is identified and presented in the consolidated balance sheet separately from liabilities and equity of the company's shareholders.
 - a) Minority's share of net profit for the year of consolidated subsidiary is identified and adjusted against the profit after tax of the group.
 - (b) The list of subsidiaries, which are included in the consolidation with their respective country of incorporation and the Group's holding therein, is given below;
 - i) **Particulars of subsidiary (held directly):**

Name of the Company	County of Incorporation	% of voting power as at 31 st March, 2019	% of voting power as at 31 st March, 2018
Premco Global Vietnam Co. Ltd	Vietnam	85%	85%

NOTE 2 : Significant Accounting Policies

1. Basis of preparation of Financial Statements

- a) These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS), notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, under the historical cost convention on accrual basis, except for certain financial instruments (including derivatives instruments) and defined benefit plans – Plan assets, which are measured at fair values, as specified at places of respective categories.
- b) All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be twelve months for the purpose of current – non-current classification of assets and liabilities.
- c) Accounting policies not specifically referred to otherwise are consistent with the generally accepted accounting principles followed by the Company.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

2. Property, Plant and Equipment and Depreciation

A) Property Plant and Equipment:

- a) Freehold land is carried at historical cost. All other Tangible Fixed assets are stated at cost of acquisition or construction, less accumulated depreciation. All costs, including borrowing cost till respective assets is put to use, are capitalized.
- b) Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.
- c) Losses arising from the retirement of and gains & losses arising from disposal of fixed assets, which are carried at cost, are recognized in the statement of profit & loss.
- d) On transition to Ind AS, the Company has opted to continue with the carrying value of all of its property, plant and equipment recognized as at April 01, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment on the transition date.

B) Depreciation:

- I) Depreciation has been provided as under:
 - (i) For assets existing on 1st April 2014 the carrying amount will be amortized over the remaining useful lives on straight line method as prescribed in the schedule II of Companies Act, 2013.
 - (ii) For the assets added after the 1st April 2014 :- On straight line method at the useful Lives prescribed in Schedule II to The Companies Act, 2013.
 - (iii) Leasehold Improvements are written off over the period of lease or lease term whichever is shorter.
 - (iv) Intangible assets comprising of software capitalized is amortized over a period of 3 years. Intangible assets comprising of cost incurred, Patent capitalized is amortized over a period of 5 years.
 - (v) Depreciation on assets added/ disposed off during the year has been provided on pro-rata basis with reference to the days of addition/ disposal.
 - (vi) The residual values are not more than 5% of the original cost of the asset
- II) Depreciation in case of assets held by subsidiary Company are charged on a straight line basis over the estimated useful life of these assets, which are as follows:

Assets	Years
Buildings and Structures	05 - 41
Machinery and Equipment	05 - 10
Motor Vehicles	05 - 10
Office Equipment	03 - 05

3. Foreign Exchange Transaction

- (i) Functional currency and presentation currency :
The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees, which is the Company's functional and presentation currency.

- (ii) Transactions and balances :

Transactions denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing at the time of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from Monetary assets and liabilities in foreign currency, outstanding at the end of the year are converted into Indian currency at the rate prevailing on the Balance Sheet date. Resulting gain or loss is recognized in statement of profit or loss.

At the reporting date, non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of transaction.

Forward Exchange Contracts:-

The premium or discount arising at the inception of the forward exchange contracts entered into to hedge an existing assets/ liability, is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit & loss in the reporting period in which the exchange rate changes.

Forward exchange contracts outstanding as at the year end on account of firm commitment/ highly probable forecast transaction are marked to market and the gains or the losses, if any, is recognized as Other Comprehensive Income (OCI).

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

4. Investments

- a) Investments that are readily realizable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All the other investments are classified as non-current investments.
- b) Upon first time adoption of Ind AS, the Company has opted to continue with the carrying value of all of its investment in subsidiary recognized as at April 1, 2016 at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of investments, such reduction being determined and made for each investment individually.
- c) Equity instruments : The Company measures its equity investment other than in subsidiaries, joint ventures and associates at fair value through profit and loss. However where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income (Currently no such choice made), there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to the Statement of Profit and Loss.
- d) Debt instruments: The Company classifies its debt instruments into following categories:
 - 1) Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.
 - 2) Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through statement of Profit and Loss. Interest income from these financial assets is included in other income.

5. Inventories

Inventories are stated at lower of cost and net realizable value.

Cost of raw materials is determined using FIFO method except for Subsidiary where Cost is determined using weighted average method. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost.

The cost of finished goods and Stock-in-process comprises raw materials, direct labour, other direct costs and related production overheads upto the relevant stage of completion.

Waste material are valued at Net Realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

License stock are stated at the Duty credit entitlement value.

6. Recognition of Income & Expenditure

- (i) Revenue/ Incomes and Costs/ Expenditure are generally accounted on accrual, as they are earned or incurred.
- (ii) a) Sale of Goods is recognized on transfer of significant risks and rewards of ownership which is generally on the dispatch of goods.
 - b) Sales of goods are accounted excluding taxes, wherever applicable.
- (iii) Export incentives under the "Duty Drawback Scheme" etc. is accounted as income in the year of export.
- (iv) Interest Income/ expenditure is recognized on the time proportion basis taking into account of the amount outstanding and the rate applicable.
- (v) Dividend income is recognized when the right to received dividend is established.
- (vi) Government Grants in the form of Market Linked Focus Product License (MLFPL Scheme)/M.E.I.S are recognized based on export on an accrual basis.

7. Government Grants & Subsidies

Government Grants are recognized when there is a reasonable assurance that the same will be received and all attaching conditions will be complied with. Revenue grants are recognized in the Statement of Profit and Loss. Capital grants relating to specific tangible / Intangible Assets are shown separately as Current/Non Current Liability and has not been reduced from the gross value of the respective Tangible / Intangible Assets.

8. Customs Duty

Custom Duty is accounted for as and when paid on the clearance of the goods for home Consumption.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

9. Employees Retirement and other benefits

a) Provident fund:-

The contribution of the Company on a monthly basis towards Provident Fund and Employee State Insurance, which are, defined contributions plans are charged to revenue. The company has paid to regulatory authority & has no further obligations other than these contributions.

b) Escrow Deposits Scheme:-

The company has a defined contribution plan towards employee escrow deposit scheme for eligible employee's as per terms of employment.

The company also under obligation to pay interest on the escrow deposit contribution made by Company as well as the equivalent amount of cumulative escrow deposit monthly retention recovered from the employee covered in the scheme. The interest is provided as liability to be paid upon Retirement, resignation, termination of employment subject to fulfillment of agreed term & Conditions.

Upon introduction to Ind AS, The Company has assessed its liability based on (using the Projected Unit Credit method) as at April 1, 2016 and thereafter at the end of each year. Actuarial losses/ gains are recognized in the statement of profit & loss in the year in which they arise.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income, which are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the statement of profit and loss as past service cost.

c) Employee Security Deposit scheme:-

The company retains an amount as a security deposit on monthly basis for eligible employees as a part of employee retention policy for 3 years from the date of appointment. The company also under an obligation to pay interest on the security deposit retention received from the employee covered in the scheme. The interest is provided as liability to be paid upon Retirement, resignation, termination of employment subject to fulfillment of agreed term & Conditions.

d) Leave Encashment:-

Leave Encashment towards accumulated Compensated Absences are the company's defined benefit plan payable upon Retirement, resignation, termination of employment. The present value of the obligation under such defined benefit plan is determined based on actuarial Valuation using the Projected Unit Credit Method.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income, which are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the statement of profit and loss as past service cost.

e) Gratuity:-

The company provides for gratuity, a defined benefit plan (the Gratuity plan) covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The company's liability is actually determined under (using the Projected Unit Credit method) at the end of each year.

Actuarial losses/ gains are recognized in the statement of profit & loss in the year in which they arise.

The company has subscribed to a gratuity plan which is administrated through HDFC Standard life and a trust which is administrated through trustees.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income, which are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the statement of profit and loss as past service cost.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

10. Provision & Contingent Liabilities

Provision

provision are recognized when there is a present obligation as a result of a past event and it is probable that an outflow of benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from the past events, the existence of which will be confirmed only on the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not portable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

11. Income Tax, Deferred Tax and Dividend Distribution Tax

a) Current and Deferred Tax

Tax expense for the period, comprising Current tax and Deferred Tax are included in the determination of net profit or loss for the period.

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in India.

Deferred Tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted and substantively enacted by the Balance Sheet date. At each Balance Sheet date, the company re-assesses unrecognized deferred tax assets, if any.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

b) Dividend Distribution Tax :

Dividend distribution tax paid on the dividends is recognized consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is charged to Statement of Profit and Loss, if the dividend itself is charged to statement of profit and loss. If the dividend is recognized in equity, the presentation of dividend distribution tax is recognized in equity.

12. Borrowing Cost

Borrowing cost incurred in relation to the acquisition, construction of assets are capitalized as the part of cost of such assets up to date which such assets are ready for intended use. Other borrowing costs are charged as an expense over the period of Term Loan.

13. Impairment of Assets

Assessment is done at each Balance Sheet date as to whether there is any indication that a tangible asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of asset that generates cash inflows from continuing use that are largely independent of the cash inflow from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made.

Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an assets and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

14. Lease Rentals:

Leases in which a significant portion and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Lease Rentals for assets taken on operating lease are recognized as under expenses in Profit and Loss Account over the lease term on accrual basis.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

15. Cash and Cash Equivalents:

In the Cash flow statement, cash and cash equivalents include cash on hand, demand deposits with bank, other short term highly liquid investments with original maturity of three months or less.

16. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The Weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for the events, such as bonus shares, other than conversion of potential equity share that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

17. Financial Instruments

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

1) Financial Assets

i) Classification

The Company classifies its financial assets in the following measurement categories:

- a) at fair value either through other comprehensive income (FVOCI) or through profit and loss (FVTPL); and
- b) at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Gains and losses will either be recorded in the statement of profit and loss or other comprehensive income for assets measured at fair value.

For investments in debt instruments, this will depend on the business model in which the investment is held.

For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value or through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

ii) Measurement

At initial recognition, in case of a financial asset not at fair value through the statement of profit and loss account, the Company measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through the statement of profit and loss are expensed in profit or loss.

a) Debt instruments

There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss and recognised in other income or other expenses (as applicable). Interest income from these financial assets is included in other income using the effective interest rate method.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Fair value through profit and loss (FVTPL) : Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through the profit and loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit and loss and is not part of a hedging relationship is recognised in the statement of profit and loss and within other income or other expenses (as applicable) in the period in which it arises. Interest income from these financial assets is included in other income or other expenses, as applicable.

b) **Equity instruments**

The Company measures all equity investments (except Equity investment in subsidiaries and joint ventures) at fair value. The Company's management has opted to present fair value gains and losses on equity investments through profit and loss account. Dividends from such investments are recognised in the statement of profit and loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit and loss are recognised in other income or other expenses, as applicable in the statement of profit and loss.

iii) **Impairment of financial assets**

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has been a significant increase in credit risk. For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv) **Derecognition of financial assets**

A financial asset is derecognised only when –

- a) The Company has transferred the rights to receive cash flows from the financial asset or
- b) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

v) **Income Recognition**

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend income

Dividends are recognised in the statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

vi) **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

vii) **Trade Receivables**

Trade receivables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

2) Financial Liabilities

i) Measurement

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liabilities not recorded at fair value through profit and loss), that are directly attributable to the issue of financial liability. All financial liabilities are subsequently measured at amortised cost using effective interest method. Under the effective interest method, future cash outflow are exactly discounted to the initial recognition value using the effective interest rate, over the expected life of the financial liability, or, where appropriate, a shorter period. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit and loss.

ii) Derecognition

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

iii) Trade and other payables

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per payment terms.

iv) Derivatives and hedging activities

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. Resulting gains/(losses) are recorded in statement of profit and loss under other income/other expenses. Derivatives are classified as a current asset or liability when expected to be realised/settled within 12 months of the balance sheet date.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

NOTE : 3A Critical estimates and judgments

In the application of the company's accounting policies, which are described in note 2, the management is required to make judgment, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other process. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future period if the revision affects both current and future period.

The following are the critical estimates and judgments that have the significant effect on the amounts recognised in the financial statements.

Critical estimates and judgments

i) Estimation of current tax expense and deferred tax

The calculation of the company's tax charge necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax in the period in which such determination is made.

Recognition of deferred tax assets / liabilities

The recognition of deferred tax assets is based upon whether it is probable that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the approved budgets of the company. Where the temporary differences are related

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

to losses, local tax law is considered to determine the availability of the losses to offset against the future taxable profits as well as whether there is convincing evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the company. Significant items on which the Company has exercised accounting judgment include recognition of deferred tax assets in respect of losses. The amounts recognised in the financial statements in respect of each matter are derived from the Company's best estimation and judgment as described above.

ii) **Estimation of Provisions and Contingent Liabilities**

The company exercises judgment in measuring and recognising provisions and the exposures to contingent liabilities, which is related to pending litigation or other outstanding claims. Judgment is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement.

Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision. Although there can be no assurance of the final outcome of the legal proceedings in which the company is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

iii) **Estimation of useful life of Property, Plant and Equipment, Intangible assets, Investment properties**

Property, Plant and Equipment, Intangible assets, Investment properties represent a significant proportion of the asset base of the company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

iv) **Estimation of provision for inventory**

The company writes down inventories to net realisable value based on an estimate of the realisability of inventories. Write downs on inventories are recorded where events or changes in circumstances indicate that the balances may not be realised. The identification of write-downs requires the use of estimates of net selling prices of the down-graded inventories. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed.

v) **Estimation of defined benefit obligation**

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employment plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.

The company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability.

vi) **Estimated fair value of Financial Instruments**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Management uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

vii) **Impairment of Trade Receivable**

The impairment provisions for trade receivable are based on assumptions about risk of default and expected loss rates. The company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

3 B New accounting standards issued but not yet effective

Ind AS 116 :

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019.

The Company is currently evaluating the impact on account of implementation of Ind AS 116 which might have significant impact on key profit & loss and balance sheet ratio i.e. Earnings before interest, tax, depreciation and amortisation (EBITDA), Asset coverage, debt equity, interest coverage, etc.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 4. PROPERTY PLANT & EQUIPMENT F.Y. : 2018-2019

(Rs. in lakhs)

PARTICULARS	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION				NET	
	As At 01.04.2018	ADDITIONS	DISPOSALS/ ADJUSTMENTS	As At 31.03.2019	As At 01.04.2018	FOR THE YEAR DEPRECIATION	DISPOSALS/ ADJUSTMENTS	As At 31.03.2019	As At 31.03.2019
FREEHOLD LAND	24.13	-	-	24.13	-	-	-	-	24.13
FACTORY BUILDING	450.34	13.38	-	463.71	207.05	11.76	-	218.81	244.90
PLANT & MACHINERY	2,711.31	185.51	111.38	2,785.43	1,423.61	223.32	111.38	1,535.54	1,249.89
ELECT. FITTINGS	57.85	0.69	2.06	56.48	48.05	3.29	2.06	49.28	7.19
FURNITURE & FIXTURE	36.70	0.55	-	37.25	28.84	1.40	-	30.24	7.01
VEHICLE	154.85	1.62	0.47	156.00	74.74	14.80	-	89.54	66.45
GENERATOR	24.45	-	0.13	24.32	20.46	0.50	0.13	20.83	3.50
HEATING MODULE	1.21	-	-	1.21	1.11	0.02	-	1.13	0.08
AIR CONDITIONER	23.54	0.93	-	24.47	19.70	1.13	-	20.83	3.64
OFFICE EQUIPMENT	39.68	30.57	0.95	69.30	19.65	7.21	0.95	25.91	43.39
COMPUTER	83.61	3.55	-	87.16	72.02	6.42	-	78.44	8.72
LEASE HOLD IMPROVEMENT	19.21	-	-	19.21	19.21	-	-	19.21	-
LAB EQUIPMENT	5.44	3.31	-	8.75	1.78	0.72	-	2.50	6.25
TOTAL	3,632.30	240.11	114.99	3,757.42	1,936.22	270.57	114.52	2,092.27	1,665.15

NOTE 4. PROPERTY PLANT & EQUIPMENT F.Y. : 2017-2018

PARTICULARS	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION				NET	
	As At 01.04.2017	ADDITIONS	DISPOSALS/ ADJUSTMENTS	As At 31.03.2018	As At 01.04.2017	FOR THE YEAR DEPRECIATION	DISPOSALS/ ADJUSTMENTS	As At 31.03.2018	As At 31.03.2018
FREEHOLD LAND	24.13	-	-	24.13	-	-	-	-	24.13
FACTORY BUILDING	301.24	149.10	-	450.34	199.82	7.23	-	207.05	243.29
PLANT & MACHINERY	2,623.46	146.40	58.55	2,711.31	1,233.85	228.44	38.68	1,423.61	1,287.70
ELECT. FITTINGS	56.95	0.90	-	57.85	45.10	2.95	-	48.05	9.79
FURNITURE & FIXTURE	35.82	0.89	-	36.70	27.23	1.61	-	28.84	7.86
VEHICLE	150.98	18.40	14.53	154.85	65.71	20.92	11.89	74.74	80.10
GENERATOR	24.45	-	-	24.45	19.96	0.50	-	20.46	3.99
HEATING MODULE	1.21	-	-	1.21	1.09	0.02	-	1.11	0.10
AIR CONDITIONER	23.54	-	-	23.54	18.38	1.33	-	19.70	3.83
OFFICE EQUIPMENT	26.39	13.28	-	39.68	16.83	2.82	-	19.65	20.03
COMPUTER	78.10	5.51	-	83.61	67.01	5.01	-	72.02	11.60
LEASE HOLD IMPROVEMENT	19.21	-	-	19.21	19.21	-	-	19.21	-
LAB EQUIPMENT	4.44	1.00	-	5.44	1.24	0.55	-	1.78	3.65
TOTAL	3,369.91	335.47	73.08	3,632.30	1,715.42	271.36	50.57	1,936.22	1,696.08

NOTES :

1. Refer Note 35-A for disclosure of contractual commitment for the acquisition of property, plant and equipment.
2. The information on property, plant and equipment pledged as security by company (Refer note 35-B)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 5. OTHER INTANGIBLE ASSETS F. Y. : 2018-2019

PARTICULARS	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION			NET CARRYING AMOUNT		
	01.04.2018 As At	ADDITIONS	DISPOSALS / ADJUSTMENTS	31.03.2019 As At	01.04.2018 As At	FOR THE YEAR DEPRECIATION	DISPOSALS / ADJUSTMENTS	AS AT 31.03.2018	As At 31.03.2019
COMPUTER (SOFTWARE)	11.22	-	-	11.22	10.30	0.35	-	10.66	0.56
PATENT APPLICTION	0.43	-	-	0.43	0.00	0.08	-	0.08	0.35
TOTAL	11.65	-	-	11.65	10.30	0.43	-	10.74	0.91

NOTE 5. OTHER INTANGIBLE ASSETS F.Y. : 2017-2018

PARTICULARS	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION			NET CARRYING AMOUNT		
	01.04.2017 As At	ADDITIONS	DISPOSALS / ADJUSTMENTS	31.03.2018 As At	01.04.2017 As At	FOR THE YEAR DEPRECIATION	DISPOSALS / ADJUSTMENTS	AS AT 31.03.2018	As At 31.03.2018
COMPUTER (SOFTWARE)	11.22	-	-	11.22	6.62	3.68	-	10.30	0.91
PATENT APPLICTION	-	0.43	-	0.43	-	0.00	-	0.00	0.43
TOTAL	11.22	0.43	-	11.65	6.62	3.68	-	10.30	1.35

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 6. NON CURRENT INVESTMENTS.

NO. OF UNITS MARCH 2019	NO. OF UNITS MARCH 2018	PARTICULARS	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
		13.1 NON TRADE INVESTMENTS		
		<u>(I) INVESTMENT IN EQUITY SHARES (UNQUOTED) : (AT COST)</u>		
2,417	2,417	EQUITY SHARES OF S.V.C.BANK OF FACE VALUE RS.25/- EACH FULLY PAID	0.61	0.61
5,000	5,000	EQUITY SHARES OF NEW IND CO-OP. BANK LTD. OF FACE VALUE RS.10/- EACH, FULLY PAID	0.50	0.50
		<u>(II) INVESTMENT IN EQUITY SHARES (QUOTED) : (AT FVTPL)</u>		
-	3,000	EQUITY SHARES OF IFCI BANK LTD OF FACE VALUE RS. 10/- EACH FULLY PAID	-	0.59
-	300	EQUITY SHARES OF RELIANCE INDUSTRIES LTD. OF FACE VALUE RS. 10/- EACH FULLY PAID	-	5.30
-	300	EQUITY SHARES OF RELIANCE INDUSTRIES LTD. (BONUS) OF FACE VALUE RS. 10/- EACH FULLY PAID	-	-
-	200	EQUITY SHARES OF UNITECH LTD (BONUS) OF FACE VALUE RS. 2/- EACH FULLY PAID	-	-
-	800	EQUITY SHARES OF UNITECH LTD OF FACE VALUE RS. 2/- EACH FULLY PAID	-	0.06
		<u>(III) INVESTMENT IN MUTUAL FUNDS (QUOTED) : (AT FVTPL)</u>		
-	-	UNITS OF MF DSP BLACK ROCK INCOME OPPORTUNITY FUND -REGULAR PLAN GROWATH	-	-
1,255.88	1,003.14	UNITS OF MF HDFC TOP 200 FUND DIRECT PLAN GROWTH OPTION	6.58	4.45
-	1,89,713.61	UNITS OF MF HDFC PRUDENCE FUND REGULAR PLAN DIVIDENED	-	55.87
-	1,67,540.67	UNITS OF MF HDFC SHORT TERM PLAN REGULAR PLAN GROWATH	-	57.69
-	37,694.03	UNITS OF MF HDFC BALANCED FUND REGULAR (G)	-	54.96
-	1,47,500.02	UNITS OF MF HDFC REGULAR SAVING FUND GROWTH	-	50.79
2,78,888.68	2,78,888.68	UNITS OF MF ICICI PRUDENTIAL BANKING AND PSU DEBT FUND GROWTH	59.19	55.72
8,421.61	7,629.03	UNITS OF MF ICICI PRUDENTIAL VALUE DISCOVERY FUND DIRECT	13.08	11.17
80,129.23	80,129.23	UNITS OF MF ICICI PRUDENTIAL SHORT TERM REGULAR	30.96	29.02
2,36,850.08	2,36,850.08	UNITS OF MF ICICI PRUDENTIAL BOND FUND GROWTH	61.00	57.50
-	2,44,541.83	UNITS OF MF ICICI PRUDENTIAL LONG TERM PLAN	-	53.04
2,72,374.18	2,72,374.18	UNITS OF MF ICICI PRUDENTIAL CREDIT RISK FUND GROWTH	54.12	50.59
2,70,908.74	2,70,908.74	UNITS OF MF ICICI PRUDENTIAL CREDIT RISK FUND GROWTH	53.83	50.32
2,50,000.00	2,50,000.00	UNITS OF MF ICICI PRUDENTIAL FMP SERIES 82	26.67	25.05
1,42,072.90	-	UNITS OF MF ICICI PRUDENTIAL ULTRA SHORT TERM FUND GROWTH	26.82	-
5,690.33	5,163.93	UNITS OF MF BIRLA SUN LIFE EQUITY FUND GROWTH DIRECT PLAN	13.67	11.35
1,88,431.79	1,88,431.79	UNITS OF MF BIRLA SUN LIFE SHORT TERM OPPORTUNITY FUND GROWTH DIRECT PLAN	60.42	56.00
26,189.55	54,760.76	UNITS OF MF BIRLA SUN LIFE BANKING & PSU DEBT FUND - GROWTH-DIRECT PLAN	63.38	122.95
-	87,251.96	UNITS OF MF BIRLA SUN LIFE SHORT TERM FUND GROWTH DIRECT PLAN	-	58.30
-	4,16,402.95	UNITS OF MF BIRLA SUN LIFE CORPORATE BOND FUND REGULARS	-	53.89
-	98,325.49	UNITS OF MF ADITYA BIRLA SUNLIFE BANKING & PSU DEBT FUND - DIRECT	-	51.54
5,00,000.00	5,00,000.00	UNITS OF MF ABSL FTP SERIES PH-DIRECT GROWTH	54.20	50.45

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NO. OF UNITS MARCH 2019	NO. OF UNITS MARCH 2018	PARTICULARS	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
5,372.53	5,372.53	UNITS OF MF BIRLA SUN LIFE EQUITY ADVANTAGE FUND GROWATH DIRECT PLAN	22.89	22.72
-	3,094.79	UNITS OF MF BIRLA SUN LIFE BALANCE 95 FUND DIVIDEND DIRECT PLAN	-	24.08
-	1,84,299.92	UNITS OF MF BIRLA SUN LIFE EQUITY SAVING FUND -DIRECT PLA 1014829528	-	24.74
-	1,12,380.26	UNITS OF MF BIRLA SUN LIFE MEDIUM TERM PLAN GROWTH DIRECT PLAN	-	25.53
-	14,606.75	UNITS OF MF ADITYA BIRLA SUNLIFE SAVING FUND- DIRECT	-	50.24
2,50,000.00	-	UNITS OF MF ABSL FTP SERIES RA -DIRECT GROWTH	26.52	-
2,50,000.00	-	UNITS OF MF ABSL FTP SERIES RD -DIRECT GROWTH	26.54	-
2,50,000.00	-	UNITS OF MF ABSL FTP SERIES PT-DIRECT GROWTH	27.10	-
-	8,76,964.89	UNITS OF MF RELIANCE FLOATING RATE FUND SHORT TERM	-	246.49
1,70,571.61	5,46,464.83	UNITS OF MF RELIANCE SHORT TERM FUND DIRECT GROWTH	61.53	184.08
-	2,37,853.99	UNITS OF MF RELIANCE REGULAR SAVING FUND-DEBT PLAN 18 G	-	60.25
-	1,00,385.88	UNIT OF MF RELIANCE REGULAR SAVINGS FUND DEBT PLAN DIRECT GROWTH PLAN GROWTH OPTION	-	56.78
-	2,15,692.03	UNITS OF MF RELIANCE MEDIUM TERM FUND DIRECT GROWTH PLAN GROWTH OPTION	-	123.84
5,071.02	2,293.50	UNITS OF MF RELIANCE SMALL CAP FUND DIRECT GROWTH	2.17	1.04
-	7,39,284.08	UNITS OF MF RELIANCE CORPORATE BOND FUND DIRECT GROWTH PLAN	-	107.04
42,889.22	42,889.22	UNITS OF MF RELIANCE EQUITY HYBRID FUND DIRECT GROWTH	25.36	24.26
5,00,000.00	-	UNITS OF MF RELIANCE FIXED HORIZON FUND XXXVI SERIES 06 DIRECT GROWTH PLAN	54.77	-
0.72	-	UNITS OF MF RELIANCE LIQUED FUND DIRECT GROWTH PLAN	0.03	-
2,50,000.00	-	UNITS OF MF RELIANCE FIXED HORIZON FUND XXXVI SERIES 05 DIRECT GROWTH PLAN	27.06	-
-	2,38,265.88	UNITS OF MF KOTAK EQUITY ARBITRAGE FUND BI MONTHLY	-	25.48
-	80.44	UNITS OF MF TATA EQUITY P/E FUND DIRECT GROWTH-INF277K01ND1	-	0.11
2,53,923.11	2,53,923.11	UNITS OF MF L & T CREDIT RISK FUND	53.55	50.55
10,000.00	-	UNITS OF MF EDELWEISS ALPHA FUND-SCHEME I	104.39	-
1.00	-	UNITS OF MF AVENDUS ENHANCED RETURN FUND	102.15	-
2,874.31	-	UNITS OF MF AXIS BANKING & PSU DEBT FUND.	50.23	-
-	-	(IV) INVESTMENT IN DEBENTURES (QUOTED) : (AT FVTPL)	-	-
-	35	DYNAMIC SERIES (ARG16SP10 SERIES IV 171018) WITH ANAND RATHI SHARE & STOCK BROKERS LTD. OF FACE VALUE RS. 1,00,000/- EACH FULLY PAID UP.	-	57.92
10	-	KOTAK MAHINDRA PRIME LTD	100.00	-
-	-	NIFTY 50 INDEX LINKED SECURED NON CONVERTIBLE DEBENTURES OF FACE VALUE RS. 10,00,000/- EACH FULLY PAID UP	-	-
-	-		-	-
42,59,343.48	71,21,014.19	TOTAL INVESTMENTS	1,209.33	2,052.85

Notes :

1) a) Aggregate amount of Unquoted Investments.

b) Aggregate amount of Quoted Investments & market value thereof.

-	-
1.11	1.11
1,208.21	2,051.74



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 7 : LOANS	(Rs. In Lakhs)	
	AS AT 31st MARCH 2019	AS AT 1st APRIL 2018
A) NON CURRENT (UNSECURED, CONSIDERED GOOD)		
a) LOANS GIVEN TO STAFF	2.22	0.29
TOTAL	2.22	0.29
B) CURRENT (UNSECURED, CONSIDERED GOOD)		
a) LOANS GIVEN TO STAFF	11.81	14.26
TOTAL	11.81	14.26

NOTE 8 : OTHER FINANCIAL ASSETS	(Rs. In Lakhs)	
	AS AT 31st MARCH 2019	AS AT 1st APRIL 2018
A) NON CURRENT (UNSECURED, CONSIDERED GOOD)		
a) SECURITY AND OTHER DEPOSITS		
-WITH RELATED PARTIES	32.00	30.00
-WITH OTHERS	85.01	82.62
TOTAL	117.01	112.62
B) CURRENT (UNSECURED, CONSIDERED GOOD)		
a) INTEREST ACCRUED BUT NOT DUE ON MARGIN MONEY	0.40	0.36
b) FOREIGN EXCHANGE FORWARD CONTRACT (HEDGE)	99.72	-
TOTAL	100.12	0.36

NOTE 9 : OTHER ASSETS	(Rs. In Lakhs)	
	AS AT 31st MARCH 2019	AS AT 1st APRIL 2018
A) NON CURRENT (UNSECURED, CONSIDERED GOOD)		
PREPAID EXPENSES	17.77	23.78
GRATUITY FUNDED - ASSETS (NET)	18.28	20.15
TOTAL	36.05	43.93
B) CURRENT (UNSECURED, CONSIDERED GOOD)		
ADVANCE TO SUPPLIERS	10.94	56.35
ADVANCE TO STAFF	7.20	3.87
PREPAID EXPENSES	13.74	13.34
DUTYDRAWBACK RECEIVABLE	1.51	89.97
CLAIMS RECEIVABLES	466.71	439.75
(UNSECURED, CONSIDERED DOUBTFUL)		
a) ADVANCE TO SUPPLIERS	2.51	2.51
LESS : PROVISION FOR DOUBTFUL ADVANCES	(2.51)	(2.51)
(UNSECURED, CONSIDERED DOUBTFUL)		
b) DUTYDRAWBACK RECEIVABLE	-	3.53
LESS : PROVISION FOR DUTY DRAWBACK	-	(3.53)
TOTAL	500.10	603.28

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

ALLOWANCE FOR DOUBT FULL DEBTS

1. THE COMPANY HAS PROVIDED ALLOWANCES FOR DOUBTFUL DEBTS BASED ON LIFE TIME EXPECTED CREDIT LOSS MODEL USING PROVISION MATRIX

2. MOVEMENT IN ALLOWANCE FOR DOUBTFUL DEBT :

BALANCE AT THE BEGINNING OF THE YEAR	6.04	6.04
ADD : ALLOWANCE FOR THE YEAR	-	-
LESS : W/OFF OF BAD DEBTS (NET OF RECOVERY)	3.53	-
BALANCE AT THE END OF THE YEAR	2.51	6.04

(Rs. In Lakhs)

NOTE 10. INVENTORY	AS AT 31st MARCH 2019	AS AT 1st APRIL 2018
- RAW MATERIAL	714.27	780.58
- WORK IN PROGRESS	150.73	174.34
- SEMI-FINISHED GOODS	18.27	33.08
- FINISHED GOODS	1,339.58	438.25
- SPARE PARTS	53.78	48.49
- STOCK IN TRANSIT	42.26	236.33
SUBTOTAL	2,318.88	1,711.06
LESS : STOCK RESERVE	(100.24)	(68.46)
TOTAL	2,218.64	1,642.60

(Rs. In Lakhs)

NOTE 11. TRADE RECEIVABLES	AS AT 31st MARCH 2019	AS AT 1st APRIL 2018
(UNSECURED, CONSIDERED GOOD) TRADE RECEIVABLES	1,891.93	1,821.78
(UNSECURED, CONSIDERED DOUBTFUL)	2.06	2.42
LESS : ALLOWANCE FOR DOUBT FULL DEBTS	(2.06)	(2.42)
TOTAL	1,891.93	1,821.78

ALLOWANCE FOR DOUBT FULL DEBTS

1. THE COMPANY HAS PROVIDED ALLOWANCES FOR DOUBTFUL DEBTS BASED ON LIFE TIME EXPECTED CREDIT LOSS MODEL USING PROVISION MATRIX

2. MOVEMENT IN ALLOWANCE FOR DOUBTFUL DEBT :

BALANCE AT THE BEGINNING OF THE YEAR	2.42	2.32
ADD : ALLOWANCE FOR THE YEAR	-	1.18
LESS : W/OFF OF BAD DEBTS (NET OF RECOVERY)	(0.36)	(1.08)
BALANCE AT THE END OF THE YEAR	2.06	2.42

(Rs. In Lakhs)

NOTE 12. CASH & CASH EQUIVALENTS	AS AT 31st MARCH 2019	AS AT 1st APRIL 2018
(a) CASH & CASH EQUIVALENTS		
(i) CASH IN HAND	2.61	2.12
(ii) BALANCES WITH BANKS		
-CURRENT ACCOUNTS IN RUPEESS	24.30	5.87
-IN FOREIGN CURRENCY	44.96	42.16
-IN TEMPORARY TERM DEPOSITS	150.00	-
TOTAL	221.86	50.15



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Rs. In Lakhs)

NOTE 13. BANK BALANCE OTHER THAN ABOVE	AS AT 31st MARCH 2019	AS AT 1st APRIL 2018
(i) BALANCES WITH BANKS -IN UNPAID DIVIDEND A/C	26.83	27.63
(ii) OTHER BANK BALANCES -HELD AS MARGIN MONEY (Under lien with bank as security for gurantee facility)	31.35	31.35
TOTAL	58.18	58.98

(Rs. In Lakhs)

NOTE 14. CURRENT TAX ASSETS (NET)	AS AT 31st MARCH 2019	AS AT 1st APRIL 2018
PROVISION FOR TAX (NET)	87.46	0.42
TOTAL	87.46	0.42

(Rs. In Lakhs)

NOTE 15 : EQUITY SHARE CAPITAL :	AS AT 31st MARCH 2019	AS AT 1st APRIL 2018
AUTHORISED : 6000000 (P.Y. 6000000) EQUITY SHARES OF RS. 10 EACH	600.00	600.00
ISSUED : 3304800 (P.Y.3304800) EQUITY SHARES OF RS.10 EACH	330.48	330.48
SUBSCRIBED & PAID UP : 3304800 (P.Y.3304800) EQUITY SHARES OF RS.10 EACH	330.48	330.48
TOTAL	330.48	330.48

15.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period is as follows.

Particulars	AS AT 31st MARCH 2019	AS AT 1st APRIL 2018
Equity Shares at the beginning of the year (in No's)	33.05	33.05
Less: Equity Shares Forfieted during the year (in No's)	-	-
Equity Shares at the end of the year (in No's)	33.05	33.05

15.2 Terms/Rights Attached to Shares

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each share holder of fully paid equity shares is entitled to one vote per share. The company declares and pays dividends to the share holders of fully paid equity shares in Indian rupees. The dividend proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

15.3 Details of Share holders holding more than 5 % of Shares

Name of Shareholder	As at 31 March 2019		As at 31 March 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
ASHOK B HARJANI	9.65	29.19	9.16	27.73
LOKESH PREM HARJANI	4.36	13.19	4.36	13.19
SURESH HARJANI	4.27	12.92	4.27	12.92
PREM HARJANI	2.28	6.91	1.80	5.44

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

15.4 There are no Bonus Shares /Buyback/Shares for consideration other than cash issued during past five years

(Rs. In Lakhs)

NOTE 16. OTHER EQUITY :	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
SECURITIES PREMIUM RESERVE		
BALANCE AS PER LAST BALANCE SHEET	459.92	459.92
ADD: ADDITION DURING THE YEAR	-	-
Less: Share Issue Expenses	-	-
	459.92	459.92
CAPITAL RESERVE		
BALANCE AS PER LAST BALANCE SHEET	3.00	3.00
ADD: ON FORFEITURE	-	-
	3.00	3.00
CAPITAL SUBSIDY RESERVE		
BALANCE AS PER LAST BALANCE SHEET	22.78	22.78
ADD: ADDITION DURING THE YEAR	-	-
	22.78	22.78
FOREIGN CURRENCY TRANSLATION RESERVE		
BALANCE AS PER LAST BALANCE SHEET	(13.39)	(12.54)
ADD: ADDITION DURING THE YEAR	(30.48)	0.84
	17.10	(13.39)
GENERAL RESERVE		
BALANCE AS PER LAST BALANCE SHEET	1,758.00	1,707.00
ADD: TRANSFERRED FROM STATEMENT OF PROFIT & LOSS	1.59	51.00
	1,759.59	1,758.00
SURPLUS AS PER STATEMENT OF PROFIT AND LOSS		
OPENING BALANCE AS PER LAST BALANCE SHEET	3,931.39	3,573.61
ADD : PROFIT FOR THE YEAR	260.71	526.46
ADD : OCI FOR THE YEAR	79.17	1.65
ADD : REVERSAL OF PROPOSED DIVIDEND (Refer note 19.1)	99.14	-
ADD : REVERSAL OF TAX ON PROPOSED DIVIDEND (Refer note 19.1)	20.19	-
LESS: APPROPRIATIONS		
TRANSFERRED TO GENERAL RESERVE	1.59	51.00
DIVIDEND PAID	99.14	99.14
TAX ON DIVIDEND PAID	20.38	20.19
	4,269.49	3,931.39
TOTAL	6,531.88	6,161.70

NATURE AND PURPOSE OF EACH RESERVE

Security Premium Reserve - Security premium reserve is used to record the premium on issue of shares. This reserve is utilised in accordance with the provision of the Companies Act 2013.

Capital Reserve - This reserve was created in the financial year 2015-16. Capital reserves are created out of forfeiture of shares and are usually utilised for issue of Bonus shares.

Capital Subsidy Reserve - This reserve was created in financial year 1994-95 of Rs. 6.38 Lakhs & in financial year 2004-05 of Rs. 16.41 Lakhs and created out of capital subsidy received by the company.

The reserve is to be usually created for use of Bonus shares or to adjust capital losses.

General Reserve - General Reserve is a free reserve and is available for distribution as dividend, issue of bonus shares, buyback of the companies securities. It was created by transfer of amounts out of distributable profits, from time to time.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Foreign Currency Translation Reserve - This reserves arising on account of translation difference in exchange rate upon the consolidation of financial statements of foreign subsidiary Company.

NOTE 16A. : MINORITY INTEREST**(Rs. In Lakhs)**

	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
BALANCE AS PER LAST BALANCE SHEET	84.13	69.71
ADD : MONEY BROUGHT BY MINORITY INTEREST	-	-
LESS: PROFIT/(LOSS) SHARE OF MINORITY INTEREST FOR THE YEAR	48.82	14.41
TOTAL	132.94	84.13

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE: FINANCIAL LIABILITY

(Rs. In Lakhs)

NOTE 17. BORROWING	AS AT 31st MARCH 2019	AS AT 1st APRIL 2018
A) NON CURRENT		
SECURED		
TERM LOANS		
<u>FROM BANKS</u>		
(a)HDFC BANK LTD	145.87	154.35
CAR LOANS		
<u>FROM BANKS</u>		
(b)HDFC BANK LTD	8.50	12.42
<u>FROM OTHERS</u>		
(c) KOTAK MAHINDRA PRIME LTD.	8.50	11.67
TOTAL	162.87	178.45

17.1 CURRENT MATURITIES

SECURED		
TERM LOANS		
<u>FROM BANKS</u>		
(a)HDFC BANK LTD	97.71	79.25
CAR LOANS		
<u>FROM BANKS</u>		
(b)HDFC BANK LTD	3.92	3.61
<u>FROM OTHERS</u>		
(c) KOTAK MAHINDRA PRIME LTD.	3.17	2.92
TOTAL	104.81	85.78

The Long Term Portion of Term Loans are shown under long term Borrowings and the current maturities of long term borrowings are shown under the current liabilities in Note 18B.

17.2 DETAILS OF SECURITY AND TERMS OF REPAYMENT

(a)HDFC BANK - Term Loans referred to above from Banks are secured by way of Hypothecation of first & exclusive charge on all present & future current assets inclusive of all stocks & book debts and plant & machinery along with equitable mortgage on the property situated at Plot no. 41, Survey no. 35 (PT) Diwan & sons industrial Estate, Aliyali Village, Palghar, Thane District & Survey no. 202/2, Old check post, Dadra & Nagar Haveli, Dadra along with personal guarantee of Lokesh Harjani.

There are 4 different Loans and their respective details are as under

Principal Amount Payable	Interest Rate	Monthly Installment Amount Payable (Principal + Interest)	No. of Installment outstanding equal monthly installments
22.73	10.25 % p.a. Linked with 1 year MCLR	1.80	14
69.31	10.25 % p.a. Linked with 1 year MCLR	3.68	21
64.54	10.25 % p.a. Linked with 1 year MCLR	2.33	32
89.68	10.25 % p.a. Linked with 1 year MCLR	2.21	51


NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
(b)HDFC BANK LTD

Vehicle Loan from Bank are secured by mortgage of Respective Vehicle.

The details of Loan is as under

Principal Amount Payable	Interest Rate	Monthly Installment Amount Payable (Principal + Interest)	No. of Installment outstanding equal monthly installments
12.42	8.40%	0.40	35

(c) KOTAK MAHINDRA PRIME LTD.

Vehicle Loan from Bank are secured by mortgage of Respective Vehicle.

There are different Loans and their respective details are as under

Principal Amount Payable	Interest Rate	Monthly Installment Amount Payable (Principal + Interest)	No. of Installment outstanding equal monthly installments
11.67	8.21%	0.33	40

(Rs. In Lakhs)

	AS AT 31st MARCH 2019	AS AT 1st APRIL 2018
B) CURRENT		
SECURED FROM BANKS		
WORKING CAPITAL LOANS		
CASH CREDIT FROM BANK	0.35	47.93
SHORT TERM LOAN FROM BANK OF INDIA	43.25	-
SHORT TERM LOAN FROM STANDARD CHARTERED BANK.	-	143.93
TOTAL	43.60	191.86

Working capital referred to above from Banks are secured by way of Hypothecation of first & exclusive charge on all present & future current assets inclusive of all stocks & book debts and plant & machinery along with equitable mortgage on the property situated at Plot no. 41, Survey no. 35 (PT) Diwan & sons industrial Estate, Aliyali Village, Palghar, Thane District & Survey no. 202/2, Old check post, Dadra & Nagar Haveli, Dadra along with personal guarantee of Lokesh Harjani.

Working capital referred to above from Bank of India are secured by way of Hypothecation of all stocks & book debts at margin of 30% for funding. 30% on stock and book debts to be maintained which will be ensured on half yearly inspection.

(Rs. In Lakhs)

NOTE 18. OTHER FINANCIAL LIABILITY	AS AT 31st MARCH 2019	AS AT 1st APRIL 2018
A) NON CURRENT		
DUES TO EMPLOYEE	101.73	89.40
TOTAL	101.73	89.40
B) CURRENT		
(a) CURRENT MATURITIES OF LONG TERM BORROWING (REFER NOTE 17.1)	104.81	85.78
(b) INTEREST ACCRUED BUT NOT DUE	1.80	1.73
(c) UNPAID DIVIDENDS*	26.83	27.63
(d) MARK TO MARKET OF DERIVATIVE FINANCIAL INSTRUMENTS	-	10.51
(e) PAYABLE TO EMPLOYEE	110.87	95.98
(f) SECURITY/TRADE DEPOSITS RECEIVED	0.05	0.05
(g) OTHERS (FOR EXPENSES)	3.80	0.29
TOTAL	248.16	221.97

*There is no amount due and outstanding as on 31st March 2019 to be credited to Investor Education and Protection Fund. The unpaid dividend for the financial year 2010-11 of Rs. 187215/- which has been paid to Investor Protection Reserve Fund on 05.11.2018.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 19. PROVISION	(Rs. In Lakhs)	
	AS AT 31st MARCH 2019	AS AT 1st APRIL 2018
A) NON CURRENT		
PROVISION FOR EMPLOYEE BENEFITS : LEAVE ENCASHMENT SALARY PAYABLE	26.95	29.29
TOTAL	26.95	29.29
B) CURRENT		
PROPOSED DIVIDEND	-	99.14
PROVISION FOR TAX ON DIVIDEND	-	20.19
PROVISION FOR EMPLOYEE BENEFITS : LEAVE ENCASHMENT SALARY PAYABLE	10.94	10.50
OUTSTANDING EXPENSES	32.51	23.45
TOTAL	43.45	153.28

19.1 The board of Directors has recomonded a final dividnd @ Rs. 3.00/- per equity share of Rs. 10/- each on 33,04,800 equity shares for the year ended 31.03.2018. (P.Y. Rs. 3.00/- per equity share of Rs. 10/- each on 33,04,800 equity shares). Which was provided for along with tax thereon in the financial statements subject to approval for the members in the Annual General Meeting. The Company had provided for the liability and paid the same during current financial year. The provision made has been reversed and the effect of same has been reflected in note no. 16.

NOTE 20. DEFERRED TAX LIABILITY (NET)	(Rs. In Lakhs)	
	AS AT 31st MARCH 2019	AS AT 1st APRIL 2018
(a) DEFERED TAX LIABILITY: RELATED TO FIXED ASSET DUE TO FVTPL OF INVESTMENT OTHERS	64.45 23.28 0.75	91.53 53.87 1.01
(b) DEFERED TAX ASSET: DISALLOWANCES UNDER THE INCOME TAX ACT 1961 (NET)	9.90	(24.77)
TOTAL	98.37	121.65

NOTE 21. OTHER LIABILITIES	(Rs. In Lakhs)	
	AS AT 31st MARCH 2019	AS AT 1st APRIL 2018
A) NON CURRENT		
GOVERNMENT GRANT DEFERRED INCOME	2.13	4.01
TOTAL	2.13	4.01

Government grants have been received for the purchase of certain items of property, plant and equipment. There are no unfulfilled conditions or contingencies attached to these grants as at March 31.

B) CURRENT	(Rs. In Lakhs)	
	AS AT 31st MARCH 2019	AS AT 1st APRIL 2018
(a) ADVANCES RECEIVED FROM CUSTOMERS	2.38	10.78
(b) OTHERS		
(i) GOVERNMENT GRANTS (DEFERRED INCOME)	1.87	1.87
(ii) STATUTORY LIABILITIES	61.58	65.54
TOTAL	65.83	78.20


NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
Note : GOVERNMENT GRANT (Deferred Income)
(Rs. In Lakhs)

Particulars	AS AT	AS AT
	31st MARCH 2019	1st APRIL 2018
As at April 1	5.88	7.75
Received during the year	-	-
Released to statement of profit and loss	(1.87)	(1.87)
As at March 31	4.01	5.88

(Rs. In Lakhs)

NOTE 22. TRADE PAYABLES	AS AT	AS AT
	31st MARCH 2019	1st APRIL 2018
TRADE PAYABLES *	332.39	454.55
TOTAL	332.39	454.55

*22.1 The Company has received intimation from suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence the following disclosures are given wrt. the extent of information as available with the company :

a) Amount due and Outstanding to suppliers as at the end of accounting year.	2.82	34.18
b) Interest paid during the year.	NIL	NIL
c) Interest due on amount paid beyond due date during the year	NIL	NIL
d) Interest accrued and unpaid at the end of the accounting year,	NIL	NIL
e) Total interest due but not paid (including prior years.)	NIL	NIL

(Rs. In Lakhs)

NOTE 23. REVENUE FROM OPERATION	FOR THE YEAR	FOR THE YEAR
	ENDED 31st	ENDED 31st
	MARCH 2019	MARCH 2018
SALES	6,936.97	7,621.94
OTHER OPERATING REVENUE	71.72	217.50
TOTAL	7,008.69	7,839.44

(Rs. In Lakhs)

NOTE 24. OTHER INCOME	FOR THE YEAR	FOR THE YEAR
	ENDED 31st	ENDED 31st
	MARCH 2019	MARCH 2018
INTEREST	4.67	6.43
DIVIDEND	0.36	7.13
NET GAIN ON SALE OF INVESTMENT & RECOGNITION FVTPL	84.14	173.70
FOREIGN EXCHANGE FLUCTUATION	96.20	72.00
PROFIT ON SALE OF PROPERTY, PLANT AND EQUIPMENT	6.00	4.76
GOV GRANTS ON FIXED ASSETS *	1.87	1.87
PROVISION FOR DOUBTFUL DEBTS WRITE BACK	0.36	1.08
INSURANCE CLAIM RECEIVED	-	24.30
MISCELLANEOUS INCOME	10.12	5.93
TOTAL	203.72	297.20

Government grants have been received for the purchase of certain items of Property, Plant and Equipment. There are no unfulfilled conditions or contingencies attached to these grants as at March 31, 2019.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	(Rs. In Lakhs)	
NOTE 25. COST OF MATERIAL CONSUMED :	FOR THE YEAR ENDED 31st MARCH 2019	FOR THE YEAR ENDED 31st MARCH 2018
(A) RAW MATERIAL		
OPENING STOCK	954.92	727.10
ADD: PURCHASES	2,937.40	2,555.19
	3,892.31	3,282.29
LESS : CLOSING STOCK	865.00	954.92
LESS : Difference on account of Foreign Translation	(17.69)	1.08
LESS : Stock Reserve	(0.16)	12.04
TOTAL (A)	3,044.84	2,338.34
(B) CONSUMPTION OF SPARES		
OPENING STOCK	48.49	47.06
ADD : PURCHASES	149.77	89.07
	198.26	136.13
LESS : CLOSING STOCK	53.78	48.49
LESS : Difference on account of Foreign Translation	4.17	-
TOTAL (B)	140.31	87.64
TOTAL (A + B)	3,185.15	2,425.98

NOTE 26. PURCHASE OF STOCK-IN-TRADE	FOR THE YEAR ENDED 31st MARCH 2019	FOR THE YEAR ENDED 31st MARCH 2018
- PURCHASES	865.98	642.36
TOTAL (A)	865.98	642.36

	(Rs. In Lakhs)	
NOTE 27. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK IN PROGRESS	FOR THE YEAR ENDED 31st MARCH 2019	FOR THE YEAR ENDED 31st MARCH 2018
CLOSING STOCK		
- FINISHED GOODS	1,339.58	438.25
- SEMI FINISHED GOODS	18.27	33.08
ADD : Difference on account of Foreign Translation	(2.79)	2.03
LESS : Stock Reserve	31.94	48.99
TOTAL (A)	1,323.12	424.37
LESS: OPENING STOCK		
- FINISHED GOODS	438.25	1,396.99
- SEMI FINISHED GOODS	33.08	27.83
TOTAL (B)	471.33	1,424.82
INCREASE/(DECREASE) IN STOCK (A - B)	851.78	(1,000.45)



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	(Rs. In Lakhs)	
NOTE 28. EMPLOYEE BENEFITS EXPENSES	FOR THE YEAR ENDED 31st MARCH 2019	FOR THE YEAR ENDED 31st MARCH 2018
SALARY, WAGES, BONUS & LEAVE SALARY	1,514.24	1,338.62
CONTRIBUTION TO PROVIDENT FUND & OTHER FUNDS	30.43	30.62
GRATUITY	6.74	8.41
STAFF RECRUITMENT EXPENSES	4.10	0.79
STAFF WELFARE & OTHER AMENITIES	28.08	31.94
TOTAL	1,583.59	1,410.38

	(Rs. In Lakhs)	
NOTE 29. FINANCE COST	FOR THE YEAR ENDED 31st MARCH 2019	FOR THE YEAR ENDED 31st MARCH 2018
INTEREST	118.01	75.63
OTHER BORROWING COST	32.17	24.73
TOTAL	150.18	100.36

	(Rs. In Lakhs)	
NOTE 30. DEPRECIATION	FOR THE YEAR ENDED 31st MARCH 2019	FOR THE YEAR ENDED 31st MARCH 2018
DEPRECIATION & AMORTISATION EXPENSE	271.01	275.04
LESS : Difference on account of Foreign Translation	(0.83)	1.14
TOTAL	271.84	273.90

	(Rs. In Lakhs)	
NOTE 31. OTHER EXPENSES	FOR THE YEAR ENDED 31st MARCH 2019	FOR THE YEAR ENDED 31st MARCH 2018
A) MANUFACTURING EXPENSES		
DIESEL EXPENSES	6.76	5.98
GAS EXPENSES	27.18	26.69
ELECTRICITY CHARGES	210.24	198.03
FACTORY EXPENSES	13.20	14.03
REPAIRS AND MAINTENANCE-BUILDING	1.12	5.16
REPAIRS AND MAINTENANCE-PLANT & MACHINERY	0.63	0.74
REPAIRS AND MAINTENANCE-OTHERS	62.07	48.49
LABOUR CHARGES & PROCESSING CHARGES	484.10	445.13
TESTING CHARGES	3.19	2.45
TOTAL (A)	808.50	746.70
B) SELLING & DISTRIBUTION EXPENSES		
FREIGHT & FORWARDING CHARGES	173.86	182.13
OTHERS	14.30	23.67
TOTAL (B)	188.17	205.80

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

	(Rs. In Lakhs)	
NOTE 31. OTHER EXPENSES	FOR THE YEAR ENDED 31st MARCH 2019	FOR THE YEAR ENDED 31st MARCH 2018
C) ADMIN EXPENSES		
REPAIRS & MAINTENANCE	4.57	4.36
AUDITORS REMUNERATION AND EXPENSES (REFER NOTE 36)	4.24	4.83
BAD DEBTS	-	1.18
SPENDING ON CSR ACTIVITIES (REFER NOTE 44)	29.14	35.83
INSURANCE CHARGES	16.80	12.67
LEGAL & PROFESSIONAL CHARGES	51.20	47.01
MISCELLANEOUS EXPENSES	99.09	109.74
CONVEYANCE & TRAVELING	156.86	123.45
RENT	267.78	262.48
RATES & TAXES	0.63	11.34
TOTAL (C)	630.32	612.90
GRAND TOTAL (A+B+C)	1,626.99	1,565.40

	(Rs. In Lakhs)	
NOTE 32. EXTRAORDINARY ITEMS	FOR THE YEAR ENDED 31st MARCH 2019	FOR THE YEAR ENDED 31st MARCH 2018
EXTRAORDINARY ITEMS	106.56	-
TOTAL (A)	106.56	-

Extraordinary item includes expenditure of Rs. 106.56 Lakhs booked towards reversal of GST credit on inventory held as on date of implementation of GST law i.e. Rs. 82.25 for Trans 1 credit (01.07.2017) & Rs. 24.31 for inadvert credit (01.08.2018).

	(Rs. In Lakhs)	
NOTE 33. TAX EXPENSES	FOR THE YEAR ENDED 31st MARCH 2019	FOR THE YEAR ENDED 31st MARCH 2018
A) INCOME TAX EXPENSES :		
CURRENT TAX		
CURRENT TAX ON PROFITS FOR THE YEAR	15.50	250.00
SHORT/(EXCESS) INCOME TAX PROVISION	3.66	(15.51)
TOTAL CURRENT TAX EXPENSES	19.16	234.49
DEFERRED TAX		
DEFERRED TAX (ASSET)/LIABILITY	(54.78)	(57.56)
TOTAL INCOME TAX EXPENSES	(35.62)	176.93



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 34: Contingent Liabilities :-

- a) a) Unredeemed Bank Guarantees & Letter of credit are Rs. 20.05 Lakh (P.Y. Rs. 210.73 Lakhs)
- b) Claims against the company not acknowledged as debts
- Income Tax Liability Rs. 5.00 lacs (P.Y. Rs 4.94 Lakh)
 - Sales tax Liability Rs. 1279.99 (P.Y. Nil)
- c) The company has imported machineries under EPCG license whereby the custom duty saved of Rs. 18.82 Lakh (P.Y. 52.72 Lakh) is subject to performance of pre stated obligations. The non-performance would result in liability towards custom duty saved along with penalty and damages.

NOTE 35-A:

Capital Commitments :-

Estimate amount of contract remaining to be executed on Capital Account & not provided for Rs Nil (Rs. Nil) against which advance has been paid of Rs. Nil (P.Y. Nil)

NOTE 35-B:

Assets Pledged as Security :-

The carrying amounts of assets pledged as security for current and non-current borrowing are,

	As At 31 st March 2019	As At 31 st March 2018
	Rs.	Rs.
Current Assets		
Financial Assets		
Trade Receivables	1,891.93	1,821.78
	1,891.93	1,821.78
Non Financial Assets		
Inventories	2,218.64	1,642.60
	2,218.64	1642.60
Total Current Assets Pledged as Security	4,110.57	3,464.38
Non Current Assets		
Land	24.12	24.12
Building	200.57	197.90
Plant and Machinery	1,249.89	1,287.71
Total non-current assets Pledged	1,474.58	1,509.73

NOTE 36:

The balance confirmations in respect of debtors, creditors, advances, loans and deposits as at 31st March 2019 have been called for and are subject to confirmation & reconciliation as the necessary communication in this respect is not received from them. The management has scrutinized the accounts and the balances appearing in the Balance Sheet are correct.

In the opinion of the management, no item of current assets, loans and advances has a value on realization in the ordinary course of business, which is less than the amount of value at which it is stated in the Balance Sheet, unless otherwise specified.

NOTE 37: Auditor Remuneration's :-

Payment to Auditors	2018-19	2017-18
	Rs.	Rs.
a) Audit Fees	2.50	2.50
b) Limited Review Certificate	1.50	1.50
c) Certification Charges	-	0.56
d) Out of Pocket Expense	0.24	0.27
Total	4.24	4.83

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 38: Unhedged Foreign Currency Exposure & Derivative Instruments :-

(A) Foreign Currency exposure are as follows :

	31-03-2019		31-03-2018	
	Amount (in USD \$ in Lakhs)	Amount (in Rs. in Lakhs)	Amount (inUSD \$ in Lakhs)	Amount (in Rs. in Lakhs)
Sundry Debtors	USD 6.37	Rs. 443.12	USD 11.57	Rs. 754.81
Balance in EFC A/c	USD 0.38	Rs. 26.48	USD 0.23	Rs. 14.81
Total Assets :	USD \$ 6.75	Rs. 469.60	USD \$ 11.80	Rs. 769.62
Trade Payable	USD \$ 0.28	Rs, 19.18	USD \$ 0.21	Rs, 14.32
Letter of Credit Issued	-	-	USD 3.00	Rs. 195.12
Total Liabilities :	USD 0.28	Rs. 19.18	USD 3.21	Rs. 209.44
Net Exposure	USD 6.47	Rs. 450.42	USD 8.59	Rs.560.18

(B) Forward Contracts for hedge of Trade Receivables, Loans and under firm commitments/high probable forecast transactions are as follows :

	31-03-2019		31-03-2018	
	Amount (in USD \$ in Lakhs)	Amount (in Rs. in Lakhs)	Amount (in USD \$ in Lakhs)	Amount (in Rs. in lakhs)
Forward Contracts	USD \$ 32.18	Rs.2,354.35	USD \$ 24.64	Rs.1,613.72

Mark-to-market Gain recognized in the statement of Profit & Loss Rs. 99.72 Lakhs (Loss for P.Y. of Rs. 10.51 Lakhs)

NOTE 39: Employee Benefits Obligations :-

a) **Defined contribution plans-** The company has recognized the following amounts in the Statement of Profit & loss for the Year :

Particular's	2018-19	2017-18
	Rs. in Lakhs	Rs. in Lakhs
Employer's Contribution to Provident Fund	12.95	13.69
Employer's Contribution to E.S.I.C	3.71	3.43
Employer's Contribution to Escrow Deposit Scheme	4.73	5.97
Interest paid on Employee Escrow Scheme	9.55	8.37
Interest on Security Deposit	0.23	0.29

b) **Defined benefit plans - Gratuity & Leave Encashment :**

Gratuity :- The company operates a gratuity plan which is administrated through HDFC Standard Life Insurance Company Limited and a trust which is administrated through trustees. Every employee is entitled to a minimum benefit equivalent to 15 days salary last drawn for each completed year of service in line with Payment of Gratuity act, 1972. The same is payable at the time of separation from the company or retirement, whichever is earlier or death in service.

Leave Encashment :- The employees are entitled to accumulate compensated absence upto specified days as per company policy, which is payable at the time of separation from company i.e. retirement or death in service at the rate of last drawn salary.

The details on Company's Gratuity and Leave Encashment liabilities employees are given below which is certified by the actuary and relied upon by the auditors.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(i) Reconciliation of Opening & Closing balance of Present Value of Defined benefit Obligation (DBO) :

	Gratuity		Leave Encashment	
	31.03.19	31.03.18	31.03.19	31.03.18
Change in Benefit Obligation	Amount in Rs.in Lakhs			
Present Value of Obligation (Opening)	65.47	74.28	39.78	32.19
Interest Cost	4.84	5.26	2.94	2.28
Current Service Cost	8.23	7.73	6.91	10.97
Past Service Cost	-	1.20	-	-
Benefits Paid	(4.93)	(2.72)	(8.88)	(5.32)
Actuarial (Gain)/Loss on Obligation – Due to change in Financial Assumptions.	1.11	2.08	0.65	1.39
Actuarial (Gain)/Loss on Obligation – Due to Experience.	(5.25)	(22.36)	(3.51)	(1.73)
Present value of Obligation (Closing)	69.47	65.47	37.89	39.78

(ii) Reconciliation of Opening & Closing balance of Fair Value of Plan Assets :

Fair value of plan Assets 01/04/2018	85.63	81.72	NIL	NIL
Expected Return on Plan Assets	6.33	5.79	NIL	NIL
Contribution	-	-	8.88	5.32
Benefits paid	(4.93)	(2.72)	(8.88)	(5.32)
Actuarial (Gain)/Loss on plan Assets - Due to Experience.	0.72	0.84	NIL	NIL
Fair value of plan Assets 31/03/2019	87.75	85.63	NIL	NIL

Fair value of plan assets for gratuity represents the amount as confirmed by Insurer Manager Funds.

(iii) Balance Sheet Recognition :

(Present Value of Obligation)	(69.47)	(65.47)	(37.89)	(39.79)
Fair value of Plan Assets	87.75	85.62	NIL	NIL
Funded Status (Surplus / (Deficit))	18.28	20.15	(37.89)	(39.79)
Un-recognised past Service Cost	NIL	NIL	NIL	NIL
Net (Liability) recognized in the Balance Sheet	NIL	NIL	(37.89)	(39.79)

(iv) (a) Profit and Loss – Expenses Recognition

Current Service Cost	8.23	7.73	6.91	10.97
Interest Cost	4.84	5.26	2.94	2.28
Expected Return on Plan Assets	(6.33)	(5.79)	NIL	NIL
Re-measurement (or Actuarial) (gain) / loss	-	-	(2.87)	(0.34)
Past Service Cost	-	1.20	-	-
Expenses to be recognized in P/L Account	6.74	8.40	6.98	12.91

(b) Other Comprehensive Income

Actuarial (gains) / losses				
- change in demographic assumptions	-	3.01	NIL	NIL
- change in financial assumptions	1.11	(0.92)	NIL	NIL
- experience variance (i.e. Actual experience v/s assumptions)	(5.25)	(22.36)	NIL	NIL
Return on plan assets, excluding amount recognised in net interest expense	(0.72)	(0.85)	NIL	NIL
Components of defined benefit costs recognised in Other Comprehensive Income	(4.86)	(21.12)	NIL	NIL

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

- v) For Each major category of plan assets, following is the percentage that each major category constitutes of the fair value of the plan assets :

Particular's	Gratuity as on 31 st March 2019		Gratuity as on 31 st March 2018	
	Amount Rs. in Lakhs	Rate %	Amount Rs. in Lakhs	Rate %
Insurer managed fund	87.74	100%	85.63	100%
Total	87.74	100%	85.63	100%

- vi) The overall expected rate of return on assets is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.

- vii) The Actual Return on plan assets is as follows:-

Particular's	Gratuity 2018-19	Gratuity 2017-18
	Amount Rs. in Lakhs	Amount Rs. in Lakhs
Actual return on plan assets	7.06	6.63

- (viii) **Following are the Principal Actuarial Assumptions used as at the balance sheet date:**

	Gratuity	Leave Encashment
Discount Rate	6.95 %	6.95 %
Expected Return on Plan Assts	6.95 %	0.00 %
Mortality	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Future Salary Increases	3.00 % PA	3.00 % PA
Attrition	18.00 % for Service Group.	18.00 %

- ix) **Amount recognized in current year and previous four years for Gratuity & Leave Encashment:-**

- a) **Gratuity :**

Particular's	2018-19	2017-18	2016-17	2015-16	2014-15
Defined benefit obligation	69.47	65.47	74.28	75.44	56.91
Plan assets	87.75	85.63	81.72	64.64	65.19
Surplus /(deficit)	18.28	20.15	7.44	(10.80)	8.28
Experience adjustment on plan liabilities	5.25	22.36	4.17	(16.38)	8.12
Experience adjustment on plan assets	0.72	0.85	2.25	0.13	0.19

- b) **Leave Encashment :**

Particular's	2018-19	2017-18	2016-17	2015-16	2014-15
Defined benefit obligation	37.89	39.79	32.19	29.62	21.77
Plan assets	NIL	NIL	NIL	NIL	NIL
Surplus /(deficit)	(37.89)	(39.79)	(32.19)	(29.62)	(21.77)
Experience adjustment on plan liabilities	3.51	1.74	3.58	(6.70)	0.93
Experience adjustment on plan assets	NIL	NIL	NIL	NIL	NIL

NOTE 40 :

A) Segment Reporting :

In the opinion of the management the company is mainly engaged in the business of manufacturing of Elastic and all other activities of the Company revolve around the main business, and as such, there are no separate reportable segments.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

B) Secondary Business Segment :

Description	Mumbai		Dadra	
	Rs.		Rs.	
	2018-19	2017-18	2018-19	2017-18
Segment Revenue (Gross)				
(i) Within India	35.11	251.62	1775.15	1647.82
(ii) outside India	NIL	NIL	430.75	1856.53
Total Revenue (Gross)	35.11	251.62	2205.90	3504.340
Segment Fixed Assets(Gross)				
(i) Within India	250.85	244.47	1905.79	1904.27
(ii) outside India	NIL	NIL	NIL	NIL
Other Assets				
(i) Within India	1801.76	2227.89	1685.20	1230.35
(ii) outside India	NIL	NIL	NIL	6.04

Description	Palghar		Vapi	
	Rs.		Rs.	
	2018-19	2017-18	2018-19	2017-18
Segment Revenue (Gross)				
(i) Within India	290.27	298.16	759.29	1222.85
(ii) outside India	NIL	NIL	238.87	91.24
Total Revenue (Gross)	290.27	298.16	998.16	1314.09
Segment Fixed Assets(Gross)				
(i) Within India	218.71	245.42	555.43	548.78
(ii) outside India	NIL	NIL	NIL	NIL
Other Assets				
(i) Within India	170.53	202.05	634.35	696.81
(ii) outside India	NIL	NIL	95.63	NIL

Description	VIETNAM	
	Rs.	
	2018-19	2017-18
Segment Revenue (Gross)		
(i) Within India	NIL	NIL
(ii) outside India	3682.96	2768.42
Total Revenue (Gross)	3682.96	2768.42
Segment Fixed Assets(Gross)		
(i) Within India	NIL	NIL
(ii) outside India	844.95	701.00
Other Assets		
(i) Within India	NIL	NIL
(ii) outside India	2580.51	203.84

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 41: Related Party Disclosures

a) Associates : -

Premco Industries Onspot Solutions Pvt. Ltd. Pixel Packaging Ltd.	Enterprise on which significant influence is exercised having common directors/partners.
---	--

b) Key Management Personnel : -

Mr. Ashok B. Harjani	Chairman & Managing Director
Mr. Lokesh P. Harjani	Director
Mrs. Nisha P. Harjani	Director
Mrs. Sonia A. Harjani	Director
Mr. Shantanu Dey	Ex-CEO
Mr. R. C. Panwar	CEO

B) Related Party Transactions

I) Associates Enterprises		
1. Security Deposit given (Closing Balance Rs. 32.00 Lakhs / P.Y. Rs. 30.00 Lakhs)	2.00	10.00
2. Rent Paid	62.29	61.86
II) Key Management Persons		
1. Remuneration, Bonus & Perks	161.01	197.48
2. Imprest Account (Closing Balance Rs. (0.12) Lakhs /P.Y Rs. NIL)	22.82	4.89
3. Tour Advance (Closing Balance Rs. (2.88) Lakhs / P.Y Rs. 2.53 Lakhs)	100.09	90.37
4. Reimbursement of expenses	210.53	170.24
5. Advance Given (Closing Balance Rs. NIL /P.Y. Rs. NIL)	20.68	1.67
6. Loan taken (Closing Balance Rs. NIL /P.Y. Rs NIL)	315.30	1147.00
7. Interest Paid	18.04	25.55

C) Disclosure of Material transactions with related parties.

Particulars	2018-19	2017-18
	Rs. In Lakhs	Rs. In Lakhs
a) Rent Paid		
1. Premco Industries	62.29	61.86
b) Remuneration, Bonus & Perks		
1. Ashok B. Harjani	69.60	69.60
2. Lokesh P. Harjani	47.98	54.39
3. Nisha P. Harjani	31.00	31.00
4. Sonia A. Harjani	2.76	3.13
5. Devendra Kumar Jain	-	2.27
6. Shantanu Dey	9.08	37.08
7. R. C. Panwar	0.59	-
c) Interest Paid		
1. Ashok B. Harjani	18.04	16.54
2. Lokesh P. Harjani	-	1.95
3. Sonia A. Harjani	-	7.06
d) Loan Taken		
1. Ashok B. Harjani	315.30	789.50
2. Lokesh P. Harjani	-	87.50
3. Sonia A. Harjani	-	270.00



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

NOTE 42 Leases :

As a Lessee:

The Company's major leasing arrangements are in respect of commercial /residential premises (including furniture and fittings therein wherever applicable taken on leave and license basis). These leasing arrangements which are cancellable, range 11 months to 5 years, or longer and are usually renewable by mutually agreed terms and conditions.

The particulars of these leases are as follows:

(Rs in Lakh)

PARTICULARS	2018 – 19	2017 – 18
Future Minimum lease payments obligation on non-cancelable operating leases :		
Not later than one year	267.86	265.78
Later than one year and not later than five years.	957.88	954.47
Later than five years	611.12	855.68
Lease payments recognized in Profit & Loss Account	267.78	262.48
Lease payments capitalized with Fixed Assets.	-	-

NOTE 43: Earning Per Share:

Basic & Diluted:	Current Year	Previous Year
	Rs in Lakh	Rs in Lakh
Profit after Tax as per Accounts is Rs.	339.89	528.11
Weighted Average No. of Shares Issued	33.05	33.05
Basic & Diluted EPS (Rs.)	10.28	15.98

NOTE 44 : Corporate Social Responsibility (CSR) Activities :-

During the year, the Company is required to spend an amount of Rs. 27.63 lakhs (PY Rs. 35.47 Lakhs) towards CSR activities, whereas the Company has already spent Rs. 28.66 Lakh (PY Rs. 35.32 Lakhs) towards Corporate Social Responsibility (CSR) under section 135 of the Companies Act, 2013 and rules thereon by way of contribution to various Trusts / NGOs / Societies / Agencies.

NOTE 45: Fair value disclosures for financial assets and financial liabilities

(Rs.in Lakhs)

Financial instruments by category	As at March 31, 2019			As at March 31, 2018		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Financial assets						
Investments						
- Equity instruments			1.12	5.94		1.12
- Debentures			100.00	57.92		
- Mutual Funds	1108.21			1987.87		
Trade receivables			1891.93			1821.78
Cash and cash equivalents			221.86			50.15
Bank balances other than cash and cash equivalents			58.18			58.98
Loans			14.03			14.55
Other financial assets	99.72		117.41			112.98
Total Financial assets	1207.93	-	2404.53	2051.73	-	2059.56
Financial Liabilities						
Borrowings			206.46			370.30
Trade payables			332.39			454.55
Other financial liabilities			349.89	10.51		300.86
Total Financial liabilities	-	-	888.74	10.51	-	1125.71

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(i) Fair value hierarchy

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

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2019	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial investments at FVTPL					
Mutual funds	6		1108.21		1108.21
Other financial Assets	8B		99.72		99.72
Total financial assets & liabilities		-	1207.93	-	1207.93

(Rs.in Lakhs)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed as at March 31, 2019	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Equity Instruments	6			1.12	1.12
Debentures	6			100.00	100.00
Trade receivables	11			1891.93	1891.93
Cash and cash equivalents	12			221.86	221.86
Bank balances other than cash and cash equivalents	13			58.18	58.18
Loans	7A,7B			14.03	14.03
Other financial assets	8A,8B			117.41	117.41
Total financial assets		-	-	2404.53	2404.53
Financial liabilities					
Borrowings	17A, 17B			206.46	206.46
Trade payables	22			332.39	332.39
Other financial liabilities	18A,18B			349.89	349.89
Total financial liabilities		-	-	888.74	888.74

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2018	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial investments at FVTPL					
Equity Instruments	6	5.94	-	-	5.94
Debentures	6	57.92	-	-	57.92
Mutual funds	6	-	1987.87	-	1987.87
Other financial liabilities	18B	-	(10.51)	-	(10.51)
Total financial assets & liabilities		63.86	1977.36	-	2041.22



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(Rs.in Lakh)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed as at March 31, 2018	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Equity Instruments	6	-	-	1.12	1.12
Trade receivables	11	-	-	1821.78	1821.78
Cash and cash equivalents	12	-	-	50.15	50.15
Bank balances other than cash and cash equivalents	13	-	-	58.98	58.98
Loans	7A,7B	-	-	14.55	14.55
Other financial assets	8A,8B	-	-	112.98	112.98
Total financial assets		-	-	2059.56	2059.56
Financial liabilities					
Borrowings	17A, 17B	-	-	370.30	370.30
Trade payables	22	-	-	454.55	454.55
Other financial liabilities	18A,18B	-	-	300.86	300.86
Total financial liabilities		-	-	1125.71	1125.71

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and unlisted preference shares are included in level 3.

There are no transfers between levels 1, 2 and 3 during the year.

(ii) **Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

Investments in quoted equity instruments are valued using the closing price at Bombay Stock Exchange (BSE) at the reporting period.

The fair value of forward foreign exchange contracts is determined using forward exchange rates as at the balance sheet date, prevailing with Authorised Dealers dealing in foreign exchange.

The use of Net Assets Value ("NAV) for valuation of mutual fund investment. NAV represents the price at which the issuer will issue further units and will redeem such units of mutual fund to and from the investors.

The fair value of the debentures is determined based on present values and the discount rates used were adjusted for counterparty risk and country risk.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

(iii) Fair value of Financial assets and liabilities measured at amortised cost

(Rs.in Lakhs)

	As at March 31, 2019		As at March 31, 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Equity Investment	1.12	1.12	1.12	1.12
Debentures	100.00	100.00	---	---
Trade receivables	1891.93	1891.93	1821.78	1821.78
Cash and cash equivalents	221.86	221.86	50.15	50.15
Bank balances other than cash and cash equivalents	58.18	58.18	58.98	58.98
Loans	14.03	14.03	14.55	14.55
Other financial assets	117.41	117.41	112.98	112.98
Total financial assets	2404.53	2404.53	2059.56	2059.56
Financial liabilities				
Borrowings	206.46	206.46	370.30	370.30
Trade payables	332.39	332.39	454.55	454.55
Other financial liabilities	349.89	349.89	300.86	300.86
Total financial liabilities	888.74	888.74	1125.71	1125.71

- a) The carrying amounts of trade receivables, debentures, trade payables, cash and cash equivalents, bank balances other than cash and cash equivalents, borrowings and other financial liabilities are considered to be the same as their fair values, due to their short term nature.
- (b) The fair values and carrying value for equity investments, security deposits, loans, other financial assets and other financial liabilities are materially the same.

NOTE 46A: Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

The company has a robust risk management framework comprising risk governance structure and defend risk management processes. The risk governance structure of the company is a formal organization structure with defend roles and responsibilities for risk management.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, loans & other financial assets measured at amortised cost.	Ageing analysis	Diversification of bank deposits, credit limits and letters of credit in select cases.
Liquidity risk	Other financial liabilities	Sensitivity analysis	Availability of committed credit lines and borrowing facilities
Market risk foreign currency risk	Recognized financial assets and liabilities not denominated in Indian rupee.	Sensitivity analysis	Forward foreign exchange contracts
Market risk security prices	Investments in equity shares, debentures & mutual funds.	Sensitivity analysis	Portfolio diversification

The Company risk management is carried out by a central treasury department under the guidance from the board of directors. Company's treasury identifies, evaluates and hedges financial risks in close coordination with the company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. There is no change in objectives and process for managing the risk and methods used to measure the risk as compared to previous year.

1) Credit Risk :

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The Credit risk mainly arises receivables from customers, cash and cash equivalents, loans and deposits with banks, financial institutions & others.

a) Trade receivables

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 1891.93Lakhs as at March 31, 2019 (March 31, 2018- Rs. 1821.78Lakhs) and from loans amounting Rs14.03 Lakhs (March 31, 2018- Rs. 14.55 Lakhs) Trade receivables are typically unsecured and are derived from revenue earned from customers located in India as well as outside India. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade receivables.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry, the country and the state in which the customer operates, also has an influence on credit risk assessment.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

The management continuously monitors the credit exposure towards the customers outstanding at the end of each reporting period to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macroeconomic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

The movement in the allowance for impairment in respect of trade receivables during the year was as follow:

Movement in expected credit loss allowance on trade receivables

(Rs.in Lakhs)

	As at March 31,2019	As at March 31, 2018
Opening provision	2.42	2.32
Add: Additional provision made	---	1.18
Less: Provision write off	---	---
Less: Provision reversed	0.36	1.08
Closing provision	2.06	2.42

The average credit period on sales of products is less than 90 days. Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a detailed study of credit worthiness and accordingly individual credit limits are defined/modified. For trade receivables, as a practical expedient, the Company computes credit loss allowance based on a provision table as above.

b) Cash and cash equivalents:

As at the year end, the Company held cash and cash equivalents of Rs. 221.86 Lakhs (March 31, 2018: Rs. 50.15 Lakhs). The cash and cash equivalents are held with bank and financial institution counterparties with good credit rating.

c) Other Bank Balances:

Other bank balances are held with bank and financial institution counterparties with good credit rating.

d) Loans : The maximum exposure from loans is from loans is from employees and repayments

Are regular and neither past due nor impaired.

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

e) **Other financial assets:**

Other financial assets includes security deposits which are neither past due nor impaired.

2) **Liquidity Risk :**

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses.

Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

(i) **Financing arrangements**

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

(Rs.in Lakhs)

	As at March 31, 2019	As at March 31, 2018
Expiring within one year (bank overdraft and other facilities)	2555.64	2213.05

(ii) **Maturity pattern of financial liabilities**

(Rs.in Lakhs)

As at March 31, 2019	Not Due	0-6 months	6 - 12 months	More than 12 months
Borrowings	----	50.76	97.64	162.87
Trade Payable	231.19	80.96	-	20.24
Other financial liabilities	----	116.47	2.14	126.47
As at March 31, 2018	Not Due	0-6 months	6 - 12 months	More than 12 months
Borrowings	----	235.05	42.59	178.44
Trade Payable	308.02	119.29	4.62	22.61
Other financial liabilities	----	108.52	1.87	115.20

Other financial liabilities includes Current maturity of long-term borrowings of Rs. 104.81 Lakhs (March 31, 2018 : 85.78 Lakhs) which is included in Borrowings in the above table :

3) **Market Risk :**

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks namely interest rate risk, currency risk and other price risk, such as commodity risk. The Company is not exposed to interest rate risk whereas the exposure to currency risk and other price risk is given below:

A) **Market Risk- Foreign currency risk.**

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by maintaining an EEFC bank account and purchasing of goods, commodities and services in the respective currencies. The Company also uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments, highly probable forecast transactions and foreign currency required at the settlement date of certain receivables/payables. The use of foreign currency forward contracts is governed by the Company's strategy approved by the board of directors, which provide principles on the use of such forward contracts consistent with the Company's risk management policy and procedures.



NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

Derivatives instruments and unhedged foreign currency exposure

(a) Derivative outstanding as at the reporting date

Particulars/ Currency	As at			
	March 31, 2019		March 31, 2018	
	Amount in Foreign Currency	In Lakhs Rs.	Amount in Foreign Currency	In Lakhs Rs.
Forward contract to sell				
- USD	32,18,300	2354.35	24,64,498	1613.72

Derivative financial instruments such as foreign exchange forward contracts are used for hedging purposes and not as trading or speculative instruments.

(b) Particulars of unhedged foreign currency exposures as at the reporting date

The Company's exposure to foreign currency risk at the end of the reporting period expressed in equivalent in INR Rupees is as follows: (Rs. In Lakhs)

Particulars	As at			
	March 31, 2019		March 31, 2018	
	USD	Other Currency (VND)	USD	Other Currency (VND)
Financial assets				
Investment in equity shares	563.53	-	563.53	-
Trade receivables	443.12	1060.56	754.81	1121.17
Other financial assets	-	53.38	-	51.06
Loans	1709.96	-	1185.99	-
Cash and Cash equivalents	26.48	18.49	14.81	27.64
Other Non-Current Assets	-	15.13	-	20.27
Other Current Assets	-	74.56	-	95.66
Net exposure to foreign currency risk (assets)	2743.09	1222.12	2519.14	1315.80

Financial liabilities

Trade payables	19.18	51.97	13.90	102.72
Letter of Credit	-	-	195.12	-
Borrowing	-	43.25	-	143.93
Other Financial Liability	-	35.79	-	27.65
Other Current Liability	-	1.29	-	6.35
Net exposure to foreign currency risk (liabilities)	19.18	132.30	209.02	280.65
Less: Forward contracts (USD-INR)	2354.35	-	1613.72	-
Net unhedged foreign currency exposure	369.56	1089.82	696.40	1035.15

The company mainly exposed to USD & VND. The below table demonstrates the sensitivity to 1% increase or decrease in the USD & VND against INR with all other variables held constant. The sensitivity analysis is prepared on the unhedged exposure of the company as at the reporting date.

	Effect on Profit after Tax	
	For year ended March 31, 2019	
	1% increase	1% decrease
Increase / (decrease) in profit or loss	14.59	(14.59)

NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS

B) Market Risk- Price risk.

(a) Exposure

The company is mainly exposed to the price risk due to its investment in mutual funds and investment in equity instruments held by the company and classified in the balance sheet as fair value through profit or loss. The investment in mutual funds are mix of equity and debt based mutual funds. The price risk arises due to uncertainties about the future market values of these investments. To manage its price risk arising from investments in equity securities and mutual funds, the company diversifies its portfolio.

(b) Sensitivity

The table below summarizes the impact of increases/decreases of the BSE index on the Company's equity and Gain/Loss for the period. The analysis is based on the assumption that the index has increased by 5% or decreased by 5% with all other variables held constant, and that all the company's equity instruments moved in line with the index.

(Rs.in Lakhs)

	Impact on other Component of Equity	
	For year ended	
	March 31, 2019	March 31, 2018
BSE Sensex 30 Increase 5%	60.41	102.59
BSE Sensex 30 Decrease 5%	(60.41)	(102.59)

NOTE 46B: Capital management

(a) Risk Management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on the basis of the following gearing ratio:

(Rs.in Lakhs)

	As at	
	March 31, 2019	March 31, 2018
Net debt (total borrowings net of cash and cash equivalents, other bank balances and current investments)	31.22	346.95
Total equity	6862.36	6492.18
Net debt equity ratio	0.45%	5.34%

(b) Dividends

	As at	
	March 31, 2019	March 31, 2018
i) Equity Share		
Final dividend	99.14	99.14
Dividend distribution tax on above dividend	20.38	20.19
ii) Dividend not recognized at the end of the reporting period		
Proposed dividend	66.10	99.14
Dividend distribution tax on proposed dividend	13.58	20.19


NOTES FORMING PART OF THE CONSOLIDATED FINANCIAL STATEMENTS
NOTE 47 : Statement of Net assets and profit or Loss attributable to owners and minority interest:

Name of the Company	Net asset (total assets less total liabilities)		Share in profit & loss	
	As % of consolidated net assets	Amount in Rs.	As % of consolidated profit or loss	Amount in Rs.
Parent – Premco Global Limited	96.29	6,736.10	27.96	95.04
Subsidiary – Premco Global Vietnam Co. Ltd.	13.06	913.84	95.75	325.44
Associates (As per equity method)		0.00		0.00
a) Adjustment arising out of consolidation	(7.45)	(521.70)	(9.35)	(31.78)
b) Minority Interest	(1.90)	(132.94)	(14.36)	(48.82)
Consolidated Net assets/ profit after tax	100.00	6995.30	100.00	339.89

NOTE 48: Movement in deferred tax Liability.

(Rs.in Lakhs)

	Depreciation	Expenses disallowed u/s 43B of income tax act 1961	FVTPL	FVOCI	Total
At April 1, 2017	102.57	(31.62)	103.14	4.23	178.32
(charged)/credited:					
- to profit or loss	(11.04)	2.18	(48.69)		(57.55)
- to other comprehensive income				0.87	0.87
At March 31, 2018	91.53	(29.45)	54.45	5.11	121.64
(charged)/credited:					
- to profit or loss	(27.09)	2.93	(30.62)		(54.78)
- to other comprehensive income				31.51	31.51
At March 31, 2019	64.44	(26.52)	23.83	36.62	98.37

NOTE 49 : Figures of Previous years are regrouped and reclassified wherever necessary, to make the financial statements more comparable.

" AS PER OUR REPORT OF EVEN DATE "

FOR AND ON BEHALF OF THE BOARD

 SANJAY RAJA JAIN & CO.
 CHARTERED ACCOUNTANTS
 FRN 120132W

 ASHOK B. HARJANI
 CHAIRMAN & MANAGING DIRECTOR
 DIN - 00725890

 SURJEET JAIN
 PARTNER
 M.NO.129531

 NISHA P. HARJANI
 DIRECTOR
 DIN - 00736566

 PLACE: MUMBAI
 DATED: 28th May, 2019

 SNEHAL TONDWALKAR
 COMPANY SECRETARY

INDEPENDENT AUDITOR'S REPORT ON STANDALONE FINANCIAL STATEMENTS

**To the Members of
Premco Global Limited
Mumbai.**

Opinion

We have audited the accompanying (Standalone) financial statements of **Premco Global Limited ("the Company")** which comprise the Balance Sheet as at March 31, 2019, the Statement of Profit and Loss, Cash Flow Statement and the Statement of changes in Equity for the year then ended, including summary of significant accounting policies and other explanatory information.

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

Basis for Opinion

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

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the standalone financial statements of the current period. These matters were addressed in the context of our audit of the standalone financial statements as a whole, and in forming our opinion thereon. There are no other key audit matters and we do not provide a separate opinion on these matters.

Information Other than the Standalone Financial Statements and Auditor's Report Thereon

The Company's Board of Directors is responsible for the preparation of the other information. The other information comprises the information included in the Management

Discussion and Analysis, Board's Report including Annexures to Board's Report, Business Responsibility Report, Corporate Governance and Shareholder's Information, but does not include the standalone financial statements and our auditor's report thereon.

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

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

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

Responsibility of Management for the Standalone Financial Statements

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

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

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

Auditor's Responsibility for the Audit of the financial statements

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

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

- Identify and assess the risks of material misstatement of the standalone financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal controls.
- Obtain an understanding of internal financial controls relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the standalone financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the standalone financial statements, including the disclosures, and whether the standalone financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

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

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

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

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

OTHER MATTERS

The Company has been providing depreciation at accelerated rate on plant & machinery based on triple shift working. During the year the plant & machinery has been used for a substantially lesser than the normal capacity, effectively resulting in achieving capacity equivalent to double shift working. Consequently, the useful life has been reviewed by the management and adjusted prospectively based on the accelerated rate of depreciation as applicable to double shift working. The effect of the above has resulted in reducing the depreciation expenditure for the year and increasing the written down value of plant & machinery by Rs. 44.42 lacs (P.Y. 46.44 lacs). Our report is not modified for this matter.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order to the extent applicable.
2. As required by section 143 (3) of the Act, based on our audit, we report that:
 - a. we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;

- b. in our opinion proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books;
- c. the Balance Sheet, the Statement of Profit and Loss, the Cash Flow Statement and Statement of changes in Equity dealt with by this Report are in agreement with the books of account;
- d. in our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under section 133 of the Act as applicable.
- e. On the basis of written representations received from the directors as on March 31, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2019 from being appointed as a director in terms of Section 164 (2) of the Act.
- f. With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in “Annexure B”.
- g. With respect to the other matters to be included in the Auditor’s Report in accordance with the requirements of section 197(16) of the Act, as amended:

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

- h. With respect to the other matters to be included in the Auditor’s Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:
 - i. The Company has disclosed the impact of pending litigations on its financial position in its standalone Financial Statements.
 - ii. The Company, has long-term contracts including derivative contracts as at March 31 2019 for which there were no material foreseeable losses;
 - iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

For **SANJAY RAJA JAIN & CO.**
-Chartered Accountants
FRN 120132W

Surjeet Jain
Partner
Membership No.: 129531

Place: Mumbai
Date: 28/05/2019

“Annexure A” to the Independent Auditors’ Report

Referred to in paragraph 1 under the heading ‘Report on Other Legal & Regulatory Requirement’ of our report of even date to the standalone financial statements of the Company for the year ended March 31, 2019:

- 1) (a) The Company is in the process of updating Fixed Asset register with a object of maintaining proper records showing full particulars, including quantitative details and situation of fixed assets; and the data is in the process of input in the new software program.
 - (b) The fixed assets have been physically verified by the management at reasonable intervals once in 3 years on rotation basis in a phased periodical manner and we are informed that no material discrepancies were noticed on such verification. In our opinion, the frequency of verification of the fixed assets is reasonable having regard to the size of the Company and the nature of its assets.
 - (c) The title deeds of immovable properties are held in the name of the company except in respect of land at Palghar where the sale deed dated 20/08/1986 amounting to Rs. 1.63 Lacs is in the name of Premco Narrow Fabrics Private Limited and that the necessary mutation has been effected in the name of the company as per Local Grampanchayat Karyalay Alyali, Palghar.
- 2) In our opinion, the management has conducted physical verification of inventory, excluding stocks with third parties, at reasonable intervals during the year and no material discrepancies between physical inventory and book records were noticed on physical verification. In respect of inventories lying with Third parties, these have substantially been confirmed by them.
 - 3) According to information and explanations given to us, the company has not granted loans, secured or unsecured to companies, firms, Limited Liability Partnerships or other parties covered in the register maintained under section 189 of the Act except in respect of Loan given by the company to its Subsidiary covered in the Register maintained under section 189 of the Act:
 - a) In our opinion, the terms and conditions on which loan have been granted are not prejudicial to the interest of the Company.
 - b) The schedule of repayment of principal and interest has been stipulated and that such repayments of principal and interest are regular.
 - c) There are no overdue amount of loan given as at year end.
 - 4) In our opinion and according to the information and explanations given to us, the company has complied with the provisions of section 185 and 186 of the Companies Act, 2013 in respect of loans, investments, guarantees and securities.



- 5) According to the information and explanation given to us the Company has not accepted any deposits from the public and hence the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposit) Rules, 2015 with regard to the deposits accepted from the public are not applicable.
- 6) According to the information and explanations provided by the management, the company is not engaged in production of any such goods or provision of any such services for which the Central Government has prescribed particulars relating to utilisation of material or labour or other items of cost. Hence, provisions of section 148(1) of the Companies Act, 2013 do not apply to the company.
- 7) (a) According to information and explanations given to us and on the basis of our examination of the books of account, and records, the Company has been generally regular in depositing undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales tax, Service Tax, Duty of Customs, Duty of Excise, Value added Tax, Cess, and any other applicable statutory dues wherever applicable, with the appropriate authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of the above were in arrears as at March 31, 2019 for a period of more than six months from the date on which they become payable except as follows:
- There are demand raised from the Central Processing Center TDS aggregating to Rs. 47,020/- for various years. As informed to us the company is in the process of identifying the nature of such demands and whether any rectification/disputes are required to be taken before jurisdictional authorities.
- (b) According to the information and explanation given to us, there are no dues of income tax, sales tax, service tax, duty of customs, duty of excise, value added tax outstanding on account of any dispute except as stated below :
- | Sr. No. | Name of Statute | Nature of Dues | Forum where Dispute is pending | Asst. Year | Amount in Rs. in Lacs |
|---------|----------------------------------|----------------|---------------------------------------|------------|-----------------------|
| 1 | Income Tax Act | Income Tax | Assessing Officer | 2009-10 | 4.53 |
| 2 | Gujarat Sales Tax | CST | Dy. Commissioner of Sales Tax and Vat | 2014-15 | 92.23 |
| 3 | Dadra and Nagar Haveli Sales Tax | CST | Commissioner of Sales Tax and VAT | 2014-15 | 1187.76 |
- 8) In our opinion and according to the information and explanations given to us, the Company has not defaulted in the repayment of loans or borrowings to financial institutions, bank. No loans have been taken from government or debentures holders.
- 9) According to the information and explanation given to us, the company has not raised moneys by way of initial public offer or further public offer including debt instruments. Money raised by way of term Loans during the year has been applied for the purpose for which they were raised.
- 10) During the course of our examination of the books and records of the company, carried in accordance with auditing standard generally accepted in India, we have neither come across any instance of fraud by the Company or on the company by its officers or employees noticed or reported during the course of our audit nor have we been informed of any such instance by the management.
- 11) As explained to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of section 197 read with Schedule V to the Companies Act, 2013
- 12) In our opinion, the Company is not a Nidhi Company. Therefore, the provisions of clause 4 (xii) of the Order are not applicable to the Company.
- 13) In our opinion, all transactions with the related parties are in compliance with section 177 and 188 of Companies Act, 2013 and the details have been disclosed in the Financial Statements as required by the applicable Indian accounting standards.
- 14) The company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year under review.
- 15) Based upon the audit procedures performed and the information and explanations given by the management, the company has not entered into any non-cash transactions with directors or persons connected with him. Accordingly, the provisions of clause 3 (xv) of the Order are not applicable to the Company.
- 16) In our opinion, the company is not required to be registered under section 45 IA of the Reserve Bank of India Act, 1934 and accordingly, the provisions of clause 3 (xvi) of the Order are not applicable to the Company.

For **SANJAY RAJA JAIN & CO.**
Chartered Accountants
FRN 120132W

Surjeet Jain
Partner

Membership No.: 129531

Place: Mumbai
Date: 28/05/2019

“Annexure B” to the Independent Auditor’s Report of even date on the Standalone Ind AS Financial Statements of Premco Global Limited

(referred to in paragraph 2(f) under “Report on Other Legal and Regulatory Requirement” of our report of even date)

Report on the Internal Financial Controls over Financial Reporting under Clause (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)

We have audited the internal financial controls over financial reporting of **Premco Global Limited** (“the Company”) as of March 31, 2019 in conjunction with our audit of the standalone financial statements of the Company for the year ended on that date.

Management’s Responsibility for Internal Financial Controls

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

Auditors’ Responsibility

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

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

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

Meaning of Internal Financial Controls Over Financial Reporting

A company’s internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles. A company’s internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of financial statements in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company’s assets that could have a material effect on the financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial



reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

Opinion

In our opinion, to the best of our information and according to the explanations given to us, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at March 31, 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

For **SANJAY RAJA JAIN & CO.**

Chartered Accountants
FRN 120132W

Surjeet Jain

Partner

Membership No.: 129531

Place: Mumbai
Date: 28/05/2019

PREMCO GLOBAL LTD

BALANCE SHEET			(Rs. In Lakhs)	
	PARTICULARS	NOTE	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
ASSETS				
1.	NON-CURRENT ASSETS			
	(a) PROPERTY, PLANT AND EQUIPMENT	4	1,072.70	1,141.72
	(b) OTHER INTANGIBLE ASSETS	5	0.91	1.35
	(c) FINANCIAL ASSETS			
	(i) INVESTMENTS	6	1,772.86	2,616.38
	(ii) LOANS	7A	2.22	0.29
	(iii) OTHER FINANCIAL ASSETS	8A	63.63	61.55
	(d) OTHER NON-CURRENT ASSETS	9A	20.92	23.66
			<u>2,933.24</u>	<u>3,844.96</u>
2.	CURRENT ASSETS			
	(a) INVENTORIES	10	960.48	920.03
	(b) FINANCIAL ASSETS			
	(i) TRADE RECEIVABLES	11	1,239.24	1,328.14
	(ii) CASH AND CASH EQUIVALENTS	12	203.37	22.51
	(iii) BANK BALANCE OTHER THAN (ii) ABOVE	13	58.18	58.98
	(iv) LOANS	7B	1,689.21	1,185.05
	(v) OTHER FINANCIAL ASSETS	8B	132.67	15.56
	(c) CURRENT TAX ASSETS (NET)	14	87.46	0.42
	(d) OTHER CURRENT ASSETS	9B	430.70	507.62
			<u>4,801.32</u>	<u>4,038.30</u>
			<u>7,734.56</u>	<u>7,883.26</u>
TOTAL ASSETS				
EQUITY AND LIABILITIES				
1.	EQUITY			
	(a) EQUITY SHARE CAPITAL	15	330.48	330.48
	(b) OTHER EQUITY	16	6,405.62	6,310.78
			<u>6,736.10</u>	<u>6,641.26</u>
2.	LIABILITIES			
	A. NON - CURRENT LIABILITIES			
	(a) FINANCIAL LIABILITIES			
	(i) BORROWINGS	17A	162.86	178.45
	(ii) OTHER FINANCIAL LIABILITIES	18A	101.73	89.40
	(b) PROVISION	19A	26.95	29.29
	(c) DEFERRED TAX LIABILITIES (NET)	20	98.37	121.65
	(d) OTHER NON CURRENT LIABILITIES	21A	2.13	4.01
			<u>392.05</u>	<u>422.79</u>
	B. CURRENT LIABILITIES			
	(a) FINANCIAL LIABILITIES			
	(i) BORROWINGS	17B	0.35	47.93
	(ii) TRADE PAYABLES	22	285.71	351.83
	(iii) OTHER FINANCIAL LIABILITIES	18B	212.37	194.33
	(b) OTHER CURRENT LIABILITIES	21B	64.53	71.85
	(c) PROVISION	19B	43.45	153.28
			<u>606.41</u>	<u>819.21</u>
			<u>7,734.56</u>	<u>7,883.26</u>
TOTAL EQUITY AND LIABILITIES				
SIGNIFICANT ACCOUNTING POLICIES				
1-3				
THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF FINANCIAL STATEMENTS 34 to 48				

" AS PER OUR REPORT OF EVEN DATE "

SANJAY RAJA JAIN & CO.
CHARTERED ACCOUNTANTS
FRN 120132W

SURJEET JAIN
PARTNER
M.NO.129531

PLACE: MUMBAI
DATED: 28th May, 2019

FOR AND ON BEHALF OF THE BOARD

ASHOK B. HARJANI
CHAIRMAN & MANAGING DIRECTOR
DIN - 00725890

NISHA P. HARJANI
DIRECTOR
DIN - 00736566

SNEHAL TONDWALKAR
COMPANY SECRETARY



STATEMENT OF PROFIT & LOSS			(Rs. In Lakhs)	
	PARTICULARS	NOTE	FOR THE YEAR ENDED 31st MARCH 2019	FOR THE YEAR ENDED 31st MARCH 2018
I.	INCOME			
	REVENUE FROM OPERATIONS	23	5,036.33	6,195.90
	OTHER INCOME	24	287.06	371.52
	TOTAL INCOME		5,323.39	6,567.42
II.	EXPENSES			
	COST OF MATERIAL CONSUMED	25	2,341.63	2,070.15
	PURCHASE OF STOCK-IN-TRADE	26	563.49	642.36
	CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK-IN-PROGRESS	27	(165.13)	737.13
	EMPLOYEE BENEFITS EXPENSES	28	905.07	879.91
	FINANCE COSTS	29	79.62	83.42
	DEPRECIATION AND AMORTIZATION EXPENSES	30	171.81	191.44
	OTHER EXPENSES	31	1,340.09	1,280.27
	TOTAL EXPENSES		5,236.58	5,884.66
III.	PROFIT BEFORE EXCEPTIONAL/ EXTRA-ORDINARY ITEMS & TAX (I - II)		86.81	682.75
IV.	EXTRAORDINARY ITEMS	32	106.56	-
V.	EXCEPTIONAL ITEMS		-	-
VI.	PROFIT BEFORE TAX (III - IV)		(19.75)	682.75
VII.	TAX EXPENSES	33		
	CURRENT TAX		15.50	250.00
	DEFERRED TAX (ASSET)/LIABILITY		(54.78)	(57.56)
	SHORT/(EXCESS) INCOME TAX PROVISION		3.66	(15.51)
	TOTAL TAX EXPENSES		(35.62)	176.93
VIII.	PROFIT FOR THE PERIOD (VI - VII)		15.87	505.82
IX.	OTHER COMPREHENSIVE INCOME (OCI)			
	(A)(I) ITEMS THAT WILL NOT BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS			
	REMEASUREMENT (GAIN/(LOSS) OF NET DEFINED BENEFIT LIABILITY		0.44	26.62
	TAX ON ABOVE			
	(II) INCOME TAX RELATING TO ABOVE		(0.12)	(9.21)
	(B) (I) ITEMS THAT WILL BE RECLASSIFIED SUBSEQUENTLY TO PROFIT OR LOSS			
	NET GAIN / (LOSS) ON HEDGING INSTRUMENTS IN CASH FLOW HEDGE		110.23	(24.09)
	(II) INCOME TAX RELATING TO ABOVE		(31.38)	8.34
	TOTAL OF OTHER COMPREHENSIVE INCOME		79.17	1.65
X.	TOTAL COMPREHENSIVE INCOME FOR THE PERIOD (VIII + IX)		95.04	507.47
XI.	EARNING PER EQUITY SHARE			
	BASIC	43	2.88	15.36
	DILUTED	43	2.88	15.36
	SIGNIFICANT ACCOUNTING POLICIES	1-3		
	THE ACCOMPANYING NOTES ARE AN INTEGRAL PART OF FINANCIAL STATEMENTS	34 to 48		

" AS PER OUR REPORT OF EVEN DATE "

SANJAY RAJA JAIN & CO.
CHARTERED ACCOUNTANTS
FRN 120132W

SURJEET JAIN
PARTNER
M.NO.129531

PLACE: MUMBAI
DATED: 28th May, 2019

FOR AND ON BEHALF OF THE BOARD

ASHOK B. HARJANI
CHAIRMAN & MANAGING DIRECTOR
DIN - 00725890

NISHA P. HARJANI
DIRECTOR
DIN - 00736566

SNEHAL TONDWALKAR
COMPANY SECRETARY

PREMCO GLOBAL LTD

CASH FLOW STATEMENT	PARTICULARS	FOR THE YEAR ENDED 31st MARCH 2019	(Rs. In Lakhs) FOR THE YEAR ENDED 31st MARCH 2018
A. CASH FLOW FROM OPERATING ACTIVITIES:			
NET PROFIT BEFORE TAX		(19.75)	682.75
ADJUSTMENTS FOR:			
DEPRECIATION		171.81	191.44
(PROFIT)/LOSS ON SALE OF FIXED ASSETS		(6.00)	(4.76)
PROFIT ON SALE OF INVESTMENTS		(84.14)	(173.70)
FINANCE EXPENSES		79.62	83.41
INTEREST RECEIVED		(113.62)	(84.81)
DIVIDEND RECEIVED		(0.36)	(7.13)
PROVISION FOR DOUBTFUL DEBTS WRITE BACK		(0.36)	(1.08)
OPERATING PROFIT BEFORE WORKING CAPITAL CHANGES		27.20	686.12
ADJUSTMENTS FOR WORKING CAPITAL CHANGES			
INVENTORIES		(40.45)	630.28
TRADE RECEIVABLES		89.26	(69.52)
OTHER CURRENT FINANCIAL ASSETS		(620.48)	(235.79)
OTHER CURRENT ASSETS		(10.13)	(453.50)
LONG TERM FINANCIAL ASSETS		(4.01)	2.22
OTHER NON CURRENT ASSETS		7.60	9.47
OTHER LONG TERM LIABILITIES		3.71	10.55
TRADE PAYABLES		(66.12)	(32.18)
OTHER CURRENT LIABILITIES / OTHER FINANCIAL LIABILITIES		120.96	11.24
SHORT TERM PROVISIONS		(109.83)	(95.36)
NET WORKING CAPITAL CHANGES		(629.49)	(222.59)
LESS : CURRENT TAXES		(19.16)	(234.49)
NET CASH GENERATED FROM OPERATIONS		(621.44)	229.04
B. CASH FLOW FROM INVESTING ACTIVITIES:			
(PURCHASE)/SALE OF INVESTMENTS (NET)		927.66	618.64
PURCHASE OF FIXED ASSETS		(102.34)	(231.28)
SALE OF FIXED ASSETS		6.00	27.27
DIVIDEND RECEIVED		0.36	7.13
INTEREST RECEIVED		113.62	84.81
NET CASH USED IN INVESTING ACTIVITIES		945.29	(506.57)
C. CASH FLOW FROM FINANCING ACTIVITIES:			
LONG TERM BORROWINGS (NET OF REPAYMENTS)		(15.59)	(67.52)
SHORT TERM BORROWINGS(NET OF REPAYMENTS)		(47.58)	(641.26)
DIVIDEND & TAX THEREON		(0.20)	(119.33)
FINANCE EXPENSES		(79.62)	(83.41)
NET CASH FROM FINANCING ACTIVITIES		(142.99)	(911.52)
NET INCREASE IN CASH AND CASH EQUIVALENTS		180.86	(175.91)
OPENING BALANCE OF CASH AND CASH EQUIVALENTS		22.51	198.41
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS		203.37	22.51
CLOSING BALANCE OF CASH AND CASH EQUIVALENTS			
(i) Cash in Hand		2.60	1.83
(ii) Balances with Banks		200.78	20.68
TOTAL		203.37	22.51

" AS PER OUR REPORT OF EVEN DATE "

SANJAY RAJA JAIN & CO.
CHARTERED ACCOUNTANTS
FRN 120132W

SURJEET JAIN
PARTNER
M.NO.129531

PLACE: MUMBAI
DATED: 28th May, 2019

FOR AND ON BEHALF OF THE BOARD

ASHOK B. HARJANI
CHAIRMAN & MANAGING DIRECTOR
DIN - 00725890

NISHA P. HARJANI
DIRECTOR
DIN - 00736566

SNEHAL TONDWALKAR
COMPANY SECRETARY



STANDALONE STATEMENT OF CHANGES IN EQUITY

A Equity share capital

Rs. in Lakhs

Particulars	Notes	Amount
Balance as at April 1, 2017	15	330.48
Changes in the equity share capital		-
Balance as at March 31, 2018	15	330.48
Changes in the equity share capital		-
Balance as at March 31, 2019	15	330.48

B Other equity

Particulars	Notes	Reserves and Surplus					Total other equity
		Securities premium Reserve	Capital Reserve	Capital Subsidy Reserve	General Reserve	Retained Earnings	
Balance as at April 1, 2017	16	459.92	3.00	22.78	1,707.00	3,729.94	5,922.64
Profit for the year		-	-	-	-	505.82	505.82
Other comprehensive income for the year						1.65	1.65
Total comprehensive income for the year, net of tax		-	-	-	-	507.47	507.47
Transfer to General Reserve					51.00	(51.00)	-
Dividend paid on equity shares						(99.14)	(99.14)
Dividend distribution tax paid						(20.19)	(20.19)
Balance as at March 31, 2018	16	459.92	3.00	22.78	1,758.00	4,067.08	6,310.78
Profit for the year						15.87	15.87
Other comprehensive income for the year						79.17	79.17
Total comprehensive income for the year, net of tax		-	-	-	-	95.04	95.04
Transfer to General Reserve					1.59	(1.59)	-
Reversal of Proposed Dividend						99.14	99.14
Reversal of Tax on Proposed Dividend						20.19	20.19
Dividend paid on equity shares						(99.14)	(99.14)
Dividend distribution tax paid						(20.38)	(20.38)
Balance as at March 31, 2019	16	459.92	3.00	22.78	1,759.59	4,160.34	6,405.63

The above standalone statement of changes in equity should be read in conjunction with the accompanying notes.

" AS PER OUR REPORT OF EVEN DATE "

FOR AND ON BEHALF OF THE BOARD

SANJAY RAJA JAIN & CO.
CHARTERED ACCOUNTANTS
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ASHOK B. HARJANI
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NISHA P. HARJANI
DIRECTOR
DIN - 00736566

PLACE: MUMBAI
DATED: 28th May, 2019

SNEHAL TONDWALKAR
COMPANY SECRETARY

NOTE 1 : General Information

PREMCO GLOBAL LIMITED (the Company) (CIN : L18100MH1986PLC040911) is a public limited company and is listed on Bombay Stock Exchange (BSE). The Company is engaged interalia, in the business of manufacturing of Knitted & Narrow woven Elastics.

NOTE 2 : Significant Accounting Policies

1. Basis of preparation of Financial Statements

- a) These financial statements have been prepared in accordance with Indian Accounting Standards (Ind AS), notified under section 133 of the Companies Act, 2013 read with Rule 3 of the Companies (Indian Accounting Standards) Rules, 2015, under the historical cost convention on accrual basis, except for certain financial instruments (including derivatives instruments) and defined benefit plans – Plan assets, which are measured at fair values, as specified at places of respective categories.
- b) All the assets and liabilities have been classified as current or non-current as per the Company's normal operating cycle and other criteria set out in the Schedule III to the Companies Act, 2013. Based on the nature of products and the time between the acquisition of assets for processing and their realization in cash and cash equivalent, the Company has ascertained its operating cycle to be twelve months for the purpose of current – non-current classification of assets and liabilities.
- c) Accounting policies not specifically referred to otherwise are consistent with the generally accepted accounting principles followed by the Company.

2. Property, Plant and Equipment and Depreciation

A) Property Plant and Equipment:

- a) Freehold land is carried at historical cost. All other Tangible Fixed assets are stated at cost of acquisition or construction, less accumulated depreciation. All costs, including borrowing cost till respective assets is put to use, are capitalized.
- b) Intangible assets are stated at acquisition cost, net of accumulated amortization and accumulated impairment losses, if any.
- c) Losses arising from the retirement of and gains & losses arising from disposal of fixed assets, which are carried at cost, are recognized in the statement of profit & loss.
- d) On transition to Ind AS, the Company has opted to continue with the carrying value of all of its property, plant and equipment recognized as at April 01, 2016 measured as per the previous GAAP and use that carrying value as the deemed cost of the property, plant and equipment on the transition date.

B) Depreciation:

Depreciation has been provided as under:

- (i) For assets existing on 1st April 2014 the carrying amount will be amortized over the remaining useful lives on straight line method as prescribed in the schedule II of Companies Act, 2013.
- (ii) For the assets added after the 1st April 2014 :- On straight line method at the useful Lives prescribed in Schedule II to The Companies Act, 2013.
- (iii) Leasehold Improvements are written off over the period of lease or lease term whichever is shorter.
- (iv) Intangible assets comprising of software capitalized is amortized over a period of 3 years. Intangible assets comprising of cost incurred, Patent capitalized is amortized over a period of 5 years.
- (v) Depreciation on assets added/ disposed off during the year has been provided on pro-rata basis with reference to the days of addition/ disposal.
- (vi) The residual values are not more than 5% of the original cost of the asset



3. Foreign Exchange Transaction

- (i) Functional currency and presentation currency :

The functional currency of the Company is the Indian rupee. These financial statements are presented in Indian rupees, which is the Company's functional and presentation currency.

- (ii) Transactions and balances :

Transactions denominated in foreign currencies are translated into the functional currency at the exchange rates prevailing at the time of the transaction. Foreign exchange gains and losses resulting from the settlement of such transactions and from Monetary assets and liabilities in foreign currency, outstanding at the end of the year are converted into Indian currency at the rate prevailing on the Balance Sheet date. Resulting gain or loss is recognized in statement of profit or loss.

At the reporting date, non-monetary items which are carried in terms of historical cost denominated in foreign currency are reported using the exchange rate at the date of transaction.

Forward Exchange Contracts:-

The premium or discount arising at the inception of the forward exchange contracts entered into to hedge an existing assets/ liability, is amortized as expense or income over the life of the contract. Exchange differences on such contracts are recognized in the statement of profit & loss in the reporting period in which the exchange rate changes.

Forward exchange contracts outstanding as at the year end on account of firm commitment/ highly probable forecast transaction are marked to market and the gains or the losses, if any , is recognized as Other Comprehensive Income (OCI).

4. Investments

- a) Investments that are readily realizable and are intended to be held for not more than one year from the date, on which such investments are made, are classified as current investments. All the other investments are classified as non-current investments.
- b) Upon first time adoption of Ind AS, the Company has opted to continue with the carrying value of all of its investment in subsidiary recognized as at April 1, 2016 at cost. However, provision for diminution is made to recognize a decline, other than temporary, in the value of investments, such reduction being determined and made for each investment individually.
- c) Equity instruments : The Company measures its equity investment other than in subsidiaries, joint ventures and associates at fair value through profit and loss. However where the Company's management makes an irrevocable choice on initial recognition to present fair value gains and losses on specific equity investments in other comprehensive income (Currently no such choice made), there is no subsequent reclassification, on sale or otherwise, of fair value gains and losses to the Statement of Profit and Loss.
- d) Debt instruments: The Company classifies its debt instruments into following categories:
- 1) Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Interest income from these financial assets is included in other income using the effective interest rate method.
 - (2) Fair value through profit and loss: Assets that do not meet the criteria for amortised cost are measured at fair value through statement of Profit and Loss. Interest income from these financial assets is included in other income.

5. Inventories

Inventories are stated at lower of cost and net realizable value.

Cost of raw materials is determined using FIFO method. However, these items are considered to be realizable at cost if the finished products, in which they will be used, are expected to be sold at or above cost.

The cost of finished goods and Stock-in-process comprises raw materials, direct labour, other direct costs and related production overheads upto the relevant stage of completion.

Waste material are valued at Net Realizable value.

Net realizable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale.

License stock are stated at the Duty credit entitlement value.

6. Recognition of Income & Expenditure

- (i) Revenue/ Incomes and Costs/ Expenditure are generally accounted on accrual, as they are earned or incurred.
- (ii) a) Sale of Goods is recognized on transfer of significant risks and rewards of ownership which is generally on the dispatch of goods.
b) Sales of goods are accounted excluding taxes, wherever applicable.
- (iii) Export incentives under the “Duty Drawback Scheme” etc. is accounted as income in the year of export.
- (iv) Interest Income/ expenditure is recognized on the time proportion basis taking into account of the amount outstanding and the rate applicable.
- (v) Dividend income is recognized when the right to received dividend is established.
- (vi) Government Grants in the form of Market Linked Focus Product License (MLFPL Scheme)/M.E.I.S are recognized based on export on an accrual basis.

7. Government Grants & Subsidies

Government Grants are recognized when there is a reasonable assurance that the same will be received and all attaching conditions will be complied with. Revenue grants are recognized in the Statement of Profit and Loss. Capital grants relating to specific tangible / Intangible Assets are shown separately as Current/Non Current Liability and has not been reduced from the gross value of the respective Tangible / Intangible Assets.

8. Customs Duty

Custom Duty is accounted for as and when paid on the clearance of the goods for home Consumption.

9. Employees Retirement and other benefits

a) Provident fund:-

The contribution of the Company on a monthly basis towards Provident Fund and Employee State Insurance, which are, defined contributions plans are charged to revenue. The company has paid to regulatory authority & has no further obligations other than these contributions.

b) Escrow Deposits Scheme:-

The company has a defined contribution plan towards employee escrow deposit scheme for eligible employee's as per terms of employment.

The company also under obligation to pay interest on the escrow deposit contribution made by Company as well as the equivalent amount of cumulative escrow deposit monthly retention recovered from the employee covered in the scheme. The interest is provided as liability to be paid upon Retirement, resignation, termination of employment subject to fulfillment of agreed term & Conditions.

Upon introduction to Ind AS, The Company has assessed its liability based on (using the Projected Unit Credit method) as at April 1, 2016 and thereafter at the end of each year. Actuarial losses/ gains are recognized in the statement of profit & loss in the year in which they arise.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income, which are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the statement of profit and loss as past service cost.

c) Employee Security Deposit scheme:-

The company retains an amount as a security deposit on monthly basis for eligible employees as a part of employee retention policy for 3 years from the date of appointment. The company also under an obligation to pay interest on the security deposit retention received from the employee covered in the scheme. The interest is provided as liability to be paid upon Retirement, resignation, termination of employment subject to fulfillment of agreed term & Conditions.



d) Leave Encashment:-

Leave Encashment towards accumulated Compensated Absences are the company's defined benefit plan payable upon Retirement, resignation, termination of employment. The present value of the obligation under such defined benefit plan is determined based on actuarial Valuation using the Projected Unit Credit Method.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income, which are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the statement of profit and loss as past service cost.

e) Gratuity:-

The company provides for gratuity, a defined benefit plan (the Gratuity plan) covering eligible employees in accordance with the Payment of Gratuity Act, 1972. The Gratuity plan provides a lump sum payment to vested employees at retirement, death, incapacitation or termination of employment, of an amount based on the respective employee's salary and the tenure of employment. The company's liability is actually determined under (using the Projected Unit Credit method) at the end of each year.

Actuarial losses/ gains are recognized in the statement of profit & loss in the year in which they arise.

The company has subscribed to a gratuity plan which is administrated through HDFC Standard life and a trust which is administrated through trustees.

Remeasurement gains and losses arising from experience adjustments and changes in actuarial assumptions are recognized in the period in which they occur, directly in other comprehensive income, which are included in retained earnings in the statement of changes in equity and in the balance sheet. Changes in the present value of the defined benefit obligation resulting from plan amendments or curtailments are recognized immediately in the statement of profit and loss as past service cost.

10. Provision & Contingent Liabilities

Provision

Provision are recognized when there is a present obligation as a result of a past event and it is probable that an outflow of benefits will be required to settle the obligation and there is a reliable estimate of the amount of the obligation.

Contingent liabilities

Contingent liabilities are disclosed when there is a possible obligation arising from the past events, the existence of which will be confirmed only on the occurrence or non occurrence of one or more uncertain future events not wholly within the control of the company or a present obligation that arises from past events where it is either not portable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

11. Income Tax, Deferred Tax and Dividend Distribution Tax

a) Current and Deferred Tax

Tax expense for the period, comprising Current tax and Deferred Tax are included in the determination of net profit or loss for the period.

Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing in India.

Deferred Tax is recognized for all the timing differences, subject to the consideration of prudence in respect of deferred tax assets. Deferred tax assets are recognized and carried forward only to the extent that there is a reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realized.

Deferred Tax assets and liabilities are measured using the tax rates and tax laws that have been enacted and substantively enacted by the Balance Sheet date. At each Balance Sheet date, the company re-assesses unrecognized deferred tax assets, if any.

Deferred tax assets and liabilities are offset when there is a legally enforceable right to offset current tax assets and liabilities and when the deferred tax balances related to the same taxation authority. Current tax assets and tax liabilities

are offset where the entity has a legally enforceable right to offset and intends either to settle on a net basis or to realize the asset and settle the liability simultaneously.

Current and deferred tax is recognized in the statement of profit and loss, except to the extent that it relates to items recognized in other comprehensive income or directly in equity.

b) **Dividend Distribution Tax :**

Dividend distribution tax paid in the dividends is recognized consistently with the presentation of the transaction that creates the income tax consequence. Dividend distribution tax is charged to Statement of Profit and Loss, if the dividend itself is charged to statement of profit and loss. If the dividend is recognized in equity, the presentation of dividend distribution tax is recognized in equity.

12. Borrowing Cost

Borrowing cost incurred in relation to the acquisition, construction of assets are capitalized as the part of cost of such assets up to date which such assets are ready for intended use. Other borrowing costs are charged as an expense over the period of Term Loan.

13. Impairment of Assets

Assessment is done at each Balance Sheet date as to whether there is any indication that a tangible asset may be impaired. For the purpose of assessing impairment, the smallest identifiable group of asset that generates cash inflows from continuing use that are largely independent of the cash inflow from other assets or groups of assets, is considered as a cash generating unit. If any such indication exists, an estimate of the recoverable amount of the asset/cash generating unit is made.

Assets whose carrying value exceeds their recoverable amount are written down to the recoverable amount. Recoverable amount is higher of an asset's or cash generating unit's net selling price and its value in use. Value in use is the present value of estimated future cash flows expected to arise from the continuing use of an assets and from its disposal at the end of its useful life. Assessment is also done at each Balance Sheet date as to whether there is any indication that an impairment loss recognized for an asset in prior accounting periods may no longer exist or may have decreased.

14. Lease Rentals:

Leases in which a significant portion and rewards of ownership are not transferred to the company as lessee are classified as operating leases. Lease Rentals for assets taken on operating lease are recognized as under expenses in Profit and Loss Account over the lease term on accrual basis.

15. Cash and Cash Equivalents:

In the Cash flow statement, cash and cash equivalents include cash on hand, demand deposits with bank, other short term highly liquid investments with original maturity of three months or less.

16. Earnings per share:

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders by weighted average number of equity shares outstanding during the period. The Weighted average number of equity shares outstanding during the period and for all periods presented is adjusted for the events, such as bonus shares, other than conversion of potential equity share that have changed the number of equity shares outstanding, without a corresponding change in resources.

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

17. Financial Instruments

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

1) Financial Assets

i) Classification

The Company classifies its financial assets in the following measurement categories:



- a) at fair value either through other comprehensive income (FVOCI) or through profit and loss (FVTPL); and
- b) at amortised cost.

The classification depends on the entity's business model for managing the financial assets and the contractual terms of the cash flows.

Gains and losses will either be recorded in the statement of profit and loss or other comprehensive income for assets measured at fair value.

For investments in debt instruments, this will depend on the business model in which the investment is held.

For investments in equity instruments, this will depend on whether the Company has made an irrevocable election at the time of initial recognition to account for the equity investment at fair value or through other comprehensive income.

The Company reclassifies debt investments when and only when its business model for managing those assets changes.

ii) Measurement

At initial recognition, in case of a financial asset not at fair value through the statement of profit and loss account, the Company measures a financial asset at its fair value plus transaction costs that are directly attributable to the acquisition of the financial asset. Transaction costs of financial assets carried at fair value through the statement of profit and loss are expensed in profit or loss.

a) Debt instruments

There are three measurement categories into which the Company classifies its debt instruments:

Amortised cost: Assets that are held for collection of contractual cash flows where those cash flows represent solely payments of principal and interest are measured at amortised cost. Gain or loss on a debt investment that is subsequently measured at amortised cost and is not part of a hedging relationship is recognised in the statement of profit and loss when the asset is derecognised or impaired. Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through other comprehensive income (FVOCI): Assets that are held for collection of contractual cash flows and for selling the financial assets, where the assets' cash flows represent solely payments of principal and interest, are measured at fair value through other comprehensive income (FVOCI). Movements in the carrying amount are taken through OCI, except for the recognition of impairment gains or losses, interest income and foreign exchange gains and losses which are recognised in profit and loss. When the financial asset is derecognised, the cumulative gain or loss previously recognised in OCI is reclassified from equity to the statement of profit and loss and recognised in other income or other expenses (as applicable). Interest income from these financial assets is included in other income using the effective interest rate method.

Fair value through profit and loss (FVTPL) : Assets that do not meet the criteria for amortised cost or FVOCI are measured at fair value through the profit and loss. A gain or loss on a debt investment that is subsequently measured at fair value through profit and loss and is not part of a hedging relationship is recognised in the statement of profit and loss and within other income or other expenses (as applicable) in the period in which it arises. Interest income from these financial assets is included in other income or other expenses, as applicable.

b) Equity instruments

The Company measures all equity investments (except Equity investment in subsidiaries and joint ventures) at fair value. The Company's management has opted to present fair value gains and losses on equity investments through profit and loss account. Dividends from such investments are recognised in the statement of profit and loss as other income when the Company's right to receive payments is established.

Changes in the fair value of financial assets at fair value through profit and loss are recognised in other income or other expenses, as applicable in the statement of profit and loss.

iii) Impairment of financial assets

The Company assesses on a forward looking basis the expected credit losses associated with its assets carried at amortised cost and FVOCI debt instruments. The impairment methodology applied depends on whether there has

been a significant increase in credit risk. For trade receivables only, the company applies the simplified approach permitted by Ind AS 109 Financial Instruments, which requires expected lifetime losses to be recognised from initial recognition of the receivables.

iv) **Derecognition of financial assets**

A financial asset is derecognised only when –

- a) The Company has transferred the rights to receive cash flows from the financial asset or
- b) Retains the contractual rights to receive the cash flows of the financial asset, but assumes a contractual obligation to pay the cash flows to one or more recipients.

Where the company has transferred an asset, it evaluates whether it has transferred substantially all risks and rewards of ownership of the financial asset. In such cases, the financial asset is derecognised. Where the entity has not transferred substantially all risks and rewards of ownership of the financial asset, the financial asset is not derecognized.

Where the company has neither transferred a financial asset nor retains substantially all risks and rewards of ownership of the financial asset, the financial asset is derecognised if the Company has not retained control of the financial asset. Where the Company retains control of the financial asset, the asset is continued to be recognised to the extent of continuing involvement in the financial asset.

v) **Income Recognition**

Interest income

Interest income from debt instruments is recognised using the effective interest rate method. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the financial asset to the gross carrying amount of a financial asset. When calculating the effective interest rate, the company estimates the expected cash flows by considering all the contractual terms of the financial instrument (for example, prepayment, extension, call and similar options) but does not consider the expected credit losses.

Dividend income

Dividends are recognised in the statement of profit and loss only when the right to receive payment is established, it is probable that the economic benefits associated with the dividend will flow to the Company, and the amount of the dividend can be measured reliably.

vi) **Cash and cash equivalents**

Cash and cash equivalents include cash on hand, deposits held at call with financial institutions, other short-term, highly liquid investments with original maturities of three months or less, that are readily convertible to known amounts of cash and which are subject to an insignificant risk of changes in value.

vii) **Trade Receivables**

Trade receivables are recognised initially at their fair value and subsequently measured at amortised cost using the effective interest rate method, less provision for impairment.

2) Financial Liabilities

i) **Measurement**

Financial liabilities are initially recognised at fair value, reduced by transaction costs (in case of financial liabilities not recorded at fair value through profit and loss), that are directly attributable to the issue of financial liability. All financial liabilities are subsequently measured at amortised cost using effective interest method. Under the effective interest method, future cash outflow are exactly discounted to the initial recognition value using the effective interest rate, over the expected life of the financial liability, or, where appropriate, a shorter period. At the time of initial recognition, there is no financial liability irrevocably designated as measured at fair value through profit and loss.

ii) **Derecognition**

A financial liability is derecognised when the obligation under the liability is discharged or cancelled or expires. When an existing financial liability is replaced by another from the same lender on substantially different terms, or the terms of



an existing liability are substantially modified, such an exchange or modification is treated as the de-recognition of the original liability and the recognition of a new liability. The difference in the respective carrying amounts is recognised in the statement of profit and loss.

iii) **Trade and other payables**

These amounts represent liabilities for goods and services provided to the Company prior to the end of financial year which are unpaid. The amounts are unsecured and are usually paid as per payment terms.

iv) **Derivatives and hedging activities**

Derivatives are initially recognised at fair value on the date a derivative contract is entered into and are subsequently re-measured to their fair value at the end of each reporting period. Resulting gains/(losses) are recorded in statement of profit and loss under other income/other expenses. Derivatives are classified as a current asset or liability when expected to be realised/settled within 12 months of the balance sheet date.

Offsetting financial instruments

Financial assets and liabilities are offset and the net amount is reported in the balance sheet where there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the Company or the counterparty.

NOTE : 3A Critical estimates and judgments

In the application of the company's accounting policies, which are described in note 2, the management is required to make judgment, estimates, and assumptions about the carrying amounts of assets and liabilities that are not readily apparent from other process. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised if the revision affects only that period or in the period of the revision and future period if the revision affects both current and future period.

The following are the critical estimates and judgments that have the significant effect on the amounts recognised in the financial statements.

Critical estimates and judgments

i) **Estimation of current tax expense and deferred tax**

The calculation of the company's tax charge necessarily involves a degree of estimation and judgment in respect of certain items whose tax treatment cannot be finally determined until resolution has been reached with the relevant tax authority or, as appropriate, through a formal legal process. Significant judgments are involved in determining the provision for income taxes, including amount expected to be paid/recovered for uncertain tax positions. Where the final tax outcome of these matters is different from the amounts that were initially recorded, such differences will impact the current and deferred income tax in the period in which such determination is made.

Recognition of deferred tax assets / liabilities

The recognition of deferred tax assets is based upon whether it is probable that sufficient and suitable taxable profits will be available in the future against which the reversal of temporary differences can be deducted. To determine the future taxable profits, reference is made to the approved budgets of the company. Where the temporary differences are related to losses, local tax law is considered to determine the availability of the losses to offset against the future taxable profits as well as whether there is convincing evidence that sufficient taxable profit will be available against which the unused tax losses or unused tax credits can be utilised by the company. Significant items on which the Company has exercised accounting judgment include recognition of deferred tax assets in respect of losses. The amounts recognised in the financial statements in respect of each matter are derived from the Company's best estimation and judgment as described above.

ii) **Estimation of Provisions and Contingent Liabilities**

The company exercises judgment in measuring and recognising provisions and the exposures to contingent liabilities, which is related to pending litigation or other outstanding claims. Judgment is necessary in assessing the likelihood that a pending claim will succeed, or a liability will arise, and to quantify the possible range of the financial settlement.

Because of the inherent uncertainty in this evaluation process, actual liability may be different from the originally estimated as provision. Although there can be no assurance of the final outcome of the legal proceedings in which the company is involved, it is not expected that such contingencies will have a material effect on its financial position or profitability.

iii) **Estimation of useful life of Property, Plant and Equipment, Intangible assets, Investment properties**

Property, Plant and Equipment, Intangible assets, Investment properties represent a significant proportion of the asset base of the company. The charge in respect of periodic depreciation is derived after determining an estimate of an asset's expected useful life and the expected residual value at the end of its life. The useful lives and residual values of company's assets are determined by management at the time the asset is acquired and reviewed periodically, including at each financial year end. The useful lives are based on historical experience with similar assets as well as anticipation of future events, which may impact their life, such as changes in technology.

iv) **Estimation of provision for inventory**

The company writes down inventories to net realisable value based on an estimate of the realisability of inventories. Write downs on inventories are recorded where events or changes in circumstances indicate that the balances may not realised. The identification of write-downs requires the use of estimates of net selling prices of the down-graded inventories. Where the expectation is different from the original estimate, such difference will impact the carrying value of inventories and write-downs of inventories in the periods in which such estimate has been changed.

v) **Estimation of defined benefit obligation**

The present value of the defined benefit obligations depends on a number of factors that are determined on an actuarial basis using a number of assumptions. The assumptions used in determining the net cost (income) for post employments plans include the discount rate. Any changes in these assumptions will impact the carrying amount of such obligations.

The company determines the appropriate discount rate at the end of each year. This is the interest rate that should be used to determine the present value of estimated future cash outflows expected to be required to settle the defined benefit obligations. In determining the appropriate discount rate, the company considers the interest rates of government bonds of maturity approximating the terms of the related plan liability.

vi) **Estimated fair value of Financial Instruments**

The fair value of financial instruments that are not traded in an active market is determined using valuation techniques. The Management uses its judgment to select a variety of methods and make assumptions that are mainly based on market conditions existing at the end of each reporting period.

vii) **Impairment of Trade Receivable**

The impairment provisions for trade receivable are based on assumptions about risk of default and expected loss rates. The company uses judgment in making these assumptions and selecting the inputs to the impairment calculation, based on the company's past history, existing market conditions as well as forward looking estimates at the end of each reporting period.

3 B New accounting standards issued but not yet effective

Ind AS 116 :

On 30th March 2019, the Ministry of Corporate Affairs (MCA) has notified Ind AS 116 Leases, under Companies (Indian Accounting Standards) Amendment Rules, 2019 which is applicable with effect from 1st April, 2019.

The Company is currently evaluating the impact on account of implementation of Ind AS 116 which might have significant impact on key profit & loss and balance sheet ratio i.e. Earnings before interest, tax, depreciation and amortisation (EBITDA), Asset coverage, debt equity, interest coverage, etc.

NOTE 4. PROPERTY PLANT & EQUIPMENT F.Y. : 2018-2019**(Rs. in lakhs)**

PARTICULARS	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION			NET CARRYING AMOUNT		
	As At 01.04.2018	ADDITIONS	DISPOSALS / ADJUSTMENTS	As At 31.03.2019	As At 01.04.2018	FOR THE YEAR DEPRECIATION	DISPOSALS / ADJUSTMENTS	AS AT 31.03.2019	As At 31.03.2019
FREEHOLD LAND	24.13	-	-	24.13	-	-	-	-	24.13
FACTORY BUILDING	445.95	13.22	-	459.17	206.03	10.97	-	217.00	242.17
PLANT & MACHINERY	2,067.84	71.69	111.38	2,028.15	1,291.94	134.60	111.38	1,315.16	712.99
ELECT. FITTINGS	57.85	0.69	2.06	56.48	48.05	3.29	2.06	49.28	7.20
FURNITURE & FIXTURE	36.70	0.55	-	37.25	28.84	1.40	-	30.24	7.01
VEHICLE	106.81	-	-	106.81	62.43	6.84	-	69.27	37.54
GENERATOR	24.45	-	0.13	24.32	20.46	0.50	0.13	20.83	3.49
HEATING MODULE	1.21	-	-	1.21	1.11	0.02	-	1.13	0.08
AIR CONDITIONER	23.54	0.93	-	24.47	19.70	1.13	-	20.83	3.64
OFFICE EQUIPMENT	34.57	8.40	0.95	42.02	18.75	5.49	0.95	23.29	18.73
COMPUTER	83.61	3.55	-	87.16	71.28	6.42	-	77.70	9.46
LEASE HOLD IMPROVEMENT	19.21	-	-	19.21	19.21	-	-	19.21	-
LAB EQUIPMENT	5.44	3.31	-	8.75	1.78	0.72	-	2.50	6.26
TOTAL	2,931.31	102.34	114.52	2,919.13	1,789.58	171.38	114.52	1,846.44	1,072.70

NOTE 4. PROPERTY PLANT & EQUIPMENT F.Y. : 2017-2018

PARTICULARS	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION			NET CARRYING AMOUNT		
	As At 01.04.2017	ADDITION	DISPOSALS / ADJUSTMENTS	As At 31.03.2018	As At 01.04.2017	FOR THE YEAR DEPRECIATION	DISPOSALS / ADJUSTMENTS	AS AT 31.03.2018	As At 31.03.2018
FREEHOLD LAND	24.13	-	-	24.13	-	-	-	-	24.13
FACTORY BUILDING	301.24	144.71	-	445.95	199.82	6.21	-	206.03	239.92
PLANT & MACHINERY	2,076.88	49.51	58.55	2,067.84	1,176.98	153.63	38.68	1,291.93	775.91
ELECT. FITTINGS	56.95	0.90	-	57.85	45.10	2.95	-	48.05	9.80
FURNITURE & FIXTURE	35.82	0.89	-	36.71	27.23	1.61	-	28.84	7.87
VEHICLE	106.27	15.06	14.53	106.80	60.12	14.19	11.89	62.42	44.38
GENERATOR	24.45	-	-	24.45	19.96	0.50	-	20.46	3.99
HEATING MODULE	1.21	-	-	1.21	1.09	0.02	-	1.11	0.10
AIR CONDITIONER	23.54	-	-	23.54	18.38	1.33	-	19.71	3.83
OFFICE EQUIPMENT	21.29	13.27	-	34.56	16.26	2.49	-	18.75	15.81
COMPUTER	78.10	5.51	-	83.61	65.97	5.31	-	71.28	12.33
LEASE HOLD IMPROVEMENT	19.21	-	-	19.21	19.21	-	-	19.21	-
LAB EQUIPMENT	4.44	1.00	-	5.44	1.24	0.55	-	1.79	3.65
TOTAL	2,773.53	230.85	73.08	2,931.30	1,651.36	188.79	50.57	1,789.58	1,141.72

NOTES :

1. Refer Note 35-A for disclosure of contractual commitments for the acquisition of property, plant and equipment.
2. The information on property, plant and equipment pledged as security by the company (Refer note 35-B)

PREMCO GLOBAL LTD

NOTE 5. OTHER INTANGIBLE ASSETS F.Y. : 2018-2019

PARTICULARS	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION			NET CARRYING AMOUNT		
	As At 01.04.2018	ADDITIONS	DISPOSALS / ADJUSTMENTS	As At 31.03.2019	As At 01.04.2018	FOR THE YEAR DEPRECIATION	AS AT 31.03.2019	As At 31.03.2019	
COMPUTER (SOFTWARE)	11.22	-	-	11.22	10.30	0.35	-	10.65	0.57
PATENT APPLICATION	0.43	-	-	0.43	-	0.08	-	0.08	0.34
TOTAL	11.65	-	-	11.65	10.30	0.43	-	10.73	0.91

NOTE 5. OTHER INTANGIBLE ASSETS F.Y. : 2017-2018

PARTICULARS	GROSS CARRYING AMOUNT			ACCUMULATED DEPRECIATION			NET CARRYING AMOUNT		
	As At 01.04.2017	ADDITION	DISPOSALS / ADJUSTMENTS	As At 31.03.2018	As At 01.04.2017	FOR THE YEAR DEPRECIATION	AS AT 31.03.2018	As At 31.03.2018	
COMPUTER (SOFTWARE)	11.22	-	-	11.22	7.66	2.64	-	10.30	0.92
PATENT APPLICATION	-	0.44	-	0.44	-	-	-	-	0.43
TOTAL	11.22	0.44	-	11.66	7.66	2.64	-	10.30	1.35

NOTE 6. NON CURRENT INVESTMENTS.

		(Rs. In Lakhs)		
NO. OF UNITS MARCH 2019	NO. OF UNITS MARCH 2018	PARTICULARS	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
		6.1 TRADE INVESTMENTS		
		(I) INVESTMENT IN EQUITY SHARES OF SUBSIDIARY (UNQUOTED) : (AT COST)		
-	-	PREMCO GLOBAL VIETNAM COMPANY LTD.	563.53	563.53
		6.2 NON TRADE INVESTMENTS		
		(I) INVESTMENT IN EQUITY SHARES (UNQUOTED) : (AT COST)		
2,417	2,417	EQUITY SHARES OF S.V.C.BANK OF FACE VALUE RS.25/- EACH FULLY PAID	0.61	0.61
5,000	5,000	EQUITY SHARES OF NEW IND CO-OP. BANK LTD. OF FACE VALUE RS.10/- EACH, FULLY PAID	0.50	0.50
		(II) INVESTMENT IN EQUITY SHARES (QUOTED) : (AT FVTPL)		
-	3,000	EQUITY SHARES OF IFCI BANK LTD OF FACE VALUE RS. 10/- EACH FULLY PAID	-	0.59
-	300	EQUITY SHARES OF RELIANCE INDUSTRIES LTD. OF FACE VALUE RS. 10/- EACH FULLY PAID	-	5.30
-	300	EQUITY SHARES OF RELIANCE INDUSTRIES LTD. (BONUS) OF FACE VALUE RS. 10/- EACH FULLY PAID	-	-
-	200	EQUITY SHARES OF UNITECH LTD (BONUS) OF FACE VALUE RS. 2/- EACH FULLY PAID	-	-
-	800	EQUITY SHARES OF UNITECH LTD OF FACE VALUE RS. 2/- EACH FULLY PAID	-	0.06
		(III) INVESTMENT IN MUTUAL FUNDS (QUOTED) : (AT FVTPL)		
1,255.88	1,003.14	UNITS OF MF HDFC TOP 200 FUND DIRECT PLAN GROWTH OPTION	6.58	4.45
-	189,713.61	UNITS OF MF HDFC PRUDENCE FUND REGULAR PLAN DIVIDENED	-	55.87
-	167,540.67	UNITS OF MF HDFC SHORT TERM PLAN REGULAR PLAN GROWATH	-	57.69
-	37,694.03	UNITS OF MF HDFC BALANCED FUND REGULAR (G)	-	54.96
-	147,500.02	UNITS OF MF HDFC REGULAR SAVING FUND GROWTH	-	50.79
278,888.68	278,888.68	UNITS OF MF ICICI PRUDENTIAL BANKING AND PSU DEBT FUND GROWTH	59.19	55.72
8,421.61	7,629.03	UNITS OF MF ICICI PRUDENTIAL VALUE DISCOVERY FUND DIRECT	13.08	11.17
80,129.23	80,129.23	UNITS OF MF ICICI PRUDENTIAL SHORT TERM REGULAR	30.96	29.02
236,850.08	236,850.08	UNITS OF MF ICICI PRUDENTIAL BOND FUND GROWTH	61.00	57.50
-	244,541.83	UNITS OF MF ICICI PRUDENTIAL LONG TERM PLAN	-	53.04
272,374.18	272,374.18	UNITS OF MF ICICI PRUDENTIAL CREDIT RISK FUND GROWTH	54.12	50.59
270,908.74	270,908.74	UNITS OF MF ICICI PRUDENTIAL CREDIT RISK FUND GROWTH	53.83	50.32
250,000.00	250,000.00	UNITS OF MF ICICI PRUDENTIAL FMP SERIES 82	26.67	25.05
142,072.90	-	UNITS OF MF ICICI PRUDENTIAL ULTRA SHORT TERM FUND GROWTH	26.82	-
5,690.33	5,163.93	UNITS OF MF BIRLA SUN LIFE EQUITY FUND GROWTH DIRECT PLAN	13.67	11.35
188,431.79	188,431.79	UNITS OF MF BIRLA SUN LIFE SHORT TERM OPPORTUNITY FUND GROWTH DIRECT PLAN	60.42	56.00
26,189.55	54,760.76	UNITS OF MF BIRLA SUN LIFE BANKING & PSU DEBT FUND - GROWTH-DIRECT PLAN	63.38	122.95
-	87,251.96	UNITS OF MF BIRLA SUN LIFE SHORT TERM FUND GROWTH DIRECT PLAN	-	58.30
-	416,402.95	UNITS OF MF BIRLA SUN LIFE CORPORATE BOND FUND REGULARS	-	53.89
-	98,325.49	UNITS OF MF ADITYA BIRLA SUNLIFE BANKING & PSU DEBT FUND - DIRECT	-	51.54
500,000.00	500,000.00	UNITS OF MF ABSL FTP SERIES PH-DIRECT GROWTH	54.20	50.45
5,372.53	5,372.53	UNITS OF MF BIRLA SUN LIFE EQUITY ADVANTAGE FUND GROWATH DIRECT PLAN	22.89	22.72
-	3,094.79	UNITS OF MF BIRLA SUN LIFE BALANCE 95 FUND DIVIDEND DIRECT PLAN	-	24.08

(Rs. In Lakhs)

NO. OF UNITS MARCH 2019	NO. OF UNITS MARCH 2018	PARTICULARS	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
-	184,299.92	UNITS OF MF BIRLA SUN LIFE EQUITY SAVING FUND -DIRECT PLA 1014829528	-	24.74
-	112,380.26	UNITS OF MF BIRLA SUN LIFE MEDIUM TERM PLAN GROWTH DIRECT PLAN	-	25.53
-	14,606.75	UNITS OF MF ADITYA BIRLA SUNLIFE SAVING FUND- DIRECT	-	50.24
250,000.00	-	UNITS OF MF ABSL FTP SERIES RA -DIRECT GROWTH	26.52	-
250,000.00	-	UNITS OF MF ABSL FTP SERIES RD -DIRECT GROWTH	26.54	-
250,000.00	-	UNITS OF MF ABSL FTP SERIES PT-DIRECT GROWTH	27.10	-
-	876,964.89	UNITS OF MF RELIANCE FLOATING RATE FUND SHORT TERM	-	246.49
170,571.61	546,464.83	UNITS OF MF RELIANCE SHORT TERM FUND DIRECT GROWTH	61.53	184.08
-	237,853.99	UNITS OF MF RELIANCE REGULAR SAVING FUND-DEBT PLAN 18 G	-	60.25
-	100,385.88	UNIT OF MF RELIANCE REGULAR SAVINGS FUND DEBT PLAN DIRECT GROWTH PLAN GROWTH OPTION	-	56.78
-	215,692.03	UNITS OF MF RELIANCE MEDIUM TERM FUND DIRECT GROWTH PLAN GROWTH OPTION	-	123.84
5,071.02	2,293.50	UNITS OF MF RELAINCE SMALL CAP FUND DIRECT GROWTH	2.17	1.04
-	739,284.08	UNITS OF MF RELIANCE CORPORATE BOND FUND DIRECT GROWTH PLAN	-	107.04
42,889.22	42,889.22	UNITS OF MF RELIANCE EQUITY HYBRID FUND DIRECT GROWTH	25.36	24.26
500,000.00	-	UNITS OF MF RELIANCE FIXED HORIZON FUND XXXVI SERIES 06 DIRECT GROWTH PLAN	54.77	-
0.72	-	UNITS OF MF RELIANCE LIQUED FUND DIRECT GROWTH PLAN	0.03	-
250,000.00	-	UNITS OF MF RELIANCE FIXED HORIZON FUND XXXVI SERIES 05 DIRECT GROWTH PLAN	27.06	-
-	238,265.88	UNITS OF MF KOTAK EQUITY ARBITRAGE FUND BI MONTHLY	-	25.48
-	80.44	UNITS OF MF TATA EQUITY P/E FUND DIRECT GROWTH-INF277K01ND1	-	0.11
253,923.11	253,923.11	UNITS OF MF L & T CREDIT RISK FUND	53.55	50.55
10,000.00	-	UNITS OF MF EDELWEISS ALPHA FUND-SCHEME I	104.39	-
1.00	-	UNITS OF MF AVENDUS ENHANCED RETURN FUND	102.15	-
2,874.31	-	UNITS OF MF AXIS BANKING & PSU DEBT FUND.	50.23	-
-	-	(IV) INVESTMENT IN DEBENTURES (QUOTED) : (AT FVTPL)	-	-
-	35	DYNAMIC SERIES (ARG16SP10 SERIES IV 171018) WITH ANAND RATHI SHARE & STOCK BROKERS LTD. OF FACE VALUE RS. 1,00,000/- EACH FULLY PAID UP.	-	57.92
10	-	KOTAK MAHINDRA PRIME LTD NIFTY 50 INDEX LINKED SECURED NON CONVERTIBLE DEBENTURES OF FACE VALUE RS. 10,00,000/- EACH FULLY PAID UP	100.00	-
4,259,343.48	7,121,014.19	TOTAL INVESTMENTS	1,772.85	2,616.39
Notes :				
1) a) Aggregate amount of Unquoted Investments.			564.64	564.64
b) Aggregate amount of Quoted Investments & market value thereof			1,208.21	2,051.75
2) The Company has completed an expansion project in two phases by setting up a manufacturing unit at Vietnam by incorporating a foreign subsidiary with a chartered capital of USD 10,00,000 in which the company shall hold 85%. The Company has remitted and amount of USD 850000 (Rs. 5,63,53,340/-) towards chartered capital in the year ended March 2019.				



(Rs. In Lakhs)

NOTE 7 : LOANS	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
A) NON CURRENT (UNSECURED, CONSIDERED GOOD)		
a) LOANS GIVEN TO STAFF	2.22	0.29
TOTAL	2.22	0.29
B) CURRENT (UNSECURED, CONSIDERED GOOD)		
a) LOANS TO SUBSIDIARY - PREMCO GLOBAL VIETNAM CO LTD.	1,677.40	1,170.79
b) LOANS GIVEN TO STAFF	11.81	14.26
TOTAL	1,689.21	1,185.05

(Rs. In Lakhs)

NOTE 8 : OTHER FINANCIAL ASSETS	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
A) NON CURRENT (UNSECURED, CONSIDERED GOOD)		
a) SECURITY AND OTHER DEPOSITS		
- WITH RELATED PARTIES	32.00	30.00
- WITH OTHERS	31.63	31.55
TOTAL	63.63	61.55

(Rs. In Lakhs)

	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
B) CURRENT (UNSECURED, CONSIDERED GOOD)		
a) INTEREST ACCRUED BUT NOT DUE ON MARGIN MONEY	0.40	0.36
b) INTEREST ACCRUED BUT NOT DUE ON LOAN TO SUBSIDIARY	32.55	15.20
c) FOREIGN EXCHANGE FORWARD CONTRACT (HEDGE)	99.72	-
TOTAL	132.67	15.56

(Rs. In Lakhs)

NOTE 9 : OTHER ASSETS	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
A) NON CURRENT		
(UNSECURED, CONSIDERED GOOD)		
PREPAID EXPENSES	2.64	3.51
GRATUITY FUNDED - ASSETS (NET)	18.28	20.15
TOTAL	20.92	23.66
B) CURRENT		
(UNSECURED, CONSIDERED GOOD)		
ADVANCE TO SUPPLIERS	6.68	13.19
ADVANCE TO STAFF	7.20	3.87
PREPAID EXPENSES	12.73	12.18
DUTYDRAWBACK RECEIVABLE	1.51	89.97
CLAIMS RECEIVABLES	402.58	388.41
(UNSECURED, CONSIDERED DOUBTFUL)		
a) ADVANCE TO SUPPLIERS	2.51	2.51
LESS : PROVISION FOR DOUBTFUL ADVANCES	(2.51)	(2.51)
(UNSECURED, CONSIDERED DOUBTFUL)		
b) DUTYDRAWBACK RECEIVABLE	-	3.53
LESS : PROVISION FOR DUTY DRAWBACK	-	(3.53)
TOTAL	430.70	507.62

ALLOWANCE FOR DOUBT FULL DEBTS

1. THE COMPANY HAS PROVIDED ALLOWANCES FOR DOUBTFUL DEBTS BASED ON LIFE TIME EXPECTED CREDIT LOSS MODEL USING PROVISION MATRIX
2. MOVEMENT IN ALLOWANCE FOR DOUBTFUL DEBT :

BALANCE AT THE BEGINNING OF THE YEAR	6.04	6.04
ADD : ALLOWANCE FOR THE YEAR	-	-
LESS : W/OFF OF BAD DEBTS (NET OF RECOVERY)	3.53	-
BALANCE AT THE END OF THE YEAR	2.51	6.04

(Rs. In Lakhs)

NOTE 10. INVENTORY	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
- RAW MATERIAL	399.14	487.17
- WORK IN PROGRESS	81.54	121.51
- SEMI-FINISHED GOODS	18.27	33.08
- FINISHED GOODS	411.29	231.35
- SPARE PARTS	50.24	46.92
TOTAL	960.48	920.03



(Rs. In Lakhs)

NOTE 11. TRADE RECEIVABLES	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
(UNSECURED, CONSIDERED GOOD)		
(a) RECEIVABLES FROM SUBSIDIARY (PREMCO GLOBAL VIETNAM CO LTD)	407.86	627.53
(b) RECEIVABLES FROM OTHERS	831.38	700.61
(UNSECURED, CONSIDERED DOUBTFUL)	2.06	2.42
LESS : ALLOWANCE FOR DOUBT FULL DEBTS	(2.06)	(2.42)
TOTAL	1,239.24	1,328.14

ALLOWANCE FOR DOUBT FULL DEBTS

1. THE COMPANY HAS PROVIDED ALLOWANCES FOR DOUBTFUL DEBTS BASED ON LIFE TIME EXPECTED CREDIT LOSS MODEL USING PROVISION MATRIX
2. MOVEMENT IN ALLOWANCE FOR DOUBTFUL DEBT :

BALANCE AT THE BEGINNING OF THE YEAR	2.42	2.32
ADD : ALLOWANCE FOR THE YEAR	-	1.18
LESS : W/OFF OF BAD DEBTS (NET OF RECOVERY)	(0.36)	(1.08)
BALANCE AT THE END OF THE YEAR	2.06	2.42

(Rs. In Lakhs)

NOTE 12. CASH & CASH EQUIVALENTS	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
(a) CASH & CASH EQUIVALENTS		
(i) CASH IN HAND	2.60	1.84
(ii) BALANCES WITH BANKS		
- CURRENT ACCOUNTS IN RUPEESS	24.30	5.87
- IN FOREIGN CURRENCY	26.48	14.81
- IN TEMPORARY TERM DEPOSITS	150.00	-
TOTAL	203.37	22.51

(Rs. In Lakhs)

NOTE 13. BANK BALANCE OTHER THAN ABOVE	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
(i) BALANCES WITH BANKS		
-IN UNPAID DIVIDEND A/C	26.83	27.63
(ii) OTHER BANK BALANCES		
-HELD AS MARGIN MONEY (Under lien with bank as security for guarantee facility)	31.35	31.35
TOTAL	58.18	58.98

(Rs. In Lakhs)

NOTE 14. CURRENT TAX ASSETS (NET)	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
PROVISION FOR TAX (NET)	87.46	0.42
TOTAL	87.46	0.42

(Rs. In Lakhs)

NOTE 15 : EQUITY SHARE CAPITAL :	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
AUTHORISED : 6000000 (P.Y. 6000000) EQUITY SHARES OF RS. 10 EACH	600.00	600.00
ISSUED : 3304800 (P.Y.3304800) EQUITY SHARES OF RS.10 EACH	330.48	330.48
SUBSCRIBED & PAID UP : 3304800 (P.Y.3304800) EQUITY SHARES OF RS.10 EACH	330.48	330.48
TOTAL	330.48	330.48

15.1 Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period is as follows.

Particulars	As at 31 March 2019	As at 31 March 2018
Equity Shares at the beginning of the year (in No's)	33.05	33.05
Less: Equity Shares Forfieted during the year (in No's)	-	-
Equity Shares at the end of the year (in No's)	33.05	33.05

15.2 Terms/Rights Attached to Shares

The company has only one class of equity shares having a par value of Rs. 10/- per share. Each share holder of fully paid equity shares is entitled to one vote per share. The company declares and pays dividends to the share holders of fully paid equity shares in Indian rupees. The dividend proposed by Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

15.3 Details of Share holders holding more than 5 % of Shares

Name of Shareholder	As at 31 March 2019		As at 31 March 2018	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
ASHOK B HARJANI	10	29.19	9.16	27.73
LOKESH PREM HARJANI	4	13.19	4.36	13.19
SURESH HARJANI	4	12.92	4.27	12.92
PREM HARJANI	2	6.90	1.80	5.45

15.4 There are no Bonus Shares /Buyback/Shares for consideration other than cash issued during past five years



(Rs. In Lakhs)

NOTE 16. OTHER EQUITY :	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
SECURITIES PREMIUM RESERVE		
BALANCE AS PER LAST BALANCE SHEET	459.92	459.92
ADD: ADDITION DURING THE YEAR	-	-
Less: Share Issue Expenses	-	-
	459.92	459.92
CAPITAL RESERVE		
BALANCE AS PER LAST BALANCE SHEET	3.00	3.00
ADD: ON FORFEITURE	-	-
	3.00	3.00
CAPITAL SUBSIDY RESERVE		
BALANCE AS PER LAST BALANCE SHEET	22.78	22.78
ADD: ADDITION DURING THE YEAR	-	-
	22.78	22.78
GENERAL RESERVE		
BALANCE AS PER LAST BALANCE SHEET	1,758.00	1,707.00
ADD: TRANSFERRED FROM STATEMENT OF PROFIT & LOSS	1.59	51.00
	1,759.59	1,758.00
SURPLUS AS PER STATEMENT OF PROFIT AND LOSS		
OPENING BALANCE AS PER LAST BALANCE SHEET	4,067.08	3,729.94
ADD : PROFIT FOR THE YEAR	15.87	505.82
ADD : OCI FOR THE YEAR	79.17	1.65
ADD : REVERSAL OF PROPOSED DIVIDEND (Refer note 19.1)	99.14	-
ADD : REVERSAL OF TAX ON PROPOSED DIVIDEND (Refer note 19.1)	20.19	-
LESS: APPROPRIATIONS	-	-
TRANSFERRED TO GENERAL RESERVE	1.59	51.00
DIVIDEND PAID	99.14	99.14
TAX ON DIVIDEND PAID	20.39	20.19
	4,160.33	4,067.08
TOTAL	6,405.62	6,310.78

NATURE AND PURPOSE OF EACH RESERVE

Security Premium Reserve - Security premium reserve is used to record the premium on issue of shares. This reserve is utilised in accordance with the provision of the Companies Act 2013.

Capital Reserve - This reserve was created in the financial year 2015-16. Capital reserves are created out of forfeiture of shares and are usually utilised for issue of Bonus shares.

Capital Subsidy Reserve - This reserve was created in financial year 1994-95 of Rs. 6.38 Lakhs & in financial year 2004-05 of Rs. 16.41 Lakhs and created out of capital subsidy received by the company. The reserve is to be usually created for use of Bonus shares or to adjust capital losses.

General Reserve - General Reserve is a free reserve and is available for distribution as dividend, issue of bonus shares, buyback of the companies securities. It was created by transfer of amounts out of distributable profits, from time to time.

(Rs. In Lakhs)

NOTE 17. BORROWING	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
A) NON CURRENT SECURED TERM LOANS FROM BANKS		
(a) HDFC BANK LTD	145.87	154.35
CAR LOANS FROM BANKS		
(b) HDFC BANK LTD	8.50	12.42
FROM OTHERS		
(c) KOTAK MAHINDRA PRIME LTD.	8.50	11.67
TOTAL	162.87	178.45

(Rs. In Lakhs)

17.1 CURRENT MATURITIES	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
SECURED TERM LOANS FROM BANKS		
(a) HDFC BANK LTD	97.71	79.25
CAR LOANS FROM BANKS		
(b) HDFC BANK LTD	3.92	3.61
FROM OTHERS		
(c) KOTAK MAHINDRA PRIME LTD.	3.17	2.92
TOTAL	104.81	85.78

The Long Term Portion of Term Loans are shown under long term Borrowings and the current maturities of long term borrowings are shown under the current liabilities in Note 18B.

17.2 DETAILS OF SECURITY AND TERMS OF REPAYMENT

- (a) HDFC BANK - Term Loans referred to above from Banks are secured by way of Hypothecation of first & exclusive charge on all present & future current assets inclusive of all stocks & book debts and plant & machinery along with equitable mortgage on the property situated at Plot no. 41, Survey no. 35 (PT) Diwan & sons industrial Estate, Aliyali Village, Palghar, Thane District & Survey no. 202/2, Old check post, Dadra & Nagar Haveli, Dadra along with personal guarantee of Lokesh Harjani.

There are 4 different Loans and their respective details are as under

Principal Amount Payable	Interest Rate	Monthly Installment Amount Payable (Principal + Interest)	No. of Installment outstanding equal monthly installments
22.73	10.25 % p.a. Linked with 1 year MCLR	1.80	14
69.31	10.25 % p.a. Linked with 1 year MCLR	3.68	21
64.54	10.25 % p.a. Linked with 1 year MCLR	2.33	32
89.68	10.25 % p.a. Linked with 1 year MCLR	2.21	51

**(b) HDFC BANK LTD**

Vehicle Loan from Bank are secured by mortgage of Respective Vehicle.
The details of Loan is as under

Principal Amount Payable	Interest Rate	Monthly Installment Amount Payable (Principal + Interest)	No. of Installment outstanding equal monthly installments
12.42	8.40%	0.40	35

(c) KOTAK MAHINDRA PRIME LTD.

Vehicle Loan from Bank are secured by mortgage of Respective Vehicle.
There are different Loans and their respective details are as under

Principal Amount Payable	Interest Rate	Monthly Installment Amount Payable (Principal + Interest)	No. of Installment outstanding equal monthly installments
11.67	8.21%	0.33	40

(Rs. In Lakhs)

	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
(B) CURRENT SECURED FROM BANKS WORKING CAPITAL LOANS CASH CREDIT FROM BANK TOTAL	0.35	47.93
	0.35	47.93

Working capital referred to above from Banks are secured by way of Hypothecation of first & exclusive charge on all present & future current assets inclusive of all stocks & book debts and plant & machinery along with equitable mortgage on the property situated at Plot no. 41, Survey no. 35 (PT) Diwan & sons industrial Estate, Aliyali Village, Palghar, Thane District & Survey no. 202/2, Old check post, Dadra & Nagar Haveli, Dadra along with personal guarantee of Lokesh Harjani.

(Rs. In Lakhs)

NOTE 18. OTHER FINANCIAL LIABILITY	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
A) NON CURRENT		
DUES TO EMPLOYEE	101.73	89.40
TOTAL	101.73	89.40
B) CURRENT		
(a) CURRENT MATURITIES OF LONG TERM BORROWING (REFER NOTE 17.1)	104.81	85.78
(b) INTEREST ACCRUED BUT NOT DUE	1.80	1.73
(c) UNPAID DIVIDENDS*	26.83	27.63
(d) MARK TO MARKET OF DERIVATIVE FINANCIAL INSTRUMENTS	-	10.51
(e) PAYABLE TO EMPLOYEE	75.08	68.34
(f) SECURITY/TRADE DEPOSITS RECEIVED	0.05	0.05
(g) OTHERS (FOR EXPENSES)	3.80	0.29
TOTAL	212.37	194.33

*There is no amount due and outstanding as on 31st March 2019 to be credited to Investor Education and Protection Fund. The unpaid dividend for the financial year 2010-11 of Rs. 1.87 Lakhs which has been paid to Investor Protection Reserve Fund on 05.11.2018.

(Rs. In Lakhs)

NOTE 19. PROVISION	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
A) NON CURRENT		
PROVISION FOR EMPLOYEE BENEFITS : LEAVE ENCASHMENT SALARY PAYABLE	26.95	29.29
TOTAL	26.95	29.29
B) CURRENT		
PROPOSED DIVIDEND	-	99.14
PROVISION FOR TAX ON DIVIDEND	-	20.19
PROVISION FOR EMPLOYEE BENEFITS : LEAVE ENCASHMENT SALARY PAYABLE	10.94	10.50
OUTSTANDING EXPENSES	32.51	23.45
TOTAL	43.45	153.28

19.1 The board of Directors had recommended a final dividend @ Rs. 3.00/- per equity share of Rs. 10/- each on 33,04,800 equity shares for the year ended 31.03.2018, which was provided for along with tax thereon in the financial statements subject to approval for the members in the Annual General Meeting. The Company had provided for the liability and paid the same during current financial year. The provision made has been reversed and the effect of same has been reflected in note no 16.

(Rs. In Lakhs)

NOTE 20. DEFERRED TAX LIABILITY (NET)	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
(a) DEFERED TAX LIABILITY:		
RELATED TO FIXED ASSET	64.45	91.53
DUE TO FVTPL OF INVESTMENT	23.28	53.87
OTHERS	0.75	1.01
(b) DEFERED TAX ASSET:		
DISALLOWANCES UNDER THE INCOME TAX ACT 1961 (NET)	9.90	(24.77)
TOTAL	98.37	121.65

(Rs. In Lakhs)

NOTE 21. OTHER LIABILITIES	AS AT 31st MARCH 2019	AS AT 31st MARCH 2018
A) NON CURRENT		
GOVERNMENT GRANT		
DEFERRED INCOME	2.13	4.01
TOTAL	2.13	4.01

Government grants have been received for the purchase of certain items of property, plant and equipment. There are no unfulfilled conditions or contingencies attached to these grants as at March 31.

B) CURRENT		
(a) ADVANCES RECEIVED FROM CUSTOMERS	2.35	10.78
(b) OTHERS		
(i) GOVERNMENT GRANTS (DEFERRED INCOME)	1.87	1.87
(ii) STATUTORY LIABILITIES	60.31	59.19
TOTAL	64.53	71.85

**Note : GOVERNMENT GRANT (Deferred Income)****(Rs. In Lakhs)**

Particulars	AS AT	AS AT
	31st MARCH 2019	31st MARCH 2018
As at April 1	5.88	7.75
Received during the year	-	-
Released to statement of profit and loss	(1.87)	(1.87)
As at March 31	4.01	5.88

(Rs. In Lakhs)

NOTE 22. TRADE PAYABLES	AS AT	AS AT
	31st MARCH 2019	31st MARCH 2018
TRADE PAYABLES *		
(a) PAYABLE TO SUBSIDIARY (PREMCO GLOBAL VIETNAM CO LTD)	5.29	0.42
(b) PAYABLE TO OTHERS	280.42	351.41
TOTAL	285.71	351.83

*22.1 The Company has received intimation from suppliers regarding their status under Micro, Small and Medium Enterprises Development Act, 2006 and hence the following disclosures are given wrt. the extent of information as available with the company :

a) Amount due and Outstanding to suppliers as at the end of accounting year.	2.82	34.18
b) Interest paid during the year.	NIL	NIL
c) Interest due on amount paid beyond due date during the year	NIL	NIL
d) Interest accrued and unpaid at the end of the accounting year,	NIL	NIL
e) Total interest due but not paid (including prior years.)	NIL	NIL

(Rs. In Lakhs)

NOTE 23. REVENUE FROM OPERATION	FOR THE YEAR ENDED 31st MARCH 2019	FOR THE YEAR ENDED 31st MARCH 2018
SALES	4,964.60	5,978.40
OTHER OPERATING REVENUE	71.72	217.50
TOTAL	5,036.33	6,195.90

(Rs. In Lakhs)

NOTE 24. OTHER INCOME	FOR THE YEAR ENDED 31st MARCH 2019	FOR THE YEAR ENDED 31st MARCH 2018
INTEREST	113.62	84.81
DIVIDEND	0.36	7.13
NET GAIN ON SALE OF INVESTMENT & RECOGNITION FVTPL	84.14	173.70
FOREIGN EXCHANGE FLUCTUATION	70.59	68.90
PROFIT ON SALE OF PROPERTY, PLANT AND EQUIPMENT	6.00	4.76
GOV GRANTS ON FIXED ASSETS *	1.87	1.87
PROVISION FOR DOUBTFUL DEBTS WRITE BACK	0.36	1.08
INSURANCE CLAIM RECEIVED	-	24.30
MISCELLANEOUS INCOME	10.12	4.96
TOTAL	287.06	371.52

*Government grants have been received for the purchase of certain items of Property, Plant and Equipment. There are no unfulfilled conditions or contingencies attached to these grants as at March 31, 2019.

(Rs. In Lakhs)

NOTE 25. COST OF MATERIAL CONSUMED :	FOR THE YEAR ENDED 31st MARCH 2019	FOR THE YEAR ENDED 31st MARCH 2018
(A) RAW MATERIAL		
OPENING STOCK	608.68	502.68
ADD: PURCHASES	2,258.90	2,106.59
	2,867.58	2,609.27
LESS : CLOSING STOCK	480.68	608.68
TOTAL (A)	2,386.90	2,000.59
(B) CONSUMPTION OF SPARES		
OPENING STOCK	46.92	46.07
ADD : PURCHASES	64.61	70.41
	111.53	116.48
LESS : CLOSING STOCK	50.24	46.92
TOTAL (B)	61.29	69.56
TOTAL (A + B)	2,448.19	2,070.15

(Rs. In Lakhs)

NOTE 26. PURCHASE OF STOCK-IN-TRADE ^f	FOR THE YEAR ENDED 31st MARCH 2019	FOR THE YEAR ENDED 31st MARCH 2018
- YARN	563.49	642.36
TOTAL (A)	563.49	642.36

(Rs. In Lakhs)

NOTE 27. CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-TRADE AND WORK IN PROGRESS	FOR THE YEAR ENDED 31st MARCH 2019	FOR THE YEAR ENDED 31st MARCH 2018
CLOSING STOCK		
- FINISHED GOODS	411.29	231.35
- SEMI FINISHED GOODS	18.27	33.08
TOTAL (A)	429.56	264.43
LESS: OPENING STOCK		
- FINISHED GOODS	231.35	973.73
- SEMI FINISHED GOODS	33.08	27.83
TOTAL (B)	264.43	1,001.56
INCREASE/(DECREASE) IN STOCK (A - B)	165.13	(737.13)

(Rs. In Lakhs)

NOTE 28. EMPLOYEE BENEFITS EXPENSES	FOR THE YEAR ENDED 31st MARCH 2019	FOR THE YEAR ENDED 31st MARCH 2018
SALARY, WAGES, BONUS & LEAVE SALARY	835.71	808.15
CONTRIBUTION TO PROVIDENT FUND & OTHER FUNDS	30.43	30.62
GRATUITY	6.74	8.41
STAFF RECRUITMENT EXPENSES	4.10	0.79
STAFF WELFARE & OTHER AMENITIES	28.08	31.94
TOTAL	905.07	879.91



(Rs. In Lakhs)

NOTE 29. FINANCE COST	FOR THE YEAR ENDED 31st MARCH 2019	FOR THE YEAR ENDED 31st MARCH 2018
INTEREST	52.83	61.61
OTHER BORROWING COST	26.80	21.80
TOTAL	79.62	83.42

(Rs. In Lakhs)

NOTE 30. DEPRECIATION	FOR THE YEAR ENDED 31st MARCH 2019	FOR THE YEAR ENDED 31st MARCH 2018
DEPRECIATION & AMORTISATION EXPENSE	171.81	191.44
TOTAL	171.81	191.44

(Rs. In Lakhs)

NOTE 31. OTHER EXPENSES	FOR THE YEAR ENDED 31st MARCH 2019	FOR THE YEAR ENDED 31st MARCH 2018
A) MANUFACTURING EXPENSES		
DIESEL EXPENSES	6.76	5.98
GAS EXPENSES	27.18	26.69
ELECTRICITY CHARGES	153.56	137.96
FACTORY EXPENSES	13.20	14.03
REPAIRS AND MAINTENANCE-BUILDING	1.12	5.16
REPAIRS AND MAINTENANCE-PLANT & MACHINERY	0.63	0.74
REPAIRS AND MAINTENANCE-OTHERS	57.39	38.69
LABOUR & PROCESSING CHARGES	484.10	445.13
TESTING CHARGES	2.25	2.45
TOTAL (A)	746.19	676.83
B) SELLING & DISTRIBUTION EXPENSES		
FREIGHT & FORWARDING CHARGES	168.92	182.13
OTHERS	14.30	23.67
TOTAL (B)	183.22	205.80
C) ADMIN EXPENSES		
REPAIRS & MAINTENANCE	4.57	4.36
AUDITORS REMUNERATION AND EXPENSES (REFER NOTE 37)	4.24	4.83
BAD DEBTS	-	1.18
SPENDING ON CSR ACTIVITIES (REFER NOTE 44)	29.14	35.83
INSURANCE CHARGES	14.10	12.67
LEGAL & PROFESSIONAL CHARGES	49.64	34.00
MISCELLANEOUS EXPENSES	64.03	57.29
CONVEYANCE & TRAVELING	140.21	114.04
RENT	104.11	122.10
RATES & TAXES	0.63	11.34
TOTAL (C)	410.67	397.64
GRAND TOTAL (A+B+C)	1,340.09	1,280.27

(Rs. In Lakhs)

NOTE 32. EXTRAORDINARY ITEMS	FOR THE YEAR ENDED 31st MARCH 2019	FOR THE YEAR ENDED 31st MARCH 2018
EXTRAORDINARY ITEMS	106.56	-
TOTAL (A)	106.56	-

Extraordinary item includes expenditure of Rs. 106.56 Lakhs booked towards reversal of GST credit on inventory held as on date of implementation of GST law i.e. Rs. 82.25 for Trans 1 credit (01.07.2017) & Rs. 24.31 for inadvert credit (01.08.2018).

(Rs. In Lakhs)

NOTE 33. TAX EXPENSES	FOR THE YEAR ENDED 31st MARCH 2019	FOR THE YEAR ENDED 31st MARCH 2018
A) INCOME TAX EXPENSES :		
CURRENT TAX		
CURRENT TAX ON PROFITS FOR THE YEAR	15.50	250.00
SHORT/(EXCESS) INCOME TAX PROVISION	3.66	(15.51)
TOTAL CURRENT TAX EXPENSES	19.16	234.49
DEFERRED TAX		
DEFERRED TAX (ASSET)/LIABILITY	(54.78)	(57.56)
TOTAL (A)	(35.62)	176.93
B) RECONCILIATION OF TAX EXPENSES AND THE ACCOUNTING PROFIT MULTIPLIED BY INDIA'S TAX RATE :		
PROFIT BEFORE TAX	(19.75)	682.75
ENACTED INCOME TAX RATE IN INDIA APPLICABLE TO COMPANY	27.82%	34.61%
CURRENT INCOME TAX EXPENSES ON PROFIT BEFORE TAX CALCULATED AT THE RATE ABOVE	(5.49)	236.30
TAX EFFECT OF AMOUNT WHICH ARE NOT DEDUCTIBLE/(TAXABLE) IN CALCULATING TAXABLE INCOME		
EXEMPTED INCOME	(1.18)	(2.84)
EXPENSES DISALLOWED	12.32	17.17
ITEMS SUBJECT TO DIFFERENTIAL TAX RATE	(33.16)	(82.15)
ADJUSTMENTS FOR CURRENT TAX OF PRIOR PERIOD	3.66	(15.51)
OTHERS	(11.77)	23.96
TOTAL INCOME TAX EXPENSES	(35.62)	176.93

**NOTE 34: Contingent Liabilities :-**

- a) Unredeemed Bank Guarantees & Letter of credit are Rs. 20.05 Lakhs (P.Y. Rs. 210.74 Lakhs)
- b) Claims against the company not acknowledged as debts
- Income Tax Liability Rs. 5.00 Lakhs (P.Y. 4.94 Lakhs)
 - Sales tax Liability Rs. 1279.99 Lakhs (P.Y. Nil)
- c) The company has imported machineries under EPCG license whereby the custom duty saved of Rs. 18.82 Lakhs (P.Y. 52.72 Lakhs) is subject to performance of pre stated obligations. The non-performance would result in liability towards custom duty saved along with penalty and damages.

NOTE 35-A:**Capital Commitments :-**

Estimate amount of contract remaining to be executed on Capital Account & not provided for Rs Nil (Rs. Nil) against which advance has been paid of Rs. Nil (P.Y. Nil)

NOTE 35-B:**Assets Pledged as Security :-**

The carrying amounts of assets pledged as security for current and non-current borrowing are,

Rs. in Lakhs

	As At 31 st March 2019	As At 31 st March 2018
Current Assets		
Financial Assets		
Trade Receivables	1239.24	1328.14
	1239.24	1328.14
Non Financial Assets		
Inventories	960.48	920.03
	960.48	920.03
Total Current Assets Pledged as Security	2199.72	2248.17
Non Current Assets		
Land	24.13	24.13
Building	197.84	194.53
Plant and Machinery	712.99	775.90
Total non-current assets Pledged as Security	934.96	994.56
Total Assets Pledged as Security	3134.68	3242.73

NOTE 36:

The balance confirmations in respect of debtors, creditors, advances, loans and deposits as at 31st March 2019 have been called for and are subject to confirmation & reconciliation as the necessary communication in this respect is not received from them. The management has scrutinized the accounts and the balances appearing in the Balance Sheet are correct.

In the opinion of the management, no item of current assets, loans and advances has a value on realization in the ordinary course of business, which is less than the amount of value at which it is stated in the Balance Sheet, unless otherwise specified.

NOTE 37: Auditor Remuneration's :-

Rs. in Lakhs

Payment to Auditors	2018-19	2017-18
a) Audit Fees	2.50	2.50
b) Limited Review Certificate	1.50	1.50
c) Certification Charges	-----	0.56
d) Out of Pocket Expense	0.24	0.27
Total	4.24	4.83

NOTE 38: Unhedged Foreign Currency Exposure & Derivative Instruments :-

(A) Foreign Currency exposure are as follows :

	31-03-2019		31-03-2018	
	Amount (in USD \$ in Lakhs)	Amount (in Rs.in Lakhs)	Amount (in USD \$ in Lakhs)	Amount (in Rs.in Lakhs)
Sundry Debtors	USD 6.37	Rs. 443.12	USD 11.58	Rs. 754.81
Balance in EFC A/c	USD 0.38	Rs. 26.48	USD 0.23	Rs. 14.81
Loan given to subsidiary (Including Interest.)	USD 24.72	Rs.1709.96	USD 18.23	Rs.1185.99
Investment in Equity shares of subsidy	USD 8.50	Rs. 563.53	USD 8.50	Rs. 563.53
Total Assets :	USD \$ 39.97	Rs. 2743.09	USD 38.54	Rs. 2519.14
Trade Payable	USD \$ 0.28	Rs, 19.18	USD 0.21	Rs, 14.32
Letter of Credit Issued	-	-	USD 3.00	Rs. 195.12
Total Liabilities :	USD 0.28	Rs. 19.18	USD 3.21	Rs. 209.44
Net Exposure	USD 39.69	Rs.2723.91	USD 35.33	Rs.2309.70

(B) Forward Contracts for hedge of Trade Receivables, Loans and under firm commitments/high probable forecast transactions are as follows :

	31-03-2019		31-03-2018	
	Amount (in USD \$ in Lakhs)	Amount (in Rs.in Lakhs)	Amount (in USD \$ in Lakhs)	Amount (in Rs.in Lakhs)
Forward Contracts	USD \$ 32.18	Rs. 2354.35	USD 24.64	Rs. 1613.72

Mark-to-market Gain recognized in the statement of Profit & Loss Rs. 99.72 Lakhs (Loss for P.Y. of Rs. 10.51 Lakhs)

NOTE 39: Employee Benefits Obligations :-

a) **Defined contribution plans-** The company has recognized the following amounts in the Statement of Profit & loss for the Year :

Particular's	Rs. in Lakhs	
	2018-19	2017-18
Employer's Contribution to Provident Fund	12.95	13.69
Employer's Contribution to E.S.I.C	3.71	3.43
Employer's Contribution to Escrow Deposit Scheme	4.73	5.97
Interest paid on Employee Escrow Scheme	9.55	8.37
Interest on Security Deposit	0.23	0.29

b) **Defined benefit plans - Gratuity & Leave Encashment :**

Gratuity :- The company operates a gratuity plan which is administrated through HDFC Standard Life Insurance Company Limited and a trust which is administrated through trustees. Every employee is entitled to a minimum benefit equivalent to 15 days salary last drawn for each completed year of service in line with Payment of Gratuity act, 1972. The same is payable at the time of separation from the company or retirement, whichever is earlier or death in service.

Leave Encashment :- The employees are entitled to accumulate compensated absence upto specified days as per company policy, which is payable at the time of separation from company i.e. retirement or death in service at the rate of last drawn salary.

The details on Company's Gratuity and Leave Encashment liabilities employees are given below which is certified by the actuary and relied upon by the auditors.

(i) Reconciliation of Opening & Closing balance of Present Value of Defined benefit Obligation (DBO) :

Change in Benefit Obligation	Gratuity		Leave Encashment	
	31.03.19	31.03.18	31.03.19	31.03.18
	Amount in Rs.in Lakhs			
Present Value of Obligation (Opening)	65.47	74.28	39.78	32.19
Interest Cost	4.84	5.26	2.94	2.28
Current Service Cost	8.23	7.73	6.91	10.97
Past Service Cost	-	1.20	-	-
Benefits Paid	(4.93)	(2.72)	(8.88)	(5.32)
Actuarial (Gain)/Loss on Obligation – Due to change in Financial Assumptions.	1.11	2.08	0.65	1.39
Actuarial (Gain)/Loss on Obligation – Due to Experience.	(5.25)	(22.36)	(3.51)	(1.73)
Present value of Obligation (Closing)	69.47	65.47	37.89	39.78

(ii) Reconciliation of Opening & Closing balance of Fair Value of Plan Assets :

Fair value of plan Assets 01/04/2018	85.63	81.72	NIL	NIL
Expected Return on Plan Assets	6.33	5.79	NIL	NIL
Contribution	-	-	8.88	5.32
Benefits paid	(4.93)	(2.72)	(8.88)	(5.32)
Actuarial (Gain)/Loss on plan Assets - Due to Experience.	0.72	0.84	NIL	NIL
Fair value of plan Assets 31/03/2019	87.75	85.63	NIL	NIL

Fair value of plan assets for gratuity represents the amount as confirmed by Insurer Manager Funds.

(iii) Balance Sheet Recognition :

(Present Value of Obligation)	(69.47)	(65.47)	(37.89)	(39.79)
Fair value of Plan Assets	87.75	85.62	NIL	NIL
Funded Status (Surplus /(Deficit))	18.28	20.15	(37.89)	(39.79)
Un-recognised past Service Cost	NIL	NIL	NIL	NIL
Net (Liability) recognized in the Balance Sheet	NIL	NIL	(37.89)	(39.79)

(iv) (a) Profit and Loss – Expenses Recognition

Current Service Cost	8.23	7.73	6.91	10.97
Interest Cost	4.84	5.26	2.94	2.28
Expected Return on Plan Assets	(6.33)	(5.79)	NIL	NIL
Re-measurement (or Actuarial) (gain) / loss	-	-	(2.87)	(0.34)
Past Service Cost	-	1.20	-	-
Expenses to be recognized in P/L Account	6.74	8.40	6.98	12.91

(b) Other Comprehensive Income

Actuarial (gains) / losses				
- change in demographic assumptions	-	3.01	NIL	NIL
- change in financial assumptions	1.11	(0.92)	NIL	NIL
- experience variance (i.e. Actual experience v/s assumptions)	(5.25)	(22.36)	NIL	NIL
Return on plan assets, excluding amount recognised in net interest expense	(0.72)	(0.85)	NIL	NIL
Components of defined benefit costs recognised in Other Comprehensive Income	(4.86)	(21.12)	NIL	NIL

- v) For Each major category of plan assets, following is the percentage that each major category constitutes of the fair value of the plan assets :

Particular's	Gratuity as on 31 st March 2019		Gratuity as on 31 st March 2018	
	Amount Rs. in Lakhs	Rate %	Amount Rs. in Lakhs	Rate %
Insurer managed fund	87.74	100%	85.63	100%
Total	87.74	100%	85.63	100%

- vi) The overall expected rate of return on assets is based on the expectation of the average long term rate of return expected on investments of the fund during the estimated term of the obligations.
- vii) The Actual Return on plan assets is as follows:-

Particular's	Gratuity 2018-19	Gratuity 2017-18
	Amount Rs. in Lakhs	Amount Rs. in Lakhs
Actual return on plan assets	7.06	6.63

- (viii) **Following are the Principal Actuarial Assumptions used as at the balance sheet date:**

	Gratuity	Leave Encashment
Discount Rate	6.95 %	6.95 %
Expected Return on Plan Assets	6.95 %	0.00 %
Mortality	Indian Assured Lives Mortality (2006-08)	Indian Assured Lives Mortality (2006-08)
Future Salary Increases	3.00 % PA	3.00 % PA
Attrition	18.00 % for Service Group.	18.00 %

- ix) **Amount recognized in current year and previous four years for Gratuity & Leave Encashment:-**

a) Gratuity :

Particular's	2018-19	2017-18	2016-17	2015-16	2014-15
Defined benefit obligation	69.47	65.47	74.28	75.44	56.91
Plan assets	87.75	85.63	81.72	64.64	65.19
Surplus /(deficit)	18.28	20.15	7.44	(10.80)	8.28
Experience adjustment on plan liabilities	5.25	22.36	4.17	(16.38)	8.12
Experience adjustment on plan assets	0.72	0.85	2.25	0.13	0.19

b) Leave Encashment :

Particular's	2018-19	2017-18	2016-17	2015-16	2014-15
Defined benefit obligation	37.89	39.79	32.19	29.62	21.77
Plan assets	NIL	NIL	NIL	NIL	NIL
Surplus /(deficit)	(37.89)	(39.79)	(32.19)	(29.62)	(21.77)
Experience adjustment on plan liabilities	3.51	1.74	3.58	(6.70)	0.93
Experience adjustment on plan assets	NIL	NIL	NIL	NIL	NIL

**NOTE 40 :****A) Segment Reporting :**

In the opinion of the management the company is mainly engaged in the business of manufacturing of Elastic and all other activities of the Company including supply of raw materials to subsidiary of Rs. 633.88 Lakhs (P.Y. Rs. 739.46 Lakhs) revolve around the main business, and as such, there are no separate reportable segments.

B) Secondary Business Segment :

Description	Mumbai		Dadra	
	Rs. in Lakhs		Rs. in Lakhs	
	2018-19	2017-18	2018-19	2017-18
Segment Revenue (Gross)				
(i) Within India	35.11	251.62	1775.15	1647.82
(ii) outside India	108.95	78.41	2115.74	2854.11
Total Revenue (Gross)	144.06	330.03	3890.89	4501.93
Segment Fixed Assets(Gross)				
(i) Within India	250.85	244.47	1905.79	1904.27
(ii) outside India	NIL	NIL	NIL	NIL
Other Assets				
(i) Within India	1801.77	2227.89	1685.20	1857.88
(ii) outside India	2273.49	1749.52	NIL	6.04

Description	Palghar		Vapi	
	Rs. in Lakhs		Rs. in Lakhs	
	2018-19	2017-18	2018-19	2017-18
Segment Revenue (Gross)				
(i) Within India	290.27	298.16	759.29	1222.85
(ii) outside India	NIL	NIL	238.87	214.44
Total Revenue (Gross)	290.27	298.16	998.16	1437.29
Segment Fixed Assets(Gross)				
(i) Within India	218.71	245.42	555.43	548.78
(ii) outside India	NIL	NIL	NIL	NIL
Other Assets				
(i) Within India	170.53	202.05	634.35	696.81
(ii) outside India	NIL	NIL	95.63	NIL

NOTE 41:**Related Party Disclosures****A) List of Related Parties and Relationship****a) Subsidiaries :-**

Premco Global Vietnam Co. Ltd.	Subsidiary
--------------------------------	------------

b) Associates :-

Premco Industries Onspot Solutions Pvt. Ltd. Pixel Packaging Ltd.	Enterprise on which significant influence is exercised having common directors/partners.
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c) Key Management Personnel :-

Mr. Ashok B. Harjani	Chairman & Managing Director
Mr. Lokesh P. Harjani	Director
Mrs. Nisha P. Harjani	Director
Mrs. Sonia A. Harjani	Director
Mr. Shantanu Dey	Ex-CEO
Mr. R. C. Panwar	CEO

B) Related Party Transactions

I) Subsidiary	2018-19	2017-18
	Rs. In Lakhs	Rs. In Lakhs
1. Loan Given (Closing Balance Rs.1677.40 Lakhs /P.Y. Rs 1170.79 Lakhs)	2791.30	3031.29
2. Sale of Goods	1684.99	1120.79
3. Interest Received (Including receivables Rs. 32.55 Lakhs (P.Y. 15.20 Lakhs)	108.95	78.41
4. Letter of Credit Guarantee issued in favour of Subsidiary	USD NIL	USD 3.00
II) Associates Enterprises		
1. Security Deposit given (Closing Balance Rs. 32.00 Lakhs / P.Y. Rs. 30.00 Lakhs)	2.00	10.00
2. Rent Paid	62.29	61.86
III) Key Management Persons		
1. Remuneration, Bonus & Perks	161.01	197.48
2. Imprest Account	22.82	4.89
(Closing Balance Rs. (0.12) Lakhs /P.Y Rs. NIL)		
3. Tour Advance	100.09	90.37
(Closing Balance Rs. (2.88) Lakhs / P.Y Rs. 2.53 Lakhs)		
4. Reimbursement of expenses	210.53	170.24
5. Advance Given	20.68	1.67
(Closing Balance Rs. NIL /P.Y. Rs. NIL)		
6. Loan taken	315.30	1147.00
(Closing Balance Rs. NIL /P.Y. Rs NIL)		
7. Interest Paid	18.04	25.55

C) Disclosure of Material transactions with related parties.

Particulars	2018-19	2017-18
	Rs. In Lakhs	Rs. In Lakhs
a) Rent Paid		
1. Premco Industries	62.29	61.86
b) Remuneration, Bonus & Perks		
1. Ashok B. Harjani	69.60	69.60
2. Lokesh P. Harjani	47.98	54.39
3. Nisha P. Harjani	31.00	31.00
4. Sonia A. Harjani	2.76	3.13
5. Devendra Kumar Jain	-	2.27
6. Shantanu Dey	9.08	37.08
7. R. C. Panwar	0.59	-
c) Interest Paid		
1. Ashok B. Harjani	18.04	16.54
2. Lokesh P. Harjani	-	1.95
3. Sonia A. Harjani	-	7.06
d) Loan Taken		
1. Ashok B. Harjani	315.30	789.50
2. Lokesh P. Harjani	-	87.50
3. Sonia A. Harjani	-	270.00

NOTE 42:**Leases :**

As a Lessee:

The Company's major leasing arrangements are in respect of commercial /residential premises (including furniture and fittings therein wherever applicable taken on leave and license basis). These leasing arrangements which are cancellable, range 11 months to 5 years, or longer and are usually renewable by mutually agreed terms and conditions.

The particulars of these leases are as follows:

(Rs. in Lakhs)

PARTICULARS	2018 – 19	2017 – 18
Future Minimum lease payments obligation on non-cancelable operating leases :		
Not later than one year	72.90	76.79
Later than one year and not later than five years.	46.19	92.39
Later than five years	-	-
Lease payments recognized in Profit & Loss Account	104.11	122.10
Lease payments capitalized with Fixed Assets.	-	-

NOTE 43:**Earning Per Share:**

Basic & Diluted:	Current Year	Previous Year
	Rs.	Rs.
Profit after Tax as per Accounts is Rs. in Lakhs	95.04	507.47
Weighted Average No. of Shares Issued (No in Lakhs)	33.05	33.05
Basic & Diluted EPS (Rs.)	2.88	15.36

NOTE 44 : Corporate Social Responsibility (CSR) Activities :-

During the year, the Company is required to spend an amount of Rs. 27.63 Lakhs (PY Rs. 35.47 Lakhs) towards CSR activities, whereas the Company has already spent Rs. 28.66 Lakhs (PY Rs. 35.32 Lakhs) towards Corporate Social Responsibility (CSR) under section 135 of the Companies Act, 2013 and rules thereon by way of contribution to various Trusts / NGOs / Societies / Agencies.

NOTE 45: Fair value disclosures for financial assets and financial liabilities

(Rs.in Lakhs)

Financial instruments by category	As at March 31, 2019			As at March 31, 2018		
	FVTPL	FVOCI	Amortised Cost	FVTPL	FVOCI	Amortised Cost
Financial assets						
Investments						
- Equity instruments			564.65	5.94		564.65
- Debentures			100.00	57.92		
- Mutual Funds	1108.21			1987.87		
Trade receivables			1239.24			1328.14
Cash and cash equivalents			203.37			22.51
Bank balances other than cash and cash equivalents			58.18			58.98
Loans			1691.44			1185.35
Other financial assets	99.72		96.58			77.10
Total Financial assets	1207.93	-	3953.46	2051.73	-	3236.73
Financial Liabilities						
Borrowings			163.22			226.38
Trade payables			285.71			351.83
Other financial liabilities			314.10	10.51		273.22
Total Financial liabilities	-	-	763.03	10.51	-	851.43

(i) Fair value hierarchy

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

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2019	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial investments at FVTPL					1108.21
Mutual funds	6		1108.21		99.72
Other financial Assets	8B		99.72		
Total financial assets & liabilities		-	1207.93	-	1207.93

(Rs.in Lakhs)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed as at March 31, 2019	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Equity Instruments	6			564.65	564.65
Debentures	6			100.00	100.00
Trade receivables	11			1239.24	1239.24
Cash and cash equivalents	12			203.37	203.37
Bank balances other than cash and cash equivalents	13			58.18	58.18
Loans	7A,7B			1691.44	1691.44
Other financial assets	8A,8B			96.58	96.58
Total financial assets		-	-	3953.46	3953.46
Financial liabilities					
Borrowings	17A, 17B			163.22	163.22
Trade payables	22			285.71	285.71
Other financial liabilities	18A,18B			314.10	314.10
Total financial liabilities		-	-	763.03	763.03

Financial assets and liabilities measured at fair value - recurring fair value measurements as at March 31, 2018	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Financial investments at FVTPL					5.94
Equity Instruments	6	5.94			57.92
Debentures	6	57.92			1987.87
Mutual funds	6		1987.87		(10.51)
Other financial liabilities	18B		(10.51)		
Total financial assets & liabilities		63.86	1977.36		2041.22

(Rs.in Lakh)

Financial assets and liabilities measured at amortised cost for which fair values are disclosed as at March 31, 2018	Notes	Level 1	Level 2	Level 3	Total
Financial assets					
Equity Instruments	6			564.65	564.65
Trade receivables	11			1328.14	1328.14
Cash and cash equivalents	12			22.51	22.51
Bank balances other than cash and cash equivalents	13			58.98	58.98
Loans	7A,7B			1185.35	1185.35
Other financial assets	8A,8B			77.10	77.10
Total financial assets		-	-	3236.73	3236.73
Financial liabilities					
Borrowings	17A, 17B			226.38	226.38
Trade payables	22			351.83	351.83
Other financial liabilities	18A,18B			273.22	273.22
Total financial liabilities		-	-	851.43	851.43

Level 1: Level 1 hierarchy includes financial instruments measured using quoted prices. This includes listed equity instruments that have quoted price. The fair value of all equity instruments which are traded in the stock exchanges is valued using the closing price as at the reporting period.

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

Level 3: If one or more of the significant inputs is not based on observable market data, the instrument is included in level 3. This is the case for unlisted equity securities and unlisted preference shares are included in level 3.

There are no transfers between levels 1, 2 and 3 during the year.

(ii) **Valuation technique used to determine fair value**

Specific valuation techniques used to value financial instruments include:

Investments in quoted equity instruments are valued using the closing price at Bombay Stock Exchange (BSE) at the reporting period.

The fair value of forward foreign exchange contracts is determined using forward exchange rates as at the balance sheet date, prevailing with Authorised Dealers dealing in foreign exchange.

The use of Net Assets Value ("NAV) for valuation of mutual fund investment. NAV represents the price at which the issuer will issue further units and will redeem such units of mutual fund to and from the investors.

The fair value of the debentures is determined based on present values and the discount rates used were adjusted for counterparty risk and country risk.

(iii) Fair value of Financial assets and liabilities measured at amortised cost

(Rs.in Lakhs)

	As at March 31, 2019		As at March 31, 2018	
	Carrying Amount	Fair Value	Carrying Amount	Fair Value
Financial assets				
Equity Investment	564.65	564.65	564.65	564.65
Debentures	100.00	100.00	-	-
Trade receivables	1239.24	1239.24	1328.14	1328.14
Cash and cash equivalents	203.37	203.37	22.51	22.51
Bank balances other than cash and cash equivalents	58.18	58.18	58.98	58.98
Loans	1691.44	1691.44	1185.35	1185.35
Other financial assets	96.58	96.58	77.10	77.10
Total financial assets	3953.46	3953.46	3236.73	3236.73
Financial liabilities				
Borrowings	163.22	163.22	226.38	226.38
Trade payables	285.71	285.71	351.83	351.83
Other financial liabilities	314.10	314.10	273.22	273.22
Total financial liabilities	763.03	763.03	851.43	851.43

- a) The carrying amounts of trade receivables, debentures, trade payables, cash and cash equivalents, bank balances other than cash and cash equivalents, borrowings and other financial liabilities are considered to be the same as their fair values, due to their short term nature.
- b) The fair values and carrying value for equity investments, security deposits, loans, other financial assets and other financial liabilities are materially the same.

NOTE 46A: Financial risk management

The Company's activities expose it to market risk, liquidity risk and credit risk. In order to minimise any adverse effects on the financial performance of the company, derivative financial instruments, such as foreign exchange forward contracts are entered to hedge certain foreign currency risk exposures. Derivatives are used exclusively for hedging purposes and not as trading or speculative instruments.

This note explains the sources of risk which the entity is exposed to and how the entity manages the risk and the impact of hedge accounting in the financial statements.

The company has a robust risk management framework comprising risk governance structure and defend risk management processes. The risk governance structure of the company is a formal organization structure with defend roles and responsibilities for risk management.

Risk	Exposure arising from	Measurement	Management
Credit risk	Cash and cash equivalents, trade receivables, loans & other financial assets measured at amortised cost.	Ageing analysis	Diversification of bank deposits, credit limits and letters of credit in select cases.
Liquidity risk	Other financial liabilities	Sensitivity analysis	Availability of committed credit lines and borrowing facilities
Market risk foreign currency risk	Recognized financial assets and liabilities not denominated in Indian rupee.	Sensitivity analysis	Forward foreign exchange contracts
Market risk security prices	Investments in equity shares, debentures & mutual funds.	Sensitivity analysis	Portfolio diversification

The Company risk management is carried out by a central treasury department under the guidance from the board of directors. Company's treasury identifies, evaluates and hedges financial risks in close coordination with the company's operating units. The board provides written principles for overall risk management, as well as policies covering specific areas, such as foreign exchange risk, interest rate risk, credit risk, use of derivative financial instruments and non-derivative financial instruments, and investment of excess liquidity. There is no change in objectives and process for managing the risk and methods used to measure the risk as compared to previous year.



1) Credit Risk :

Credit risk is the risk that the counterparty will not meet its obligation under a financial instrument or customer contract, leading to financial loss. The Credit risk mainly arises receivables from customers, cash and cash equivalents, loans and deposits with banks, financial institutions & others.

a) Trade receivables

The maximum exposure to the credit risk at the reporting date is primarily from trade receivables amounting to Rs. 1239.24 Lakhs as at March 31, 2019 (March 31, 2018- Rs. 1328.14 Lakhs) and from loans amounting Rs. 1691.44 Lakhs (March 31, 2018- Rs. 1185.35 Lakhs) Trade receivables are typically unsecured and are derived from revenue earned from customers located in India as well as outside India. The Company establishes an allowance for doubtful debts and impairment that represents its estimate of incurred losses in respect of trade receivables.

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer. The demographics of the customer, including the default risk of the industry, the country and the state in which the customer operates, also has an influence on credit risk assessment.

Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the credit worthiness of customers to which the Company grants credit terms in the normal course of business.

The management continuously monitors the credit exposure towards the customers outstanding at the end of each reporting period to determine incurred and expected credit losses. Historical trends of impairment of trade receivables do not reflect any significant credit losses. Given that the macroeconomic indicators affecting customers of the Company have not undergone any substantial change, the Company expects the historical trend of minimal credit losses to continue.

The movement in the allowance for impairment in respect of trade receivables during the year was as follow:

Movement in expected credit loss allowance on trade receivables

(Rs.in Lakhs)

	As at March 31,2019	As at March 31, 2018
Opening provision	2.42	2.32
Add: Additional provision made	-	1.18
Less: Provision write off	-	-
Less: Provision reversed	0.36	1.08
Closing provision	2.06	2.42

The average credit period on sales of products is less than 90 days. Credit risk arising from trade receivables is managed in accordance with the Company's established policy, procedures and control relating to customer credit risk management. Credit quality of a customer is assessed based on a detailed study of credit worthiness and accordingly individual credit limits are defined/modified. For trade receivables, as a practical expedient, the Company computes credit loss allowance based on a provision table as above.

b) Cash and cash equivalents:

As at the year end, the Company held cash and cash equivalents of Rs. 203.37 Lakhs (March 31, 2018: Rs. 22.51 Lakhs) The cash and cash equivalents are held with bank and financial institution counterparties with good credit rating.

c) Other Bank Balances:

Other bank balances are held with bank and financial institution counterparties with good credit rating.

d) Loans :

The maximum exposure from loans is from loans due to subsidiary company and the repayments Are regular and neither past due nor impaired.

e) Other financial assets:

Other financial assets includes security deposits which are neither past due nor impaired.

2) Liquidity Risk :

Liquidity risk is the risk that the Company will not be able to meet its financial obligations as they become due. Prudent liquidity risk management implies maintaining sufficient cash and marketable securities and the availability of funding through an adequate amount of committed credit facilities to meet obligations when due and to close out market positions. Due to the dynamic nature of the underlying businesses.

Company treasury maintains flexibility in funding by maintaining availability under committed credit lines. Management monitors rolling forecasts of the Company's liquidity position (comprising the undrawn borrowing facilities below) and cash and cash equivalents on the basis of expected cash flows.

(i) Financing arrangements

The Company had access to the following undrawn borrowing facilities at the end of the reporting period:

(Rs.in Lakhs)

	As at	
	March 31,2019	March 31,2018
Expiring within one year (bank overdraft and other facilities)	2380.98	2213.05

(ii) Maturity pattern of financial liabilities

(Rs.in Lakhs)

As at March 31, 2019	Not Due	0-6 months	6 - 12 months	More than 12 months
Borrowings	----	50.76	54.40	162.87
Trade Payable	231.19	33.71	0.57	20.24
Other financial liabilities	----	80.68	2.14	126.47

As at March 31, 2018	Not Due	0-6 months	6 - 12 months	More than 12 months
Borrowings	----	91.12	42.59	178.44
Trade Payable	308.02	16.57	4.62	22.61
Other financial liabilities	----	80.87	1.87	115.20

Other financial liabilities includes Current maturity of long-term borrowings of Rs. 104.81 Lakhs (March 31, 2018 : 85.78 Lakhs) which is included in Borrowings in the above table :

3) Market Risk :

Market risk is the risk that the fair value of future cash flows of a financial instrument will fluctuate because of changes in market prices. Market risk comprises three types of risks namely interest rate risk, currency risk and other price risk, such as commodity risk. The Company is not exposed to interest rate risk whereas the exposure to currency risk and other price risk is given below:

A) Market Risk- Foreign currency risk.

The Company operates internationally and portion of the business is transacted in several currencies and consequently the Company is exposed to foreign exchange risk through its sales in overseas and purchases from overseas suppliers in various foreign currencies. Foreign currency exchange rate exposure is partly balanced by maintaining an EEFC bank account and purchasing of goods, commodities and services in the respective currencies. The Company also uses foreign currency forward contracts to hedge its risks associated with foreign currency fluctuations relating to certain firm commitments, highly probable forecast transactions and foreign currency required at the settlement date of certain receivables/payables. The use of foreign currency forward contracts is governed by the Company's strategy approved by the board of directors, which provide principles on the use of such forward contracts consistent with the Company's risk management policy and procedures.



Derivatives instruments and unhedged foreign currency exposure

(a) Derivative outstanding as at the reporting date

Particulars/ Currency	As at			
	March 31, 2019		March 31, 2018	
	Amount in Foreign Currency	In Lakhs Rs.	Amount in Foreign Currency	In Lakhs Rs.
Forward contract to sell				
- USD	32,18,300	2354.35	24,64,498	1613.72

Derivative financial instruments such as foreign exchange forward contracts are used for hedging purposes and not as trading or speculative instruments.

(b) Particulars of unhedged foreign currency exposures as at the reporting date

The Company's exposure to foreign currency risk at the end of the reporting period expressed in equivalent in INR Rupees is as follows:

(Rs. In Lakhs)

Particulars	As at			
	March 31, 2019		March 31, 2018	
	USD	Other Currency	USD	Other Currency
Financial assets				
Investment in equity shares	563.53		563.53	
Trade receivables	443.12		754.81	
Other financial assets				
Loans	1709.96		1185.99	
Cash and Cash equivalents	26.48		14.81	
Net exposure to foreign currency risk (assets)	2743.09		2519.14	

Financial liabilities

Trade payables	19.18		13.90	
Letter of Credit	-		195.12	
Net exposure to foreign currency risk (liabilities)	19.18		209.02	
Less: Forward contracts (USD-INR)	2354.35		1613.72	
Net unhedged foreign currency exposure	369.56	-	696.40	-

The company mainly exposed to USD. The below table demonstrates the sensitivity to 1% increase or decrease in the USD against INR with all other variables held constant. The sensitivity analysis is prepared on the unhedged exposure of the company as at the reporting date.

	Effect on Profit after Tax	
	For year ended March 31, 2019	
	1% increase	1% decrease
Increase / (decrease) in profit or loss	3.69	(3.69)

B) Market Risk- Price risk.

(a) Exposure

The company is mainly exposed to the price risk due to its investment in mutual funds and investment in equity instruments held by the company and classified in the balance sheet as fair value through profit or loss. The investment in mutual funds are mix of equity and debt based mutual funds. The price risk arises due to uncertainties about the future market values of these investments. To manage its price risk arising from investments in equity securities and mutual funds, the company diversifies its portfolio.

(b) Sensitivity

The table below summarizes the impact of increases/decreases of the BSE index on the Company's equity and Gain/ Loss for the period. The analysis is based on the assumption that the index has increased by 5% or decreased by 5% with all other variables held constant, and that all the company's equity instruments moved in line with the index.

(Rs.in Lakhs)

	Impact on other Component of Equity	
	For year ended	
	March 31, 2019	March 31, 2018
BSE Sensex 30 Increase 5%	60.41	102.59
BSE Sensex 30 Decrease 5%	(60.41)	(102.59)

NOTE 46B: Capital management

(a) Risk Management

The company's objectives when managing capital are to safeguard the company's ability to continue as a going concern in order to provide returns for shareholders and benefits for other stakeholders and to maintain an optimal capital structure to reduce the cost of capital. In order to maintain or adjust the capital structure, the company may adjust the amount of dividends paid to shareholders, return capital to shareholders, issue new shares or sell assets to reduce debt.

The Company monitors capital on the basis of the following gearing ratio:

(Rs.in Lakhs)

Net debt (total borrowings net of cash and cash equivalents, other bank balances and current investments)	As at	
	March 31, 2019	March 31, 2018
	6.48	230.67
Total equity	6736.10	6641.26
Net debt equity ratio	0.10%	3.47%

(b) Dividends

	As at	
	March 31, 2019	March 31, 2018
i) Equity Share		
Final dividend	99.14	99.14
Dividend distribution tax on above dividend	20.38	20.19
ii) Dividend not recognized at the end of the reporting period		
Proposed dividend	66.10	99.14
Dividend distribution tax on proposed dividend	13.58	20.19



NOTE 47: Movement in deferred tax Liability.

(Rs.in Lakhs)

	Depreciation	Expenses disallowed u/s 43B of income tax act 1961	FVTPL	FVOCI	Total
At April 1, 2017	102.57	(31.62)	103.14	4.23	178.32
(charged)/credited:					
- to profit or loss	(11.04)	2.18	(48.69)		(57.55)
- to other comprehensive income				0.87	0.87
At March 31, 2018	91.53	(29.45)	54.45	5.11	121.64
(charged)/credited:					
- to profit or loss	(27.09)	2.93	(30.62)		(54.78)
- to other comprehensive income				31.51	31.51
At March 31, 2019	64.44	(26.52)	23.83	36.62	98.37

NOTE 48 : Figures of Previous years are regrouped and reclassified wherever necessary, to make the financial statements more comparable.

" AS PER OUR REPORT OF EVEN DATE "

FOR AND ON BEHALF OF THE BOARD

SANJAY RAJA JAIN & CO.
CHARTERED ACCOUNTANTS
FRN 120132W

ASHOK B. HARJANI
CHAIRMAN & MANAGING DIRECTOR
DIN - 00725890

SURJEET JAIN
PARTNER
M.NO.129531

NISHA P. HARJANI
DIRECTOR
DIN - 00736566

PLACE: MUMBAI
DATED: 28th May, 2019

SNEHAL TONDWALKAR
COMPANY SECRETARY

CONSOLIDATED FINANCIAL HIGHLIGHTS

	2018-19	2017-18	2016-17	(Rs. In Lakhs) 2015-16
Sales	7,008.69	7,839.44	7,433.71	7,352.70
Total Income	7,212.41	8,136.64	7,750.50	7,614.82
Operating Profit	802.48	1,092.07	2,027.99	2,271.24
Interest	150.18	100.36	149.88	103.29
Depreciation	271.84	273.90	295.23	220.60
Profit Before Tax	380.47	717.81	1,582.88	1,947.35
Provision for Taxation	19.16	234.49	539.53	727.40
Profit After Tax	361.31	483.32	1,043.35	1,219.95
Provision for Deferred Tax	(54.78)	(57.56)	44.91	(42.28)
Provision for Fringe Benefit Tax	-	-	-	-
Extra Ordinary Item	106.56	-	-	-
Net Profit (+) /Loss (-)	309.53	540.88	998.44	1,262.23
Minority Interest	48.82	14.41	(25.68)	(0.21)
Net Profit after Minority Interest	260.71	526.47	1,024.12	1,262.44
Other Comprehensive Income (OCI)	79.17	1.65	(3.23)	-
Total Comprehensive Income *	339.88	528.12	1,020.89	-
Equity Dividend %	20	30	30	30
Dividend Payout	66.10	99.14	99.14	99.14
Paid up Share Capital	330.48	330.48	330.48	330.48
Reserve & Surplus	6,531.88	6,161.70	5,753.76	4,872.12
Minority Interest	132.94	84.13	69.71	67.08
Deferred Tax Liability	98.37	121.65	178.33	135.13
Net Worth	7,093.67	6,697.96	6,332.28	5,404.81
Gross Fixed Assets	3,769.07	3,643.95	3,381.13	2,909.37
Net Fixed Assets	1,666.06	1,697.43	1,659.08	1,395.81
E.P.S.- Rs.	10.28	15.98	30.89	37.90
Book Value - Rs.	207.65	196.45	184.10	157.42
Debt : Equity Ratio	0.03:1	0.05:1	0.15:1	0.07:1
Number of Investors	2,635	2,985	3,259	2,739
Number of Employees	170	182	174	163

The Company Shares are listed in Mumbai Stock Exchange, The requisite listing fees have been paid.

* The above figures are Ind AS figures



STANDALONE FINANCIAL HIGHLIGHTS

	2018-19*	2017-18*	2016-17*	2015-16*	2014-15	2013-14	2012-13	2011-12	2010-2011	2009-2010
	(Rs. In Lakhs)									
Sales	5,036.33	6,195.90	6,985.51	7,392.87	7,227.69	6,604.38	5,285.39	3,377.04	4,231.56	2,806.39
Total Income	5,323.39	6,567.42	7,334.43	7,652.02	7,406.48	6,717.44	5,349.25	3,414.94	4,510.23	2,885.83
Operating Profit	338.24	957.61	2,118.85	2,274.62	2,203.68	1,486.01	938.15	314.98	389.84	295.15
Interest	79.62	83.42	122.14	103.09	108.95	109.03	95.17	101.52	91.98	37.09
Depreciation	171.81	191.44	235.19	220.60	236.80	128.32	107.58	103.57	101.20	78.80
Profit Before Tax	86.81	682.75	1,761.52	1,950.93	1,857.93	1,248.66	735.40	109.90	196.66	179.26
Provision for Taxation	19.16	234.49	539.54	727.39	677.00	450.57	249.85	46.03	38.33	70.69
Profit After Tax	67.65	448.26	1,221.98	1,223.54	1,180.93	798.09	485.55	63.86	158.33	108.57
Provision for Deferred Tax	(54.78)	(57.56)	44.91	(42.28)	(24.57)	(14.24)	(31.22)	2.77	22.78	3.25
Provision for Fringe Benefit Tax	-	-	-	-	-	-	-	-	-	-
Extra Ordinary Item	106.56	-	-	-	-	-	-	-	-	-
Net Profit (+) /Loss (-)	15.87	505.82	1,177.07	1,265.82	1,205.50	812.33	516.77	61.09	135.55	105.32
Other Comprehensive Income (OCI)	79.17	1.65	(3.23)	-	-	-	-	-	-	-
Total Comprehensive Income	95.04	507.47	1,173.84	-	-	-	-	-	-	-
Equity Dividend %	20	30	30	30	27	20	18	12	12	12
Dividend Payout	66.10	99.14	99.14	99.14	88.05	65.22	56.00	35.53	35.53	35.53
Paid up Share Capital	330.48	330.48	330.48	330.48	331.36	331.36	316.36	301.36	301.36	301.36
Reserve & Surplus	6,405.62	6,310.78	5,922.64	4,868.13	3,589.20	2,547.01	1,773.46	1,296.95	1,277.15	1,182.90
Deferred Tax Liability	98.37	121.65	178.33	135.13	130.02	184.28	198.52	229.74	226.97	204.19
Net Worth	6,834.47	6,762.91	6,431.45	5,333.74	4,050.58	3,062.65	2,288.34	1,828.04	1,805.48	1,688.45
Gross Fixed Assets	2,930.78	2,942.94	2,784.74	2,484.11	2,338.09	2,338.09	2,306.86	2,184.69	2,221.77	1,813.29
Net Fixed Assets	1,073.61	1,143.07	1,125.73	970.56	1,009.95	1,268.81	1,322.46	1,290.07	1,365.75	1,043.07
E.P.S.- Rs.	2.88	15.36	35.52	38.00	36.14	25.24	16.79	2.01	4.46	3.47
Book Value - Rs.	203.83	200.96	189.21	155.82	121.41	91.80	71.82	60.21	59.46	75.88
Debt : Equity Ratio	0.02:1	0.03:1	0.13:1	0.07:1	0.06:1	0.15:1	0.26:1	0.28:1	0.30:1	0.20:1
Number of Investors	2,635	2,985	3,259	2,739	1,606	1,351	1,292	1,266	1,302	1,316
Number of Employees	170	182	174	163	167	183	169	168	181	134

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* The above figures are Ind AS figures and are not comparable with earlier years figures

NOTES



PREMCO GLOBAL LTD

CIN:L18100MH1986PLC040911

Registered Office: A/26, Premco House, Street No.3, M.I.D. C, Marol, Andheri (East),
Mumbai-400 093 Website: www.premcoglobal.com

Tel No. 022-61055000/001, Email Id: admin@premcoglobal.com

ATTENDANCE SLIP

(To be presented at the entrance)

I / We record my / our presence at the 35th Annual General Meeting of the Company to be held on **Tuesday, September 10, 2019** at 10.00 A.M. at **The International By Tunga, at B/11, MIDC Central Road, MIDC, Opp. Ahura Centre, Andheri (E), Mumbai – 400 093.**

Folio No.: _____

No. of Shares held: _____

DP ID: _____

Client ID: _____

Name of Member: _____

Signature: _____

Name of Proxyholder/: _____

Signature: _____

Authorised Representative

Note:

1. You are requested to sign and handover this slip at the entrance of the meeting venue.
2. Member/Proxyholder/Authorised Representative should bring his/her copy of the Notice of the EGM for reference at the Meeting.



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If undelivered please return to:

PREMCO GLOBAL LTD

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Mumbai-400 093.