

78th

2019 - 20

**ANNUAL
REPORT**

Supreme[®]
People who know plastics best

GROWTH
A WAY OF LIFE!



THE SUPREME INDUSTRIES LIMITED



One good look around and the changes in the new age lifestyle are visible in every sphere of life - changes that make life easier with better way of doing things. This pursuit for change and the quest for better technologies is what Supreme's growth saga is all about.

Over the decades, Supreme has emerged as the market leader by offering advanced product solutions to meet the constantly expanding use of plastics in all walks of life and industries, and thus, contributing to the growth of our customers and the society at large.

At Supreme, our close understanding of customer and market requirements are supplemented with a strong passion for innovation that finally ends with a befitting solution with that hallmark excellence in quality and design. Such a steadfast customer-centric approach has enabled us to emerge as a pioneer and one of the leading names in the Indian Plastics Industry. It is a system where we constantly strive to grow sustainably and responsibly in an ecosystem that brings together all our collaborators, stakeholders and communities to thrive and progress collectively.

Today, Supreme is a household name that rules the markets with a wide range of highly advanced customized products and solutions.

Integrating its core values of passion and innovation, we have evolved a culture of quality that flows through our entire operations and shows in every product that leaves our state-of-the-art manufacturing facilities.

And that's how we make Growth – A way of life !





Performance Highlights

(₹ In Lacs)

	2010-11	2011-12	2012-13	2013-14	2014-15	2015-16	2016-17	2017-18	2018-19	2019-20
Market Capitalization	229,919	283,206	428,144	663,779	857,749	939,554	1,387,959	1,516,764	1,414,889	1,102,212
Polymers Processed (MT)	224,673	245,700	281,452	285,539	303,812	242,968	359,930	366,714	400,248	428,272
Product Sales (MT)	219,931	245,947	270,650	275,463	301,930	235,306	340,906	371,176	397,983	411,521
Sales	266,553	318,462	374,608	434,333	469,138	332,776	499,896	510,894	561,167	551,127
Less: Excise Duty	22,980	29,532	38,796	43,851	47,239	36,770	53,719	13,914	-	-
Net Sales	243,573	288,930	335,812	390,483	421,899	296,006	446,177	496,980	561,167	551,127
Other Income	4,295	4,917	4,884	6,751	4,246	1,082	802	1,651	2,080	1,879
Total Income	247,868	293,847	340,697	397,234	426,145	297,088	446,979	498,631	563,247	553,006
Operating Profit	36,709	48,282	53,940	59,903	67,265	47,171	76,961	80,304	80,457	85,372
Interest	4,250	5,480	5,235	7,614	5,795	2,888	3,024	2,064	2,600	2,018
Gross Profit	32,459	42,802	48,705	52,288	61,470	44,283	73,937	78,240	77,857	83,354
Depreciation	6,285	7,246	8,171	10,154	13,895	10,457	15,429	16,715	18,354	20,567
Profit Before Tax & Exceptional Items	26,175	35,556	40,535	42,135	47,575	33,826	58,508	61,525	59,503	62,787
Exceptional Items/(Loss)	-	-	-	-	-	(769)	-	-	8,175	-
Tax	(8,773)	(11,504)	(13,299)	(13,998)	(16,004)	(11,765)	(20,578)	(20,570)	(21,575)	(13,147)
Profit after Tax	17,401	24,052	27,235	28,137	31,571	21,292	37,930	40,955	46,103	49,640
Other Comprehensive Income			-	-	-	(143)	(213)	(62)	(236)	(423)
Total Comprehensive Income	17,497	24,052	27,235	28,137	31,571	21,149	37,717	40,893	45,867	49,217
Paid up Equity Capital (FV Rs.2)	2,541	2,541	2,541	2,541	2,541	2,541	2,541	2,541	2,541	2,541
Reserves and Surplus*	46,279	61,472	77,581	93,828	120,692	119,673	152,804	170,764	196,724	210,718
Shareholders' Funds	48,819	64,013	80,122	96,369	123,233	122,214	155,345	173,305	199,265	213,259
Net Debts (After Adjusted Surplus In CC Account)	50,167	34,352	45,396	45,188	27,651	41,209	22,836	24,508	14,713	21,763
Long Term Loans	27,487	20,226	29,274	34,998	29,622	24,826	6,406	135	112	88
Deferred Tax Liability (Net)	7,954	8,326	9,065	11,675	9,058	10,548	11,626	11,340	12,036	9,011
Capital Employed**	84,260	92,565	118,461	143,042	161,913	157,588	173,377	184,780	211,413	222,358
Net Fixed Assets***	74,027	73,805	102,645	108,790	103,250	118,467	126,330	135,338	152,097	160,774
Basic & Diluted Earning Per Share (Before exceptional income/loss)	14	19	21	22	25	17.37#	29.86	32.24	31.40	39.08
Basic & Diluted Earning Per Share (After exceptional income/loss)	14	19	21	22	25	16.76#	29.86	32.24	36.29	39.08
Cash Earning Per Equity Share (Rs.)	19	25	28	30	36	25	41.84	45.35	50.56	54.93
Book Value (Rs.)	38	50	63	76	97	96	122.29	136.43	156.87	167.85
Dividend (%)	215	300	375	400	450	375	750	600	650	700
ROACE (PBIT excluding exceptional items/ Average Capital Employed)% **** ^	39.80	44.69	40.03	34.81	33.15	29.87	36.24	34.70	30.23	28.97
ROANW (PAT/Average Net Worth) % ^	40.24	42.63	37.79	31.88	28.75	23.13	27.33	24.92	24.75	24.07
Debt : Equity (Long Term Debt / Total Net worth)	0.50	0.29	0.36	0.36	0.24	0.20	0.04	0.00	0.00	0.00
Debt: Equity (Total Debt / Total Net Worth)	1.05	0.54	0.58	0.47	0.22	0.34	0.15	0.14	0.08	0.10

* Excluding revaluation reserves

** Shareholders' funds + Long Term Loans + Deferred Tax Liability

*** Excluding revaluation reserve & Capital work in Progress & Assets held for disposal

**** ROACE=PBIT (Interest is excluding interest on working capital loans & unsecured loans)/Avg. Capital employed

Figure Not Annualised

^ FY 2015-16 Figures Annualised

Previous year figure have been regrouped where ever required.



Complementing deca-millionaire trade partners and capturing the business moments at BIG 5'19 exhibition held at DWTC, Dubai, United Arab Emirates.



Mr A.K. Ghosh VP (tech) and his engineering team receiving 9th National award for Technology Innovation in Petrochemical & downstream Plastic processing industry from Hon'ble Minister for Chemical & Fertilizers, Govt. of India Shri D.V. Sadananda Gowda for the design and development of Planetary Polyethylene foam extruder.

Glimpse of Supreme's participation in various Exhibitions



Employee engagement activities at Supreme Corporate office at Mumbai



Independence Day Celebration



Women's Day Celebration



Safety measures being taken at Supreme Plant for COVID 19 pandemic



Company Information

BOARD OF DIRECTORS

B. L. Taparia, Chairman
M. P. Taparia, Managing Director
S. J. Taparia, Executive Director
V. K. Taparia, Executive Director
B. V. Bhargava, Director
Y. P. Trivedi, Director
R. Kannan, Director
R. M. Pandia, Director
Ms. Ameeta Parpia, Director (w.e f. 7th May, 2019)
Sarthak Behuria, Director (w.e f. 7th May, 2019)
N. N. Khandwala, Director (up to 17th September, 2019)
Smt. Rashna Khan, Director (up to 17th September, 2019)

BANKERS

Central Bank of India
Axis Bank Ltd.
BNP Paribas
ICICI Bank Ltd.
Standard Chartered Bank
Kotak Mahindra Bank Ltd.
HDFC Bank Ltd.

CHIEF FINANCIAL OFFICER

P. C. Somani

VP (CORPORATE AFFAIRS) & COMPANY SECRETARY

R.J. Saboo

AUDITORS

M/s. Lodha & Co.
Chartered Accountants

REGISTERED OFFICE

612, Raheja Chambers, Nariman Point, Mumbai 400 021.
Tele: 022-2285 1656 Fax: 022-2285 1657
Website: <http://www.supreme.co.in>
Email: investor@supreme.co.in
CIN: L35920MH1942PLC003554

CORPORATE OFFICE

1161 & 1162 Solitaire Corporate Park,
167, Guru Hargovindji Marg, Andheri Ghatkopar Link Road,
Andheri (E), Mumbai 400 093
Tele: 022-4043 0000 Fax: 022-4043 0099
Website: <http://www.supreme.co.in>
Email: supreme@supreme.co.in

WORKS

1. Derabassi (Punjab)
2. Durgapur (West Bengal)
3. Gadegaon (Maharashtra)
4. Ghiloth (Rajasthan)
5. Guwahati (Assam)
6. Halol – Unit I (Gujarat)
7. Halol – Unit II (Gujarat)
8. Halol – Unit III (Gujarat)
9. Halol – Unit IV (Gujarat)
10. Hosur (Tamil Nadu)
11. Jalgaon – Unit I (Maharashtra)
12. Jalgaon – Unit II (Maharashtra)
13. Jadcherla (Telangana)
14. Kanhe (Maharashtra)
15. Kanpur (Uttar Pradesh)
16. Kharagpur (West Bengal)
17. Khopoli (Maharashtra)
18. Malanpur – Unit I (Madhya Pradesh)
19. Malanpur – Unit II (Madhya Pradesh)
20. Malanpur – Unit III (Madhya Pradesh)
21. Noida (Uttar Pradesh)
22. Puducherry (Union Territory)
23. Silvassa (Union Territory)
24. Sriperumbudur (Tamil Nadu)
25. Urse (Maharashtra)

OFFICES

- | | | |
|--------------|------------|-----------------|
| 1. Ahmedabad | 7. Kanpur | 13. Jabalpur |
| 2. Bangalore | 8. Kolkata | 14. Bhubaneswar |
| 3. Chennai | 9. Mumbai | 15. Guwahati |
| 4. Cochin | 10. Noida | 16. Patna |
| 5. Hyderabad | 11. Pune | 17. Ranchi |
| 6. Indore | 12. Jaipur | 18. Raipur |

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Boards' Report

The Directors have great pleasure in presenting the 78th Annual Report together with the Audited Financial Statements for the financial year ended 31st March, 2020.

(₹ In Crores)

Particulars	FY 2019-20	FY 2018-19
Total Income	5530	5633
Profit Before Interest, Depreciation & Tax	854	805
Interest & Financial Charges	20	26
Depreciation, Amortization and Impairment	206	184
Profit Before Tax & Exceptional Items	628	595
Exceptional Items Gain/(Loss)	–	82
Profit Before Tax	628	677
Tax Expenses	132	216
Profit After Tax	496	461
Other Comprehensive Income (Net of Taxes)	(4)	(2)
Total Comprehensive Income	492	459

DIVIDEND

₹ in Crores

(i) Dividend on 12,70,26,870 Equity Shares of ₹ 2/- each @ 700 % i.e. ₹ 14/- per share as under:		
(Previous year @ 650% i.e. ₹ 13/- per equity share)		
(a) Interim Dividend @200 % i.e. ₹ 4/- per share (already paid in November 2019)	51	
(b) 2nd Interim Dividend @500 % i.e. ₹ 10/- per share (already paid in March 2020)	127	178
(ii) Corporate Dividend Tax as applicable		36
TOTAL		214

The Board of Directors of the Company had adopted the Dividend Distribution Policy on January 25, 2017 in line with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Policy is uploaded on the Company's website at www.supreme.co.in

OVERVIEW OF THE FINANCIAL PERFORMANCE

The financial performance highlights for the year ended 31st March, 2020, are as follows -

The Company sold 411521 MT of Plastic goods and achieved net product turnover of ₹ 5408 Crores during the year under review against sales of 397983 MT and net product turnover of ₹ 5437 crores in the previous year achieving volume growth about 3 % and product value degrowth about 1 %, respectively.

Total Income and Operating Profit for the year under review amounted to ₹ 5530 crores and ₹ 854 crores respectively as compared to ₹ 5633 crores and ₹ 805 crores, in the previous financial year.

The Profit before Tax and Profit after Tax for the year under review amounted to ₹ 628 crores and ₹ 496 crores respectively as compared to ₹ 677 crores and ₹ 461 crores, in the previous financial year.

MANAGEMENT DISCUSSION AND ANALYSIS

The Management's Discussion and Analysis forms an integral part of this report and gives detail of the overview, industry structure and developments, different product groups of the Company, operational performance of its various business segments.

CREDIT RATING

The Company's financial discipline and prudence is reflected in strong credit rating ascribed by CRISIL as under:-

Total Bank Loan Facilities Rated	₹ 1760.80 crores
Long-Term Rating	CRISIL AA/Stable (outlook revision from 'Positive'; rating reaffirmed)
Short-Term Rating	CRISIL A1+ (Reaffirmed)
₹ 200 crore commercial paper	CRISIL A1+ (reaffirmed)

FIXED DEPOSITS

In accordance with the terms and conditions governing the Fixed Deposit Scheme, the Company has exercised the option to repay on 1st April, 2014, all the Fixed Deposits with accrued interest as at the end of 31st March, 2014. Accordingly, the Company is not having any Fixed Deposit as on 31st March, 2020 except 6 deposits amounting to ₹ 90 thousand which remained unclaimed as on 31st March, 2020.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Board of Directors acknowledge the responsibility for ensuing compliances with the provisions of Section 134(3)(c) read with Section 134(5) of the Companies Act, 2013 in the preparation



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of annual accounts for the year ended on 31st March, 2020 and state that:

- in the preparation of the annual accounts, the applicable accounting standards had been followed and there is no material departures from the same;
- the Directors have selected such accounting policies and applied 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 31st March, 2020 and of the profit of the Company for the year ended on that date ;
- the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- the Directors have prepared the annual accounts on a going concern basis;
- the Directors have laid down internal financial controls to be followed by the Company and that such internal financial controls are adequate and are operating effectively; and
- the Directors have devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively;

CORPORATE GOVERNANCE

The Company has taken the requisite steps to comply with the recommendations concerning Corporate Governance.

A separate statement on Corporate Governance together with a certificate from the auditors of the Company regarding compliance of conditions of Corporate Governance as stipulated under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 forms part of this Annual Report.

ENERGY CONSERVATION, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING / OUTGO

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo required to be given pursuant to Section 134(3) (m) of the Companies Act, 2013 read with Rule 8 of the Companies (Accounts) Rules, 2014 is annexed herewith as Annexure - I to this report.

PARTICULARS OF EMPLOYEES AND RELATED DISCLOSURES

The prescribed particulars of Employees required under Section 197(12) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 is annexed herewith as Annexure-II to this Report.

The information required under Section 197(12) of the Companies Act, 2013 read with Rule 5(2) and 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and forming part of the Boards' Report for the year ended 31st March, 2020 is given in the separate Annexure of this Report.

The Annual Report excluding the aforesaid Annexure is being sent to the Members of the Company in terms 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, 21 days before the 78th Annual General Meeting and up to the date of the ensuing Annual General Meeting during the business hours on working days.

CONSOLIDATED FINANCIAL STATEMENT

The consolidated financial statements of the company & its subsidiary & associates which form part of Annual Report have been prepared in accordance with section 129(3) of the Companies Act, 2013. Further, a statement containing the salient features of the Financial Statement of Subsidiary Company & Associate Companies in the prescribed format AOC-1 is annexed herewith as Annexure - III to this Report. The statement also provides the details of performance and financial position of the Subsidiary Company & Associate Companies.

In accordance with Section 136 of the Companies Act, 2013 the Audited Financial Statements, including the consolidated financial statements & related information of the Company & Audited Accounts of its Subsidiary Company are available on the website www.supreme.co.in. These documents will also be available for inspection during business hours at the registered office of the company. Any member desirous of obtaining a copy of the said financial statement may write to the Company Secretary at the Registered Office of the company.

The Consolidated net profit of the company and its subsidiary amounted to ₹ 463 crores for the financial year ended 31st March 2020 as compared to ₹ 446 crores for the previous financial year ended 31st March 2019.

Additional details regarding performance of the Associate Companies & Subsidiary Company have been mentioned in the succeeding paragraphs.

ASSOCIATE COMPANY - SUPREME PETROCHEM LIMITED (SPL)

During the year the Company received an aggregate Dividend of ₹ 1736 lakhs from Supreme Petrochem Ltd (SPL) - promoted jointly by your Company and the R Raheja Group. Net revenues and net profit for the year ended 31st March, 2020 were ₹ 2736 crores and ₹ 102 crores, respectively.

ASSOCIATE COMPANY-KUMI SUPREME INDIA PRIVATE LIMITED

Kumi Supreme India Private Ltd. (KSIPL) is a joint venture between Kumi Kasei Co Ltd, Japan and the Company has reported Net revenues and net profit for the year ended 31st March, 2020 were ₹ 131 crores and ₹ 2.5 crores, respectively.

As per the mutual agreement arrived at with the majority partner viz Kumi Kasei, Japan & pursuant to the approval of Board of Directors the company has divested (1) 2,50,25,611 equity shares of Kumi Supreme India Private Limited (KSI), constituting 20.67% of its equity share capital, to Kumi (Thailand) Co. Ltd (Kumi Thailand), a nominee of Kumi Kasei Co. Ltd, Japan for a consideration of INR 243,248,939/- (Indian Rupees Two Hundred Forty Three Million Two Hundred Forty Eight Thousand Nine Hundred Thirty Nine only) vide Share Purchase Agreement (SPA) dated 23rd March, 2020; (b) & consequently terminated the existing joint venture agreement between the Company, Kumi and KSI dated 4 April 2018 vide a Termination Agreement dated 31st March, 2020; and (c) granted the limited right to KSI to continue to use the word 'Supreme' as part of its corporate name within the terms of such agreement. As an outcome of the exit completion, KSI now ceases to be an associate of the Company.

SUBSIDIARY COMPANY

The Supreme Industries Overseas FZE entered into the 14th years of operation by business procurement of US\$ 7.53 Million during the financial year 2019-20 through trade partners spread over twenty five countries mapping GCC, Africa, Australia, Europe & Indian-sub-continent. While new channel partners are added during the financial year. The de-growth is due to slack in demand during second half of the year and non-dispatch of booked orders in the last month of financial year. Supreme continued to supply piping products to high value project orders exhibiting its commitment towards quality, delivery and services.

Though Covid'19 has dampened the new business cycle, Supreme Overseas is aiming to achieve decent growth during financial year 2020-21 by improving individual performance of existing trade partners & by adding distributors in existing & new geographies. It also expects high value orders from project market.

MATERIAL SUBSIDIARY

The Board of Directors of the Company had adopted a Policy for determining material subsidiary company in line with the SEBI (Listing Obligations & Disclosure Requirements) Regulations, 2015. The Policy is uploaded on the Company's website at www.supreme.co.in. Presently there is no material subsidiary company.

DIRECTORS AND KEY MANAGERIAL PERSONNEL

Shri V.K. Taparia, Executive Director, (DIN: 00112567) of the Company retires by rotation at the forthcoming Annual General Meeting in accordance with provisions of the Companies Act, 2013 and the Articles of Association of the Company and being eligible, offers himself for re-appointment.

Shri Ramanathan Kannan, Independent Director, (DIN: 00380328), is proposed for re-appointment as an Independent Director of the Company for a period of five years from 16th September, 2020 to 15th September, 2025 who hold office as an Independent Director of the Company upto the close of business hours on 15th September, 2020 in his present first term.

Shri Rajeev M. Pandia, Independent Director, (DIN: 00021730), is proposed for re-appointment as an Independent Director of the Company for a period of five years from 16th September, 2020 to 15th September, 2025 who hold office as an Independent Director of the Company upto the close of business hours on 15th September, 2020 in his present first term.

The Company has received declarations from all the Independent Directors of the Company confirming that they meet with the criteria of the independence as prescribed both under section 149(6) of the Companies Act, 2013 and under Regulation 16 (1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In accordance with the provisions of the Companies Act, 2013, none of the Independent Directors are liable to retire by rotation.

KEY MANAGERIAL PERSONNEL

Shri M P Taparia, Managing Director, Shri P C Somani, Chief Financial Officer and Shri R J Saboo, VP (Corporate Affairs) & Company Secretary were appointed as Key Managerial Personnel of your Company, in accordance with the provisions of Section 203 of the Companies Act 2013 and there is no change in the same during the year under review.

DISCLOSURES RELATED TO BOARD, COMMITTEES AND POLICIES

a. Board Meetings:

The Board of Directors met 6 times during the year ended 31st March, 2020 in accordance with the provisions of the Companies Act, 2013 and rules made there under. The details thereof are given in the Corporate Governance Report.

b. Board Performance Evaluation:

- (i) The Board in consultation with Nomination and Remuneration Committee has devised criteria for performance evaluation of Independent Directors, Board/Committees, and other individual Directors which includes criteria for performance evaluation of Non Executive Directors and Executive Directors. Performance evaluation has been carried out as per the Nomination & Remuneration Policy.

Pursuant to amendment in section 178 by the Companies (Amendment) Act, 2017, which is effective from 7th May, 2018, the Nomination and Remuneration Committee noted the amendment and decided to carryout evaluation of performance of Board, its Committees and individual Director by the Nomination and Remuneration committee. Accordingly Nomination and Remuneration Committee conducted the performance evaluation of Board, its Committees and individual Director in its meeting held on 23rd January, 2020

The performance evaluation of the Independent Directors was also carried by the entire Board. The performance evaluation of the Chairman, Managing Director & Executive Directors was carried out by the independent Directors at its separate meeting held on 23rd January, 2020.

- (ii) The Board has, on the recommendation, of the Nomination & Remuneration Committee, framed a Nomination & Remuneration policy and Policy on fixation of criteria for selection & appointment of Directors & Senior Management Personnel. The Nomination & Remuneration Policy and Policy on fixation of criteria for selection & appointment of Directors & Senior Management Personnel are annexed herewith as Annexure IV (A) & Annexure IV (B) to this Report.

AUDITORS

Statutory Auditors:-

The Statutory Auditors M/s Lodha & Co., Chartered Accountants having Registration No 301051E, was appointed in 74th Annual General Meeting to hold office from the conclusion of 74th Annual General meeting for a term of consecutive five years till conclusion of 79th Annual General Meeting (subject to ratification of the appointment by the members at every Annual General Meeting). The requirement of seeking ratification of the members for continuance of their appointment has been withdrawn consequent upon the changes made by the Companies (Amendment) Act, 2017 with effect from May 07, 2018.

The Statutory Auditors have given a confirmation to the effect that they are eligible to continue with their appointment and that they have not been disqualified in any manner from continuing as Statutory Auditors.



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AUDITORS' REPORT

Note on financial statement referred to in the Auditor's Report are self-explanatory and do not call for any further comments. The Auditor's Report does not contain any qualification, reservation or adverse remark, except following:

There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, except ₹ 11.29 lakhs.

COST AUDITORS

In terms of the provisions of Section 148 of the Act read with the Companies (Cost Records and Audit) Rules, 2014 as amended from time to time, the Board of Directors, on the recommendation of the Audit Committee, has appointed M/s. Kishore Bhatia & Associates, Cost Accountants (Registration No: 00294) as Cost Auditor of the Company, for the financial year ending 31st March 2021, on a remuneration as mentioned in the Notice convening the 78th Annual General Meeting for conducting the audit of the cost records maintained by the Company.

A Certificate from M/s. Kishore Bhatia & Associates, Cost Accountants has been received to the effect that their appointment as Cost Auditor of the Company, if made, would be in accordance with the limits specified under Section 141 of the Act and Rules framed thereunder.

A resolution seeking Members' approval for remuneration payable to Cost Auditor forms part of the Notice of the 78th Annual General Meeting of the Company and same is recommended for your consideration.

Cost Audit Report for the year 31st March 2019 was filed with the Registrar of Companies, within the prescribed time limit.

The Company is required to maintain Cost Records as specified by the Central Government under sub-section (1) of section 148 of the Companies Act, 2013.

Accordingly, the Company has made and maintained such accounts and records.

SECRETARIAL AUDIT REPORT FOR THE YEAR ENDED 31ST MARCH, 2020

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Board has appointed M/s V. Laxman & Co., Company Secretaries (C.P No. 744), to conduct Secretarial Audit for the financial year ended on 31st March, 2020.

Secretarial Audit Report issued by M/s. V. Laxman & Co, Company Secretaries in Form MR-3 forms part to this report Annexure V. The said report does not contain any observation or qualification requiring explanation or adverse remark.

AUDIT COMMITTEE

The details pertaining to composition of the Audit Committee and terms of reference are included in the Corporate Governance Report, which forms part of this Report.

REPORTING OF FRAUDS

There was no instance of fraud during the year under review, which required the Statutory Auditors to report to the Audit Committee and/or Board under Section 143(12) of the Act and Rules framed thereunder

MATERIAL CHANGES AND COMMITMENT AFFECTING FINANCIAL POSITION OF THE COMPANY

In March 2020, the WHO declared the COVID 19 outbreak as a pandemic which continues to spread across the country. On 25/03/2020, the Government of India has declared this pandemic a health emergency, ordered temporarily close of all non-essential businesses, imposed restrictions on movement of goods/material, travel, etc. As the nature of business performed by the Company, majorly, fell under non-essential category, these restrictions had resulted in temporarily suspension of operations at most of its plants for a duration of about 25 to 35 days. The Company has since, after receiving applicable permissions, partially commenced operations including despatch of goods to its' customers at all of its manufacturing facilities and scaling up the same gradually.

There are no other material changes or commitments occurring after 31st March 2020, which may affect the financial position of the company or may require disclosure.

IMPLEMENTATION OF SAP

Since implementation of SAP a leading ERP solution with effect from 1st April 2018, all the units of the company are under the one platform for using SAP system. This is the second year of implementation of SAP which has since been rolled over. The SAP System has been stabilised across all the units of the company & It has been effectively used to enhance the productivity and efficiency of the Organisation in the entire scale of operations. New applications are being developed, added & customised to meet the users' requirements. This would now facilitate in digital transformation and also help in data analytics for better decision making process.

INTERNAL FINANCIAL CONTROLS

The company has in place Internal Financial Control system, commensurate with size & complexity of its operations to ensure proper recording of financial and operational information & compliance of various internal controls & other regulatory & statutory compliances. During the year under review, no material or serious observation has been received from the Internal Auditors of the Company for inefficiency or inadequacy of such controls.

Internal Auditors' comprising of professional Chartered Accountants monitor & evaluate the efficacy of Internal Financial Control system in the company, its compliance with operating system, accounting procedures & policies at all the locations of the company. Based on their report of Internal Audit function, corrective actions in the respective area are undertaken & controls are strengthened. Significant audit observations & corrective action suggested are presented to the Audit Committee.

PARTICULAR OF CONTRACTS OR ARRANGEMENT WITH RELATED PARTIES

All the transactions with Related Parties are placed before the Audit Committee as also placed before the Board for approval. Prior omnibus approval of the Audit Committee and the Board is obtained for the transactions which are of a foreseen and repetitive nature. The transactions entered into pursuant to the omnibus approval so granted are audited and a statement giving details of all related party transactions is placed before the Audit Committee and the Board of Directors for their approval on a quarterly basis.

All transactions entered into with related parties during the year were on arm's length basis, in the ordinary course of business and in line with the threshold of materiality defined in the Company's

policy on Related Party Transactions & are in accordance with the provisions of the Companies Act, 2013, Rules issued thereunder & Regulation 23 of (SEBI Listing Obligations and Disclosure Requirements) Regulations, 2015. During the financial year ended on 31st March, 2020, there were no transactions with related parties which qualify as material transactions.

The details of the related party transactions are set out in Note 40 to the standalone financial statements forming part of this Annual Report.

The Form AOC-2 pursuant to section 134(3)(h) of the Companies Act read with Rule 8(2) of the Companies (Accounts) Rules, 2014 is set out as Annexure VI to this Report.

The Policy on Related Party Transactions as approved by the Board is also uploaded on the Company's website at the Link: www.supreme.co.in

PARTICULARS OF LOANS, GUARANTEES, INVESTMENTS AND SECURITIES

The company has complied with the provisions of section 185 & 186 of the Act to the extent applicable, with respect to the loans and investments made.

VIGIL MECHANISM POLICY FOR THE DIRECTORS AND EMPLOYEES

A "Vigil Mechanism Policy" for Directors and employees of the Company is constituted, to provide a mechanism which ensures adequate safeguards to employees and Directors from any victimization on rising of concerns of any violations of legal or regulatory requirements, incorrect or misrepresentation of any, financial statements and reports, etc.

RISK MANAGEMENT POLICY

Your Company has an elaborate risk Management procedure and adopted a systematic approach to mitigate risk associated with accomplishment of objectives, operations, revenues and regulations. Your Company believes that this would ensure mitigating steps proactively and help to achieve stated objectives. The entity's objectives can be viewed in the context of four categories Strategic, Operations, Reporting and Compliance. The Company consider activities at all levels of the organization, viz Enterprise level, Division level, Business unit level and Subsidiary level, in Risk Management framework. The Risk Management process of the Company focuses on three elements, viz. (1) Risk Assessment; (2) Risk Management; (3) Risk Monitoring.

A Risk Management Committee is constituted which has been entrusted with the responsibility to assist the Board in (a) Overseeing and approving the Company's enterprise risk management framework; and (b) Overseeing that all the risk that the organization faces.

The key risks and mitigating actions are also placed before the Audit Committee of the Company. Significant audit observations and follow up actions thereon are reported to the Audit Committee. The Audit Committee reviews adequacy and effectiveness of the Company's internal control environment and monitors the implementation of audit recommendations, including those relating to strengthening of the Company's risk management policies and systems.

CORPORATE SOCIAL RESPONSIBILITY POLICY

The brief outline of the Corporate Social Responsibility (CSR) Policy of the company and the initiatives undertaken by the company on CSR activities during the year are set out in Annexure of this Report in the format prescribed in the Companies (Corporate Social Responsibility Policy) Rules 2014. Annexure VII.

The Policy is available on the website of the Company.

BUSINESS RESPONSIBILITY REPORT

The Business Responsibility Report as approved by the Business Responsibility Committee and Board of Directors forms part of this Annual Report.

DISCLOSURE AS PER THE SEXUAL HARASSMENT OF WOMAN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013

The Company has zero tolerance towards sexual harassment at the workplace and have a policy on prevention, prohibition and redressal of sexual harassment at workplace in line with the provisions of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 and the Rules thereunder. As required under law, an Internal Complaints Committee has been constituted for reporting and conducting inquiry into the complaints made by the victim on the harassments at the work place. During the year under review, there were no cases filed pursuant to the Sexual Harassment of Woman at Workplace (Prevention, Prohibition and Redressal) Act, 2013.

ANNUAL RETURN:

The details forming part of the extract of the Annual Return in form MGT-9 is annexed herewith as Annexure VIII.

GENERAL DISCLOSURE

Your Directors state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review:

1. Details relating to deposits covered under Chapter V of the Act.
2. Issue of equity shares with differential rights as to dividend, voting or otherwise.
3. Issue of shares (sweat equity shares) to employees of the Company under ESOS.
4. Neither the Managing Director nor the Whole Time Directors of the Company received any remuneration or commission from any of its subsidiary.
5. No significant or material orders were passed by the Regulators or Courts or Tribunals which impact the going concern status and Company operations in future.

ACKNOWLEDGEMENT

The Board of Directors wishes to express its gratitude and record its sincere appreciation for the commitment and dedicated efforts put in by all the employees. Your Directors take this opportunity to express their grateful appreciation for the encouragement, co-operation and support received by the Company from the local authorities, bankers, customers, suppliers and business associates. The directors are thankful to the esteemed shareholders for their continued support and the confidence reposed in the Company and its management.

For and on behalf of the Board of Directors

B. L. Taparia
Chairman

Place: Mumbai
Date: 22nd May, 2020



ANNEXURE - I

Annexure to the Boards' Report**Information as required under Rule 8(3) of the Companies (Accounts) Rules, 2014****1. CONSERVATION OF ENERGY**

The Company is continuously putting its efforts to improve Energy Management by way of monitoring energy related parameters on regular basis.

The Company is committed to transform energy conservation into a strategic business goal fully along with the technological sustainable development of Energy Management System. It is putting best endeavour to reduce energy consumption in all its operations and activities.

To achieve above objectives the following steps are being undertaken by the Company:-

- 1 Creating, obtaining and sustaining highest level management commitment for energy improvement.
- 2 Defining and assigning responsibility of energy use & Reduce the Green house emission
- 3 Efficient utilization of energy purchase from the discom by Continuously monitoring the energy parameters such as maximum demand, power factor, load factor, TOD tariff utilization on regular basis.
- 4 Continuously replacing the inefficient equipment's with latest energy efficient technology & up gradation of equipment's continually.
- 5 Increasing the awareness of energy saving within the organization to avoid the wastage of energy.
- 6 To enhance utilization of Renewable Energy Resources.
- 7 Reduction of Fuel consumption of boiler by efficient maintenance thereof.
- 8 Encourage Renewable energy source & clean energy utilization by Installing Roof Top Solar Power plants at various factory locations. Company has installed and using Solar Power generation at Gadegaon, Jalgaon, Khopoli, (Maharashtra), Plastic Piping, Protective packaging & Roto Moulding units situated at Malanpur in Madhya Pradesh.
- 9 Management have a plan to install more solar power plant during year 20-21 at Silvassa, Hosur, Lalru, Noida facility and continue to work for more locations going forward.
- 10 Noida plant is certified for ISO-50001 Energy Management System.
- 11 Purchasing the Clean energy at PPD hosur, PPD, Plastic piping, Roto Moulding units at Malanpur (M.P.).

2. TECHNOLOGY ABSORPTION, ADAPTION AND INNOVATION**A. RESEARCH & DEVELOPMENT (R&D)**

On-going study in the following areas to reduce cost of conservation and improve the quality.

- Evaluation of the alternative materials or additives to reduce the cost of raw material.
- Improving the output / input ratio to gain maximum finished products from per kg. Raw material.
- Wastage management is highly focused and monitored through corporate management and recycling the product by using good waste management process.
- Modify the mould and dies to improve the cycle time to get higher production from the same machine.
- To modify the process parameters to improve the quality.
- Expenditure on R & D: Not significant.

B. TECHNOLOGY ABSORPTION

The Company has taken technical know how for manufacture of Nitrile PVC Rubber Foam Sheet and Tube from Zhejiang Baina Rubber Plastic Equipment Co Ltd, China in the year 2018. The technology is fully absorbed.

Efforts made towards Technology Absorption – The PPD division has set up the infrastructure and organization effectively to adopt the new technology of the above product. The division has redesigned the equipment in such way to facilitate ease of operation with higher operating band. Special focus was given on mixing equipment which was decided to import from Taiwan and also the oven design to suit the product specifications as required for the local market. Many of the imported ingredients have been replaced by local ingredients. By adding an adhesive lamination line, a large number of variants have been added.

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

The division is offering a wide range of Insulation products such as NBR sheets & large diameter tubes which are generally specified by HVAC consultants.

3. FOREIGN EXCHANGE EARNINGS AND OUTGO

Particulars	₹ in Lakhs
Foreign Exchange Earned	11360
Foreign Exchange Used	151416

For and on behalf of the Board of Directors

B. L. Taparia
Chairman

Place: Mumbai
Date: 22nd May, 2020

ANNEXURE - II

Annexure to the Boards' Report

Particulars of employees pursuant to Section 134(3) (g) of the Companies Act, 2013 read with Rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

Sr. No.	Requirement under Rule 5(1)	Details
1.	Ratio of the remuneration of Managing Director, Executive Directors & other Non-Executive Directors to the median remuneration of the Company for the Financial Year	Shri M. P. Taparia, Managing Director : 308.40 Shri S. J. Taparia, Executive Director : 307.15 Shri V. K. Taparia, Executive Director : 304.96 Shri B.L. Taparia : 5.00 Shri B.V. Bhargava : 5.16 Shri Y.P. Trivedi : 7.04 Shri N.N. Khandwala* : 3.32 Smt Rashna Khan* : 2.38 Shri R. Kannan : 5.16 Shri Rajeev M Pandia : 7.35 Shri Sarthak Bahuria* : 3.99 Ms Ameeta Parpia* : 3.99 * For part of the current year
2.	Percentage increase in remuneration of Managing Director, each Executive Director, Chief Financial Officer, & Company Secretary (Salary of 2019-20 v/s Salary of 2018-19).	Shri M. P. Taparia, Managing Director : 13.19% Shri S. J. Taparia, Executive Director : 11.69% Shri V. K. Taparia, Executive Director : 11.08% Shri P. C. Somani, CFO : 9.32% Shri R. J. Saboo, Company Secretary : 11.48%
3.	Percentage increase in the median remuneration of employees in the financial year (2019-20 v/s 2018-19)	Median Increase : 5.44%
4.	Number of Employees as on 31st March, 2020 on rolls of Company	4926
5.	* Average percentile increase made in the salaries of employees other than the managerial personnel in last financial year and its comparison with the percentile increase in the managerial remuneration and justification thereof and point out if there are any exceptional circumstances for increase in the managerial remuneration:	9.65%
	* Justification for variation in the average percentile increase between Non Managerial employees and Managerial employees	The increase in the managerial remuneration was as per the Industry benchmarks.
6.	Key parameters for any variable component of remuneration availed by the Directors.	Commission: 1% of the net profits of the year as approved by the members at the AGM held on 29th June 2018.
7.	Affirmation that the remuneration is as per the remuneration policy of the Company	Remuneration is as per the Nomination and Remuneration Policy of the Company.
8.	Percentage increase or decrease in the market quotations of the shares of the Company	The closing price of the Company's Equity Share on the NSE and BSE as of 31st March, 2020 was ₹ 867.70 and ₹ 868.60 respectively.

For and on behalf of the Board of Directors

B. L. Taparia
Chairman

Place: Mumbai
Date: 22nd May, 2020



ANNEXURE - III

Annexure to the Boards' Report

FORM AOC-I

(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 subsidiary / associate company

Part A Subsidiary

(₹ in lakhs)

No.	Name of the Subsidiary Company	Reporting Currency	Exchange Rate as on 31st March, 2020	Capital	Reserves	Total Assets	Total Liabilities	Investments	Turnover	Profit/ (Loss) Before Tax	Provision For Tax	Profit (Loss)	Proposed Dividend	% of holding
1	The Supreme Industries Overseas (FZE)	AED	20.60	18	242	334	334	NIL	360	(41)	NIL	(41)	NIL	100

Part B Associates

Statement pursuant to Section 129 (3) of the Companies Act, 2013, related to Associate Companies

Supreme Petrochem Limited

(₹ in lakhs)

Sr. No.	Name of Associate	Latest Audited Balance Sheet Date	Shares of Associate			Description of how there is significant influence	Reason why the associate is not consolidated	Net worth attributable to shareholding as per latest audited Balance Sheet	Profit / Loss for the year	
			Nos.	Amount of investment in Associates	Extend of Holding %				Considered in Consolidation	Not considered in Consolidation
1	Supreme Petrochem Ltd.	31st March, 2020	28936400	3337	30.01	There is significant influence due to (%) of share capital	N.A.	20202	3055	7154

Kumi Supreme India Pvt Ltd.

(₹ in lakhs)

Sr. No.	Name of Associate	Latest Audited Balance Sheet Date	Shares of Associate			Description of how there is significant influence	Reason why the associate is not consolidated	Net worth attributable to shareholding as per latest audited Balance Sheet	Profit / Loss for the year	
			Nos.	Amount of investment in Associates	Extend of Holding %				Considered in Consolidation	Not considered in Consolidation
1	Kumi Supreme India Pvt Ltd.*	31st March, 2020	25025611	2503	20.67	There is significant influence due to (%) of share capital	N.A.	-	49	189

* Kumi Supreme India Private Limited was associate of the Company up to 31st March, 2020.

For and on behalf of the Board of Directors

B. L. Taparia
ChairmanPlace: Mumbai
Date: 22nd May, 2020

Annexure to the Boards' Report

NOMINATION AND REMUNERATION POLICY

I. PREAMBLE

Pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [erstwhile Clause 49 of the Listing Agreement with the Stock Exchanges], the Board of Directors of every listed Company shall constitute the Nomination and Remuneration Committee. The Company already constituted Remuneration Committee comprising of three non-executive Independent Directors.

II. OBJECTIVE

The Key Objectives of the Committee would be:

- To guide the Board in relation to appointment and removal of Directors, Key Managerial Personnel and Senior Management.
- To evaluate the performance of the members of the Board and provide necessary report to the Board for further evaluation.
- To recommend to the Board on Remuneration payable to the Directors, Key Managerial Personnel and Senior Management.

III. DEFINITIONS

- **"Board"** means Board of Directors of the Company.
- **"Company"** means **"The Supreme Industries Limited."**
- **"Employees" Stock Option"** means the option given to the directors, officers or employees of a company or of its holding company or subsidiary company or companies, if any, which gives such directors, officers or employees, the benefit or right to purchase, or to subscribe for, the shares of the company at a future date at a pre-determined price.
- **"Independent Director"** means a director referred to in Section 149 (6) of the Companies Act, 2013.
- **"Key Managerial Personnel" (KMP)** means
 - Chief Executive Officer or the Managing Director or the Manager,
 - Chief Financial Officer,
 - Company Secretary and
 - Such other officer as may be prescribed.
- **"Nomination and Remuneration Committee"** shall mean a Committee of Board of Directors of the Company, constituted in accordance with the provisions of Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations.
- **"Policy or This Policy"** means, **"Nomination and Remuneration Policy."**
- **"Remuneration"** means any money or its equivalent given or passed to any person for services rendered by him and includes perquisites as defined under the Income-tax Act, 1961.

- **"Senior Management"** means personnel of the Company who are members of its core management team excluding Board of Directors. This would include all members of management one level below the executive directors, including all the functional heads.

IV. INTERPRETATION

Terms that have not been defined in this Policy shall have the same meaning assigned to them in the Companies Act, 2013, and/or any other SEBI Regulation(s) as amended from time to time.

V. GUIDING PRINCIPLES

The Policy ensures that

- 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.

VI. ROLE OF THE COMMITTEE

The role of the Committee inter alia will be the following:

- To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- Formulate criteria for evaluation of Independent Directors and the Board.
- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of every Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To devise a policy on Board diversity.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.



VII. MEMBERSHIP

- a) The Committee shall comprise at least three (3) Directors, all of whom shall be non-executive Directors and at least half shall be Independent.
- b) The Board shall reconstitute the Committee as and when required to comply with the provisions of the Companies Act, 2013 and applicable statutory requirement.
- c) Minimum two (2) members shall constitute a quorum for the Committee meeting.
- d) Membership of the Committee shall be disclosed in the Annual Report.
- e) Term of the Committee shall be continued unless terminated by the Board of Directors.

VIII. CHAIRMAN

- a) Chairman of the Committee shall be an Independent Director.
- b) Chairperson of the Company may be appointed as a member of the Committee but shall not Chair the Committee.
- c) In the absence of the Chairman, the members of the Committee present at the meeting shall choose one amongst them to act as Chairman.
- d) Chairman of the Nomination and Remuneration Committee could be present at the Annual General Meeting or may nominate some other member to answer the shareholders' queries.

IX. FREQUENCY OF MEETINGS

The meeting of the Committee shall be held at such regular intervals as may be required.

X. COMMITTEE MEMBERS' INTERESTS

- a) A member of the Committee is not entitled to be present when his or her own remuneration is discussed at a meeting or when his or her performance is being evaluated.
- b) The Committee may invite such executives, as it considers appropriate, to be present at the meetings of the Committee.

XI. SECRETARY

The Company Secretary of the Company shall act as Secretary of the Committee.

XII. VOTING

- a) Matters arising for determination at Committee meetings shall be decided by a majority of votes of Members present and voting and any such decision shall for all purposes be deemed a decision of the Committee.
- b) In the case of equality of votes, the Chairman of the meeting will have a casting vote.

XIII. APPOINTMENT AND REMOVAL OF DIRECTOR, KMP AND SENIOR MANAGEMENT

• Appointment criteria and qualifications:

1. 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.

2. A person should possess adequate qualification, expertise and experience for the position he / she is considered for appointment. The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position.
3. The Company shall not appoint or continue the employment of any person as Managing Director/Whole-time Director / Manager who has attained the age of seventy years. Provided that the term of the person holding this position may be extended beyond the age of seventy years with the approval of shareholders by passing a special resolution based on the explanatory statement annexed to the notice for such motion indicating the justification for extension of appointment beyond seventy years.

• Term / Tenure:

1. Managing Director/Whole-time Director / Manager (Managerial Person):
 - The Company shall appoint or re-appoint any person as its Managerial Person 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.
2. 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. However, if a person who has already served as an Independent Director for 5 years or more in the Company as on 1st October, 2014 or such other date as may be determined by the Committee as per regulatory requirement, he / she shall be eligible for appointment for one more term of 5 years only.
 - 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.

• Evaluation:

The Committee shall carry out evaluation of performance of every Director, KMP and Senior Management at regular interval (yearly).

• Removal:

Due to reasons for any disqualification mentioned in the Companies Act, 2013, rules made thereunder or under any other applicable Act, rules and regulations, the Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management subject

to the provisions and compliance of the said Act, rules and regulations.

- **Retirement:**

The Director, KMP and Senior Management shall retire as per the applicable provisions of the Companies Act, 2013 and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management in the same position / remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

XIV. PROVISIONS RELATING TO REMUNERATION OF MANAGERIAL PERSON, KMP AND SENIOR MANAGEMENT

- **General:**

1. The remuneration / compensation / commission etc. to Managerial Person, KMP and Senior Management Personnel will be determined by the Committee and recommended to the Board for approval. The remuneration / compensation / commission etc. shall be subject to the prior/post approval of the shareholders of the Company and Central Government, wherever required.
2. The remuneration and commission to be paid to Managerial Person shall be as per the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.
3. Increments to the existing remuneration / compensation structure may be recommended by the Committee to the Board which should be within the slabs approved by the Shareholders in the case of Managerial Person.
4. Where any insurance is taken by the Company on behalf of its Managerial Person, KMP and any other employees for indemnifying them against any liability, the premium paid on such insurance shall not be treated as part of the remuneration payable to any such personnel. Provided that if such person is proved to be guilty, the premium paid on such insurance shall be treated as part of the remuneration.

- **Remuneration to Managerial Person, KMP and Senior Management:**

1. Fixed pay:

Managerial Person, KMP and Senior Management shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force. The break-up of the pay scale and quantum of perquisites including, employer's contribution to PF, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

2. Minimum Remuneration:

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay

remuneration to its Managerial Person in accordance with the provisions of Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the prior approval of the Central Government.

3. Provisions for excess remuneration:

If any Managerial Person draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of 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 Central Government

- **Remuneration to Non-Executive / Independent Director:**

1. Remuneration / Commission:

The remuneration / commission shall be in accordance with the statutory provisions of the Companies Act, 2013, and the rules made there under for the time being in force.

2. Sitting Fees:

The Non- Executive / Independent Director may receive remuneration by way of fees for attending meetings of Board or Committee thereof. Provided that the amount of such fees shall not exceed the maximum amount as provided in the Companies Act, 2013, per meeting of the Board or Committee or such amount as may be prescribed by the Central Government from time to time.

3. Limit of Remuneration /Commission:

Remuneration /Commission may be paid within the monetary limit approved by shareholders, subject to the limit not exceeding 1% of the net profits of the Company computed as per the applicable provisions of the Companies Act, 2013.

4. Stock Options:

An Independent Director shall not be entitled to any stock option of the Company.

XV. MINUTES OF COMMITTEE MEETING

Proceedings of all meetings must be minuted and signed by the Chairman of the said meeting or the Chairman of the next succeeding meeting. Minutes of the Committee meeting will be tabled at the subsequent Board and Committee meeting.

XVI. DEVIATIONS FROM THIS POLICY

Deviations on elements of this policy in extraordinary circumstances, when deemed necessary in the interests of the Company, will be made if there are specific reasons to do so in an individual case.

For and on behalf of the Board of Directors

B. L. Taparia
Chairman

Place: Mumbai
Date: 22nd May, 2020



ANNEXURE - IV (B)

Annexure to the Boards' Report

CRITERIA FOR :

1. SELECTION OF DIRECTORS

AND

2. SENIOR MANAGEMENT PERSONNEL

Pursuant to Section 178 of the Companies Act, 2013 and Regulation 19 of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 [erstwhile Clause 49 of the Listing Agreement with the Stock Exchanges] requires the Nomination and Remuneration Committee to consider and lay down criteria for identification of persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the Board their appointment and removal.

CRITERIA FOR SELECTION OF DIRECTORS

The Nomination and Remuneration Committee shall consider the following for identifying and recommending persons for appointment as Directors on the Board of the Company:

1. The candidate's qualifications, knowledge, skills and experience in his/her respective field.
2. His/her reputation of honesty, integrity, ethical behaviour and leadership.
3. Achievements in industry, business, profession and / or social work.
4. Possesses appropriate skills, experience and knowledge in one or more fields such as finance, law, management, sales, marketing, administration, research, corporate governance and such other areas that are relevant to the Company's business.
5. Whether the candidate is free from any disqualification provided under Section 164 of the Companies Act, 2013.
6. Whether the candidate meets the conditions of being independent as stipulated under Companies Act, 2013 in case of appointment as Independent Director.

CRITERIA FOR SELECTION OF SENIOR MANAGEMENT PERSONNEL

The term Senior Management Personnel shall have the same meaning as provided in the explanation under Section 178 of the Companies Act, 2013.

The Committee shall before making any recommendation to the Board for appointment considers the following:

- 1) The candidate's qualifications and experience in the field / area for which he/she is being considered.
- 2) Candidate's reputation of honesty, integrity and ethical behaviour in past assignments.
- 3) Leadership skills, decision making skills, effective communication, ability to build team, foster team spirit and ability to work sincerely with dedication.
- 4) Past record in goal setting, developing strategy, devising a tactical road map and in motivating team members to overcome challenges and meet set goals.

For and on behalf of the Board of Directors

B. L. Taparia
Chairman

Place: Mumbai
Date: 22nd May, 2020

Annexure to the Boards' Report

FORM NO. MR-3

SECRETARIAL AUDIT REPORT

FOR THE FINANCIAL YEAR ENDED 31ST MARCH, 2020

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

To,
The Members,
THE SUPREME INDUSTRIES LIMITED,
612 Raheja Chambers,
Nariman Point,
Mumbai – 400 021

We have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **The Supreme Industries 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's books, papers, minute books, forms and returns filed and other records maintained by the Company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, we hereby report that in our opinion, the Company has, during the audit period covering the financial year ended on 31st March, 2020 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, 2020 according to the provisions of:

- (i) The Companies Act, 2013 (“the Act”) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011 ;
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009 [Not applicable to the Company during the audit period] ;
 - (d) The Securities and Exchange Board of India (Employee Stock Option Scheme and Employee Stock Purchase Scheme) Guidelines, 1999 [Not applicable to the Company during the audit period];
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 [Not applicable to the Company during the audit period];
 - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client.
 - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 [Not applicable to the Company during the audit period]; and
 - (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998 [Not applicable to the Company during the audit period];
- (vi) The Company has identified the laws specifically applicable to the Company:
 - (a) Water (Prevention & Control of Pollution) Act, 1974;
 - (b) The Air (Prevention & Control of Pollution) Act, 1981;
 - (c) The Legal Metrology Act, 2009.

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

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreements entered into by the Company with BSE Limited and National Stock Exchange of India Limited.

During the period under review, the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. 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, Independent Directors and Woman Director. There are no changes in the composition of the Board of Directors during the period under review.

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.

All decisions at Board Meetings and Committee Meetings are carried out unanimously as recorded in the minutes of the meetings of the Board of Directors or Committees of the Board, as the case may be.

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.

For and on behalf of
V. Laxman & Co.,
Company Secretaries

(V. Laxman)
FCS No. 1513
C P No. : 744

Place : Mumbai

Date : 16th May, 2020

This Report is to be read with our letter of even date which is attached as Annexure 'A' and forms an integral part of this Report.

ANNEXURE 'A'

To,
The Members,
THE SUPREME INDUSTRIES LIMITED,
612 Raheja Chambers,
Nariman Point,
Mumbai – 400 021

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

1. Maintenance of secretarial records is the responsibility of the Management of the Company. Our responsibility is to express an opinion on these secretarial records based on our audit.
2. We have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the Secretarial records. The verification was done on test basis to ensure that correct facts are reflected in secretarial records. We believe that the processes and practices we followed proved a reasonable basis for our opinion.
3. We have not verified the correctness and appropriateness of financial records and Books of Account of the Company.
4. Where ever required, we have obtained the Management representation about the compliance of laws, rules and regulations and happening of events etc.
5. The compliance of the provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of management. Our examination was limited to the verification of procedures on test basis.
6. The Secretarial Audit report is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the Management has conducted the affairs of the Company.
7. Physical verification of certain documents could not be completed due to imposition of lockdown on account of COVID 19. The Secretarial Audit Report is prepared on the basis of documents made available online and information provided by the Company.

For and on behalf of
V. Laxman & Co.,
Company Secretaries

(V. Laxman)
FCS No. 1513
C P No. : 744

Place : Mumbai

Date : 16th May, 2020

ANNEXURE - VI

Annexure to the Boards' Report

FORM NO. AOC-2

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

Form for disclosure of particulars of contracts / arrangements entered in to by the Company with related parties referred to in sub-section (1) of section 188 of the Companies Act, 2013 including certain arms length transactions under third proviso thereto:

1. Details of contracts or arrangements or transactions not at arm's length basis:

(a) Name(s) of the related party and nature of relationship	(b) Nature of contracts / arrangements / transactions	(c) Duration of contracts / arrangements / transactions	(d) Salient terms of the contracts or arrangements or transactions including the value, if any	(e) justification for entering in to such contracts or arrangements or transactions	(f) date(s) of approval by the Board	(g) Amount paid as advances, if any:	(h) Date on which the special resolution was passed in general meeting as required under first proviso to section 188
Not Applicable							

2. Details of contracts or arrangements or transactions at arm's length basis:

(a) Name(s) of the related party and nature of relationship	(b) Nature of contracts / arrangements / transactions	(c) Duration of contracts / arrangements / transactions	(d) Salient terms of the contracts or arrangements or transactions including the value, if any
Supreme Industries Overseas (FZE)	Sale of goods including compensation for rendering of services	On-going	In normal course of business & in line with Market Parameters. Sale of goods ₹ 160 lakhs. Rendering of services ₹ 171 lakhs.
Supreme Petrochem Ltd.	Purchase/Sale of goods or materials & provision of any services in connection with the sale or purchase of goods or materials including storage thereof.	On-going	In normal course of business & in line with Market Parameters. Purchase of goods ₹ 4797 lakhs. Sale of goods ₹ 264 lakhs.
M/S Devvrat Impex (P) Ltd	Sales of Plastic Piping System	On-going	In normal course of business & in line with Market Parameters. Sale of Goods amount ₹ 3183 lakhs. Rendering of services ₹ 1 lakhs
Kumi Supreme India Private Limited Joint Venture between Kumi Kasei Co Ltd, Japan and The Supreme Industries Limited*	The Company held 20.67% of the paid-up equity share capital of the JVC up to 31st March, 2020.	Up to 31st March, 2020	In normal course of business & in line with Market Parameters. Sale of Goods ₹ 59 lakhs. Rendering of Services ₹ 21 lakhs.

* Kumi Supreme India Private Limited was associate of the Company up to 31st March, 2020.

Note:- Appropriate approvals have been taken for related party transactions. No Advances have been paid or received against the transactions mentioned above.

For and on behalf of the Board of Directors

B. L. Taparia
Chairman

Place: Mumbai
Date: 22nd May, 2020



ANNEXURE - VII

Annexure to the Boards' Report

CORPORATE SOCIAL RESPONSIBILITY REPORT

1. Brief outline of the Company's CSR Policy:

The Board of Directors' at its meeting held on 21st July, 2014 approved the CSR Policy of your company pursuant to the provisions of section 135 of the Companies Act, 2013 read with the Companies (Corporate Social Responsibility Policy) Rules, 2014.

2. The Composition of the CSR Committee is as under:

Name of the Member	Nature of Directorship
Shri Ramnathan Kannan	Independent Director (Chairman)
Shri B. L. Taparia	Non-Executive Director
Shri M. P. Taparia	Managing Director

The CSR Committee met on 21st May 2020 and it has taken on record the activities undertaken by the Company from 1st April, 2019 to 31st March 2020 and also discussed and approved the plan for the financial year 2020-2021.

3. Focus Areas:

Advancement of Public Charitable objects and trusts and fulfilment of its Corporate Social Responsibility obligation lay down under the Companies Act, 2013.

The Company has identified few focus areas of engagement which are as under:

1. Benefits to the under privileged
2. Education
3. Sanitation
4. Healthcare
5. Drinking Water Supply
6. Preservation of environment including watersheds, forests and wildlife.

4. Supreme Foundation

Supreme Foundation – CSR arm of Supreme has taken an initiative and project in hand aiming to improve basic education at foundation level of a child which may go a long way in building their future. It would not only spread and create the awareness about importance of good education system but also nurture behavioral aspects and good quality characteristics in a human being. Brief details of the project undertaken by Supreme Foundation are as under:

Purpose

The company has initiated project to provide the teachers for educating the students in government schools in Ajmer and Bikaner Divisions and lecturers in Sanskrit colleges in Rajasthan through Supreme Foundation. The project has been commenced with an initial period for 5 years & shall be reviewed thereafter. To meet the above objective, company has entered into an Agreement dated 27th June, 2017, between Supreme Foundation, Mumbai, with Divisional Sanskrit Education Officer, Ajmer, and Government of Rajasthan. Further it has also undertaken similar activities of providing teachers in primary schools of Ladnu Tehsil in Nagaur District of Rajasthan and entered into an agreement with Education Department, Nagaur dated 1st May, 2019.

These two divisions & colleges have 246 schools & colleges and more than 42,500 students in aggregate where many posts of teachers & lecturers were vacant and availability of basic facilities for students were lacking. Supreme Foundation has taken a task to provide teachers & lecturers and other required facilities and continuously increasing its efforts and commitment to cover more and more of these schools and colleges.

Activities

During the Financial Year 2019-2020, Supreme foundation deputed 497 teachers in these schools in both the divisions put together. It has also provided 50 lecturers in various sanskrit colleges across the state in Rajasthan. It has also provided 257 teachers in various primary schools in Ladnu Tehsil during the year which consists of 164 schools enrolling more than 26,000 students. Various initiatives like construction of Tube well and water tank, Toilet facility for boys and girls, Laboratory rooms and class rooms wherever required, Tin shades for Mid-day meals and repairs to furniture etc. have been carried out for better studying environment for the students. Supreme Foundation has also started Mobile Computer Bus to impart computer education along with Mathematics and Science in those schools which are lacking in these facilities. Presently Computer bus is visiting 12 selected schools on regular basis. It has helped the students in these schools to learn basic computer knowledge and practice for the same. Supreme foundation has formed committee consisting of coordinators to monitor and review all activities of teachers & lecturers deputed by it in close coordination with respective School's principle/ headmaster to ensure that prime objective of education standard improvement is being achieved. Some of the achievements of Supreme Foundation are mentioned as under:-

Achievements

1. In view of the dedicated hard work of the teachers & lecturers deputed by Supreme Foundation the schools which were on the verge of closure now got new life line which has resulted in undertaking of all the activities vibrantly & energetically. Not only there has been significant increase in number of admission but also yielded better examination results amongst the students.
2. To upgrade the educational level in Government schools adequate physical and human resources have been made available which have ensured higher success ratio and also good scoring by the students. There have been significant improvements in the quality of education with respect to academic study, cleanliness, discipline, moral values & working skills amongst the students which are as per the expectation of Educational Institution.
3. Repairs & Renovations have been undertaken in the Class Rooms, Roof tops & toilet blocks of Government Schools which has facilitated the students to study & teachers to teach comfortably.
4. In toilets where Pipe line water is not adequate, tube-well has been created for maintaining the toilets clean & hygiene. Separate Toilet blocks are constructed for boys & girls. Special provision has been created for girls toilets. Now Girls are feeling more comfortable & dignified in school environment.
5. Water Storage Tank has been constructed which has benefitted tree plantation & for drinking of clean water.
6. In Government school 257 dedicated teachers have been deputed who teaches in all the subject. Moreover in January 2020, 50 teachers have been newly appointed especially for Math's, Science & English, These teachers are improving the levels more particularly of primary standards. Now students of primary schools are learning tables, memorizing the meaning of English-Hindi words & also reading educational books in English & Hindi.
7. In three Government SC / ST colleges of Sanskrit, special training has been provided to the Girls & got them prepared to perform the Cultural Activities. Thereafter these girls have performed marvelously in the Cultural Events.
8. In the present computerized era for educating the computer subject, computer bus has really been of great help and motivation. In this bus one faculty each for English & Math's are also deputed to facilitate teaching in the above subject. Previously the students who are totally ignorant about basics of the computers are now not only well versed in the practical knowledge of computer but also its usefulness & general applications. Positive results have been found in the students in respect of computer language.
9. There has been significant increase in the number of meritorious students recognized for the different awards y-o-y basis in the Government schools situated at Ladnun Tehsil, Ajmer & Bikaner Districts which is evident from the distribution of the awards during the last three years where the number of awardees have increased manifold. The above achievements were made possible only because of the time to time guidance & support provided by the teachers of Supreme Foundation.
10. In view of giving more focus to the Primary Education, Supreme Foundation has distributed CDs consisting course contents for various primary and middle classes & also books in English. This has helped in improving literacy level, recognizing the alphabetical letters & vocabulary & English language. Students are now comfortably & easily speaking in Hindi language & uses common English words regularly in their daily communications.
11. Under the Guidance of the teachers, traditional Sports, Games & Cultural activities have been organized which have improved the physical fitness and helped the students to perform aspects of sports & daily activities in disciplined manner.
12. Created awareness about the environment and organized tree plantations activities in the schools
13. In Sanskrit Schools, prayer books have been distributed. Regular recitation of prayers in rhythm in prayer hall which makes hall & its surroundings very pleasant & picturesque. The prayer hall has become a symbol of Inspiration & motivation place and enabled the students to increase their concentration.
14. Due to availability of Laboratory students get the opportunity to self-experiment the knowledge gained by them practically to establish the sanctity thereof. Due to scarcity of class rooms in higher standard & in view of increase in number of admissions, foundation has made additional class rooms to facilitate the students to study comfortably at appropriate place.
15. For further improvement of the results in the schools, model papers are being compiled and distributed/practiced to the students of Std 8 to 10. This has resulted in their better performance during exams.
16. In three Sanskrit colleges one each situated at Peeth, Ginoda & Chechat, designated lecturers specialized in the field of Astrology are teaching this subject, different methodology to create astrological yantra, its application, to perform holy rituals & ceremonies which are remarkable & noteworthy.
17. The Mentor and Guardian' confidence have been raised considerably due to the devotional efforts of the colleges & their commitments towards Sanskrit education & making this language more & more popular.
18. Schools have organised programmes for "Addict Free Society" wherein large numbers of students have been swear to keep them self away from alcohol and drugs in their life time. Students have also been made aware of how harmful effects they cause in their life mentally, physically & economically.

Supreme Foundation has spent about 780 lakhs on various CSR activities during 2019-2020.

Future Plans

In coming year, Supreme Foundation would continue its focus to provide more and more resources to improve education level in Govt. schools in Bikaner and Ajmer Divisions & colleges in Rajasthan as well as in various schools of Ladnu Tahsil of Nagore District of Rajasthan.



It plans to spend about ₹ 750 Lakhs on various existing and proposed activities being undertaken for the year 2020-21.

During the ongoing pandemic COVID 19, Company as responsible citizen is standing with the nation, central government and various state governments in their fight against the distress situation caused and contributed ₹ 505 lakhs to P M Cares Fund and various State Chief Ministers relief funds.

Company has also taken various initiatives and brief details of activities undertaken are as under:

(I) Village Health improvement Initiative:

This initiative has entered its 11th year of successful operation since its inception in the year 2008. The health center's main camp is located at Dhadgaon in the district of Nandurbar, Maharashtra.

This facility comprises of a mobile medical van equipped with necessary diagnostic equipment's, medicines etc. This mobile van manned by team of 5 persons which includes a Doctor, a Nurse, a Kishori co-ordinator, a driver & and a project co-ordinator. In the year 2019-2020, this facility has benefited as many as 5586 villagers mostly coming from tribal population residing in remote villages of Nandurbar District. The above health improvement initiatives covers Free Medical Check-up of Children/ Students, Kishori kanyasala at village, Free distribution of medicines etc.

(II) Drinking water supply:

During summer season, clean drinking water was supplied to 11 water stressed villages in the Taluka of Jamner during April to June 2019. The river water from artificial pond was filtered & disinfected & supplied to these villages by deploying water tanker. These initiative have benefited approximately 33,200 human population & 7650 cattles & animals. approximately 33,200 human population & 7650 cattles & animals. Total 25 million litres of Drinking Water supplied & the amount of ₹ 25 lakhs were spent.

Company is supplying appx 1,40,000 litres of water every day to the village of Gadegaon who are facing acute shortage of Drinking water throughout the year

In Jamner District Jalgaon company has made arrangement for availability of Water supply on permanent basis to couple of remote villages by spending the amount of ₹ 5.29 lakhs which has benefitted 1650 villages & to cattle's & animals &.

The company has also provided the five Water Tanks to the village of Amalner District Jalgaon who was facing shortage of water.

- (III) (a) The company has given scholarship to deserving students for pursuing their studies at Graduate & post Graduate level.
- (b) Provided CCTV Camera to Jamner Nagar Parishad and contributed ₹ 25 lakhs for the same.
- (c) Provided Refrigerators to "Matoshri Old Age Home" at Jalgaon
- (d) Financial support to Bharati Paryavaran Pratisthan, Jalgaon for their tree plantation drive.
- (e) Company is also participating in various social events conducted by local bodies/ organisations and helping create awareness in the fields of Swaccha Bharat Abhiyan, Beti Padhao- Beti Bachao & women empowerment, social integrity etc.
- (f) In general assisting local NGOs by way of financial assistance and participation in their various programmes for upliftment of underprivileged/ Divyang in and around Company's plant location in Jalgaon/Gadegaon.
- (g) Company also committed about ₹ 45 lakhs to District Collector, Bhind for various school building repairs around its plants in Malanpur (Madhya Pradesh)
- (h) Company is also participating actively with various NGOs like Lions Club and Rotary club in their various projects meant for deserving people and villages.

5. Average Net Profit of the company for last 3 financial years:

₹ 58,601 lakhs

6. Prescribed CSR expenditure:

₹ 1,172 lakhs (2% of the average net profit of last three financial years)

7. Manner in which amount spent in financial year :

During the year under review, company has spent a sum of ₹ 1,579 lakhs. These includes donations to several registered trusts apart from direct spending for Educational purpose to schools & colleges, Basic Living facilities & Health Care, Natural Disaster relief, cleanliness, self- employment initiative, & cultural activities and providing company's goods at special prices to Philanthropic NGOs and Trusts. These Trusts are providing education, vocational training at a very low cost and grants for medical help & education.

For and on behalf of the Board of Directors

B. L. Taparia
Chairman

Place: Mumbai
Date: 22nd May 2020

Annexure to the Boards' Report

FORM NO. MGT-9

EXTRACT OF ANNUAL RETURN

As on the financial year ended on 31st March, 2020

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

I. REGISTRATION AND OTHER DETAILS:

I	CIN:-	L35920MH1942PLC003554
II	Registration Date	17/02/1942
III	Name of the Company	The Supreme Industries Limited
IV	Category / Sub-Category of the Company	Manufacturing
V	Address of the Registered Office and contacts details	612, Raheja Chambers, Nariman Point, Mumbai - 400 021 Phone Nos. 22820072, 22851656, 22851159-60, Fax No.: 22851657 Email : investor@supreme.co.in
VI	Whether listed Company	Yes
VII	Name, Address and Contact details of Registrar and Transfer Agent	M/s Bigshare Services Pvt Ltd. Bharat Tin Works Building 1st Floor Opp. Vasant Oasis Next to Keys Hotel Makwana Road Andheri – East Mumbai – 400059 Tel No. : 022-62638200 Fax No. : 022-62638299

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	Plastic Products	222	98.95

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

[No. of Companies for which information is being filled]-

Sr. No	Name and Address of the Company	CIN / GLN	Holding / Subsidiary / Associate	% of shares held	Applicable Section
1	Supreme Petrochem Limited Solitaire Corporate Park, Building No. 11, 5th Floor, 167, Guru Hargovindji Marg, Andheri-Ghatkopar Link Road, Chakala, Andheri (East), Mumbai 400 093.	L23200MH1989PLC054633	Associate Company	30.01	Section 2(6)
2	The Supreme Industries Overseas (FZE) Reg. no 01-01-03490 Q-1-08-47/B, SAIF Zone, P.O Box 9158, Sharjah, United Arab Emirates.	–	Subsidiary	100	Section 2(87)

IV. SHAREHOLDING PATTERN (EQUITY SHARE CAPITAL BREAKUP AS PERCENTAGE OF TOTAL EQUITY)

(i) Category-wise Share Holding

Category of Shareholder	No. of Shares held at the beginning of the year: 01/04/2019				No. of Shares held at the end of the year: 31/03/2020				% Change during the year
	Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
A. Promoters									
(1) Indian									
(a) Individual / HUF	3235590	–	3235590	2.55	3190590	–	3190590	2.51	(0.04)
(b) Central / State Government(s)	–	–	–	–	–	–	–	–	–
(c) Bodies Corporate	59897155	–	59897155	47.15	60244705	–	60244705	47.43	0.27
(d) Financial Institutions / Banks	–	–	–	–	–	–	–	–	–
(e) Any Others (Specify)	–	–	–	–	–	–	–	–	–
(f) Trusts	–	–	–	–	–	–	–	–	–
Sub Total (A)(1) :	63132745	–	63132745	49.70	63435295	–	63435295	49.94	0.24



	Category of Shareholder	No. of Shares held at the beginning of the year: 01/04/2019				No. of Shares held at the end of the year: 31/03/2020				% Change during the year
		Demat	Physical	Total Shares	Total %	Demat	Physical	Total Shares	Total %	
(2) Foreign										
(a) NRI-Individual		–	–	–	–	–	–	–	–	–
(b) Other- Individuals		–	–	–	–	–	–	–	–	–
(c) Bodies Corporate		–	–	–	–	–	–	–	–	–
(d) Banks/FI		–	–	–	–	–	–	–	–	–
(e) Any Others (Specify)		–	–	–	–	–	–	–	–	–
Sub Total (A)(2) :		–	–	–	–	–	–	–	–	–
Total holding for promoters (A) = (A)(1) + (A)(2)		63132745	–	63132745	49.70	63435295	–	63435295	49.94	0.24
B. Public Shareholding										
1 Institutions										
(a) Mutual Funds/UTI		15509369	–	15509369	12.21	19370851	–	19370851	15.25	3.04
(b) Banks/Financial Institutions		59370	2765	62135	0.05	20282	2765	23047	0.02	(0.03)
(c) Central Government(s)		–	–	–	–	–	–	–	–	–
(d) State Government(s)		–	–	–	–	–	–	–	–	–
(e) Venture Capital Funds		–	–	–	–	–	–	–	–	–
(f) Insurance Companies		–	–	–	–	–	–	–	–	–
(g) FII's		10737551	–	10737551	8.45	10020934	–	10020934	7.89	(0.56)
(h) Foreign Venture Capital Investors		–	–	–	–	–	–	–	–	–
(i) Foreign Financial Institutions / Banks		500	–	500	–	500	–	500	–	–
(j) Foreign Portfolio Investors		10746596	–	10746596	8.46	10202016	–	10202016	8.03	(0.43)
(k) Alternate Investment Funds		1292611	–	1292611	1.02	1077299	–	1077299	0.85	0.54
(l) Any Others (Specify)		–	–	–	–	–	–	–	–	–
Sub Total (B)(1) :		38345997	2765	38348762	30.19	40691882	2765	40694647	32.04	1.85
2 Non-Institutions										
(a) Bodies Corporate		3617151	12705	3629856	2.86	3440857	12705	3453562	2.72	(0.14)
(b) Individual										
(i) Individual shareholders holding nominal share capital up to R 1 lakh		15514430	1468695	16983125	13.37	13843469	1305435	15148904	11.93	(1.44)
(ii) Individual shareholders holding nominal share capital in excess of R 1 lakh		3927978	–	3927978	3.09	3232459	–	3232459	2.54	(0.55)
(c) Any Others (Specify)										
(i) Trusts		1437	–	1437	–	400	–	400	0.00	(0.00)
(ii) Clearing Member		50521	–	50521	0.04	137830	–	137830	0.11	0.07
(iii) Non Resident Indians (NRI)		54368	77015	131383	0.10	86963	61865	148828	0.12	0.01
(iv) Non Resident Indians (Repat)		327625	2250	329875	0.26	192406	0	192406	0.15	(0.11)
(v) Non Resident Indians (Non Repat)		232658	–	232658	0.18	328339	0	328339	0.26	0.08
IEPF		253870	–	253870	0.20	252840	–	252840	0.20	(0.00)
(vi) Overseas Bodies Corporate		–	–	–	–	–	–	–	–	–
(vii) Corporate Body NBFC		4660	–	4660	0.00	1360	–	1360	0.00	(0.00)
Sub Total (B)(2) :		23984698	1560665	25545363	20.11	21516923	1380005	22896928	18.03	(2.08)
Total Public Shareholding (B) = (B)(1) + (B)(2)		62330695	1563430	63894125	50.30	62208805	1382770	63591575	50.06	(0.24)
C. Shares Held By Custodians For GDRS & ADRS		–	–	–	–	–	–	–	–	–
Grand Total (A) + (B) + (C)		125463440	1563430	127026870	100.00	125644100	1382770	127026870	100.00	0.00

(ii) Shareholding of Promoters

Sr. No.	Shareholders Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% Change in shareholding during the year
		Number of Shares	% Shares of the Company	% of Shares Pledged/encumbered to total shares	Number of Shares	% Shares of the Company	% of Shares Pledged/encumbered to total shares	
1	Venktesh Investment And Trading Company Private Limited	19693081	15.50	0.00	19693081	15.50	0.00	0.00
2	Jovial Investment And Trading Company Private Limited	19912082	15.68	0.00	20108268	15.83	0.00	0.15
3	Boon Investment And Trading Company Private Limited	20206592	15.91	0.00	20357956	16.03	0.00	0.12
4	Shivratan Jeetmal Taparia	703816	0.55	0.00	703816	0.55	0.00	0.00
5	Mahaveerprasad S. Taparia	749186	0.59	0.00	749186	0.59	0.00	0.00
6	VijaykumarBajranglalTaparia	344890	0.27	0.00	344890	0.27	0.00	0.00
7	BajranglalSurajmalTaparia	317398	0.25	0.00	317398	0.25	0.00	0.00
8	Vivek Kumar Taparia	262230	0.21	0.00	262230	0.21	0.00	0.00
9	Kamleshdevi M Taparia	347830	0.27	0.00	302830	0.24	0.00	-0.03
10	Kusumdevi S Taparia	98690	0.08	0.00	98690	0.08	0.00	0.00
11	PriyankadeviTaparia	141500	0.11	0.00	141500	0.11	0.00	0.00
12	VirenVivekTaparia	200050	0.16	0.00	200050	0.16	0.00	0.00
13	Anika VivekkumarTaparia	20000	0.02	0.00	20000	0.02	0.00	0.00
14	AkshayVivekkumarTaparia	50000	0.04	0.00	50000	0.04	0.00	0.00
15	Suraj Packaging Private Limited	6300	0.00	0.00	6300	0.00	0.00	0.00
16	Platinum Plastic And Industries Private Limited	49100	0.04	0.00	49100	0.04	0.00	0.00
17	Space Age Chemplast Pvt. Ltd.	30000	0.02	0.00	30000	0.02	0.00	0.00
	Total	63132745	49.70	0.00	63435295	49.94	0.00	0.24

(iii) Changes in Promoters Shareholding (please specify if there is no change)

Sr. No.		Share holding at the beginning of the year		Cumulative Shareholding during the year	
		Number of Shares	% of total shares of the company	Number of Shares	% of total shares of the company
	At the beginning of the year	63132745	49.70	63132745	49.70
	Date wise increase /decrease in Promoters shareholding during the year specifying reasons for increase/decrease (allotment / transfer /bonus / sweat equity etc):	+ 302550	0.24	63435295	49.94
	At the end of the year	63435295	49.94	63435295	49.94

(iv) Shareholding Pattern of Top Ten Shareholders (Other than Directors, Promoters and Holders of GDRs and ADRs):

Sr. No.	Name	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01.04.2019)/End of the year(31.03.2020)	% of Total Shares of the Company				Number of Shares	Percentage of total shares of the company
1	NALANDA INDIA FUND LIMITED	6105425	4.81	01/04/2019		Nil Movement During the year		
		6105425	4.81	31/03/2020			6105425	4.81
2	AXIS MUTUAL FUND TRUSTEE LIMITED A/C AXIS MUTUAL FUND A/C AXIS CAPITAL BUILDER FUND - SERIES 1-1540	2993026	2.36	01/04/2019				
				05/04/2019	20000	Transfer	3013026	2.37
				12/04/2019	-235000	Transfer	2778026	2.19
				19/04/2019	10000	Transfer	2788026	2.19
				26/04/2019	80000	Transfer	2868026	2.26



Sr. No.	Name	Shareholding		Date	Increase/Decrease in shareholding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01.04.2019)/End of the year(31.03.2020)	% of Total Shares of the Company				Number of Shares	Percentage of total shares of the company
				24/05/2019	53019	Transfer	2921045	2.30
				31/05/2019	371467	Transfer	3292512	2.59
				07/06/2019	100000	Transfer	3392512	2.67
				14/06/2019	-95555	Transfer	3296957	2.60
				12/07/2019	55761	Transfer	3352718	2.64
				13/09/2019	20000	Transfer	3372718	2.66
				25/10/2019	1005	Transfer	3373723	2.66
				17/01/2020	103153	Transfer	3476876	2.74
				24/01/2020	32147	Transfer	3509023	2.76
				20/03/2020	25000	Transfer	3534023	2.78
		3534023	2.78	31/03/2020			3534023	2.78
		2626681	2.07	01/04/2019				
3	HDFC TRUSTEE COMPANY LTD A/C - HDFC CHILDREN'S GIFT FUND - INVESTMENT PLAN			17/05/2019	191100	Transfer	2817781	2.22
				24/05/2019	100000	Transfer	2917781	2.30
		2917781	2.30	31/03/2020			2917781	2.30
4	KOTAK INFRASTRUCTURE & ECONOMIC REFORM FUND	1028632	0.81	01/04/2019				
				05/04/2019	28440	Transfer	1057072	0.83
				19/04/2019	23251	Transfer	1080323	0.85
				26/04/2019	1	Transfer	1080324	0.85
				10/05/2019	95000	Transfer	1175324	0.93
				17/05/2019	71326	Transfer	1246650	0.98
				31/05/2019	35000	Transfer	1281650	1.01
				07/06/2019	72131	Transfer	1353781	1.07
				21/06/2019	12923	Transfer	1366704	1.08
				28/06/2019	33323	Transfer	1400027	1.10
				12/07/2019	2428	Transfer	1402455	1.10
				26/07/2019	17384	Transfer	1419839	1.12
				02/08/2019	97633	Transfer	1517472	1.19
				06/09/2019	8932	Transfer	1526404	1.20
				13/09/2019	7072	Transfer	1533476	1.21
				20/09/2019	882	Transfer	1534358	1.21
				27/09/2019	1994	Transfer	1536352	1.21
				04/10/2019	3915	Transfer	1540267	1.21
				11/10/2019	51764	Transfer	1592031	1.25
				18/10/2019	13519	Transfer	1605550	1.26
				25/10/2019	28213	Transfer	1633763	1.29
				01/11/2019	51686	Transfer	1685449	1.33
				08/11/2019	3138	Transfer	1688587	1.33
				22/11/2019	12036	Transfer	1700623	1.34
				29/11/2019	63855	Transfer	1764478	1.39
				06/12/2019	41123	Transfer	1805601	1.42
				13/12/2019	27415	Transfer	1833016	1.44
				27/12/2019	24185	Transfer	1857201	1.46
				31/12/2019	19079	Transfer	1876280	1.48
				03/01/2020	21779	Transfer	1898059	1.49
				10/01/2020	509	Transfer	1898568	1.49
				17/01/2020	43595	Transfer	1942163	1.53
				24/01/2020	167	Transfer	1942330	1.53
				31/01/2020	26571	Transfer	1968901	1.55

Sr. No.	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01.04.2019)/End of the year(31.03.2020)	% of Total Shares of the Company				Number of Shares	Percentage of total shares of the company
				07/02/2020	101053	Transfer	2069954	1.63
				14/02/2020	38573	Transfer	2108527	1.66
				21/02/2020	6343	Transfer	2114870	1.66
				28/02/2020	143991	Transfer	2258861	1.78
				06/03/2020	179853	Transfer	2438714	1.92
				13/03/2020	41108	Transfer	2479822	1.95
				20/03/2020	131215	Transfer	2611037	2.06
				27/03/2020	95000	Transfer	2706037	2.13
				31/03/2020	21127	Transfer	2727164	2.15
		2727164	2.15	31/03/2020			2727164	2.15
5	GOVERNMENT PENSION FUND GLOBAL	1721210	1.35	01/04/2019				
				17/05/2019	976	Transfer	1722186	1.36
				24-May-19	65828	Transfer	1788014	1.41
				31/05/2019	39166	Transfer	1827180	1.44
				07/06/2019	39434	Transfer	1866614	1.47
		1866614	1.47	31/03/2020			1866614	1.47
6	KOTAK FUNDS - INDIA MIDCAP FUND	1831257	1.44	01/04/2019				
				26/04/2019	-143562	Transfer	1687695	1.33
				27/09/2019	49748	Transfer	1737443	1.37
				14/02/2020	-19702	Transfer	1717741	1.35
				13/03/2020	-25000	Transfer	1692741	1.33
		1692741	1.33	31/03/2020			1692741	1.33
7	DSP EQUITY OPPORTUNITIES FUND	1694126	1.33	01/04/2019				
				07/06/2019	110073	Transfer	1804199	1.42
				14/06/2019	28523	Transfer	1832722	1.44
				21/06/2019	9560	Transfer	1842282	1.45
				13/03/2020	-30798	Transfer	1811484	1.43
		1811484	1.43	31/03/2020			1811484	1.43
8	JPMORGAN EMERGING MARKETS INVESTMENT TRUST PLC	1479890	1.17	01/04/2019				
				25/10/2019	-29260	Transfer	1450630	1.14
				01/11/2019	-66980	Transfer	1383650	1.09
		1383650	1.09	31/03/2020			1383650	1.09
9	J P MORGAN FUNDS	1465260	1.15	01/04/2019				
				05/04/2019	-35330	Transfer	1429930	1.13
				20/03/2020	-18275	Transfer	1411655	1.11
				27/03/2020	-20334	Transfer	1391321	1.10
		1391321	1.10	31/03/2020			1391321	1.10
10	L&T MUTUAL FUND TRUSTEE LIMITED - L&T EMERGING OPPORTUNITIES FUND - SERIES I	959256	0.76	01/04/2019				
				14/06/2019	-148629	Transfer	810627	0.64
		810627	0.64	31/03/2020			810627	0.64
11	HDFC LIFE INSURANCE COMPANY LIMITED -SHAREHOLDERS SOLVENCY MARGIN ACCOUNT	718314	0.57	01/04/2019				
				05/04/2019	24664	Transfer	742978	0.58
				17/05/2019	32922	Transfer	775900	0.61
				24/05/2019	14038	Transfer	789938	0.62
				07/06/2019	3040	Transfer	792978	0.62
				28/06/2019	-3659	Transfer	789319	0.62
				03/07/2019	-534	Transfer	788785	0.62
				19/07/2019	2006	Transfer	790791	0.62



Sr. No.	Name	Shareholding		Date	Increase/ Decrease in share-holding	Reason	Cumulative Shareholding during the year	
		No. of Shares at the beginning (01.04.2019)/End of the year(31.03.2020)	% of Total Shares of the Company				Number of Shares	Percentage of total shares of the company
				26/07/2019	45	Transfer	790836	0.62
				02/08/2019	597	Transfer	791433	0.62
				09/08/2019	-144	Transfer	791289	0.62
				16/08/2019	10111	Transfer	801400	0.63
				23/08/2019	-140	Transfer	801260	0.63
				30/08/2019	288	Transfer	801548	0.63
				06/09/2019	-336	Transfer	801212	0.63
				20/09/2019	-64	Transfer	801148	0.63
				27/09/2019	-11432	Transfer	789716	0.62
				11/10/2019	-485	Transfer	789231	0.62
				18/10/2019	-112	Transfer	789119	0.62
				25/10/2019	-50	Transfer	789069	0.62
				01/11/2019	-81	Transfer	788988	0.62
				05/11/2019	-3276	Transfer	785712	0.62
				08/11/2019	-2240	Transfer	783472	0.62
				15/11/2019	2240	Transfer	785712	0.62
				22/11/2019	828	Transfer	786540	0.62
				29/11/2019	-187	Transfer	786353	0.62
				06/12/2019	-1061	Transfer	785292	0.62
				13/12/2019	297	Transfer	785589	0.62
				20/12/2019	1517	Transfer	787106	0.62
				27/12/2019	-40	Transfer	787066	0.62
				31/12/2019	-29	Transfer	787037	0.62
				10/01/2020	195	Transfer	787232	0.62
				17/01/2020	-25	Transfer	787207	0.62
				24/01/2020	-3458	Transfer	783749	0.62
				31/01/2020	-13995	Transfer	769754	0.61
				07/02/2020	-497	Transfer	769257	0.61
				20/03/2020	53627	Transfer	822884	0.65
				27/03/2020	61915	Transfer	884799	0.70
		884799	0.70	31/03/2020			884799	0.70

(v) Shareholding of Directors and Key Managerial Personnel:

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2019)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
1)	Shri B.L. Taparia, Chairman				
	At the beginning of the year	317398	0.25	317398	0.25
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer/ bonus/ sweat equity etc):				
	At the end of the year	317398	0.25	317398	0.25
2)	Shri M.P. Taparia, Managing Director				
	At the beginning of the year	749186	0.59	749186	0.59
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer/ bonus/ sweat equity etc):	—	—	—	—
	At the End of the year	749186	0.59	749186	0.59

Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2019)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
3)	Shri S.J. Taparia, Executive Director				
	At the beginning of the year	703816	0.55	703816	0.55
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer/ bonus/ sweat equity etc):	–	–	–	–
	At the End of the year	703816	0.55	703816	0.55
4)	Shri V.K. Taparia, Executive Director				
	At the beginning of the year	344890	0.27	344890	0.27
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer/ bonus/ sweat equity etc):	–	–	–	–
	At the End of the year	344890	0.27	344890	0.27
5)	Shri B.V. Bhargava, Director				
	At the beginning of the year	13000	0.01	13000	0.01
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer/ bonus/ sweat equity etc):	–	–	–	–
	At the End of the year	13000	0.01	13000	0.01
6)	Shri Y.P. Trivedi, Director				
	At the beginning of the year	20010	0.02	20010	0.02
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer/ bonus/ sweat equity etc):	–	–	–	–
	At the End of the year	20010	0.02	20010	0.02
7)	Shri Rajeev M. Pandia, Director				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer/ bonus/ sweat equity etc):	–	–	–	–
	At the End of the year	NIL	NIL	NIL	NIL
8)	Shri Ramanathan Kannan, Director				
	At the beginning of the year	7410	0.00	7410	0.00
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer/ bonus/ sweat equity etc):	–	–	–	–
	At the End of the year	7410	0.00	7410	0.00
9)	Ms. Ameeta Parpia, Director				
	At the beginning of the year	1500	0.00	1500	0.00
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer/ bonus/ sweat equity etc):	–	–	–	–
	At the End of the year	1500	0.00	1500	0.00
10)	Shri Sarthak Behuria, Director				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase /decrease (e.g. allotment / transfer/ bonus/ sweat equity etc):	–	–	–	–
	At the End of the year	NIL	NIL	NIL	NIL



Sr. No.	For Each of the Directors and KMP	Shareholding at the beginning of the year (01.04.2019)		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
11)	Shri P. C. Somani, Chief Financial Officer				
	At the beginning of the year	4000	0.00	4000	0.00
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/ bonus/ sweat equity etc):	–	–	–	–
	At the End of the year	4000	0.00	4000	0.00
12)	Shri R. J. Saboo, VP (Corporate Affairs) & Company Secretary				
	At the beginning of the year	NIL	NIL	NIL	NIL
	Date wise Increase/ Decrease in Share holding during the year specifying the reasons for increase/decrease (e.g. allotment / transfer/ bonus/ sweat equity etc):	–	–	–	–
	At the End of the year	NIL	NIL	NIL	NIL

V. INDEBTEDNESS

(₹ In Lakhs)

	Secured Loans	Unsecured Loans	Total Indebtedness
Indebtedness at the beginning of the financial year	5345	11111	16456
i) Principal Amount			
ii) Interest due but not paid			
iii) Interest accrued but not due		(160)	(160)
Total (i+ii+iii)	5345	10951	16296
Change in Indebtedness during the financial year			
• Addition	3750	21084	24834
• Reduction			
Net Change	3750	21084	24834
Indebtedness at the end of the financial year	9095	32035	41130
i) Principal Amount			
ii) Interest due but not paid			
iii) Interest accrued but not due		53	53
Total (i+ii+iii)	9095	32088	41183

VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL

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

(₹ In Lakhs)

Sr. No.	Particulars of Remuneration	Name of MD / WTD / Manager			Total Amount
		Shri M.P. Taparia	Shri S. J. Taparia	Shri V. K. Taparia	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	330	325	318	973
	(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	–	–	–	–
2.	Stock Option	NA	NA	NA	NA
3.	Sweat Equity	NA	NA	NA	NA
4.	Commission	657	657	657	1971
	– As % of profit				
	– others, specify...				
5.	Others, please specify				
	Total (A)	987	982	975	2944
	Ceiling as per the Act				6573

B. Remuneration to other directors:

(₹ In Lakhs)

Sr. No.	Particulars of Remuneration	Name of Directors						Total Amount
		Shri B. V. Bhargava	Shri Y. P. Trivedi	Shri Ramanathan Kannan	Shri Rajeev M. Pandia	Shri Sarthak Behuria	Ms. Ameeta Parpia	
1.	Independent Directors							
	• Fee for attending board, committee meetings	6.50	12.50	6.50	13.50	6.00	6.00	51.00
	• Commission	10.00	10.00	10.00	10.00	6.76	6.76	53.52
	• Others, please specify							
	Total(1)	16.50	22.50	16.50	23.50	12.76	12.76	104.52
		Shri B. L. Taparia	Shri N. N. Khandwala*	Smt. Rashna Khan*				
2.	Other Non-Executive Directors							
	• Fee for attending board, committee meetings	6.00	6.00	3.00				15.00
	• Commission	10.00	4.62	4.62				19.24
	• Others, please specify							
	Total(2)	16.00	10.62	7.62				34.24
	Total(B)=(1+2)	32.50	33.12	24.12	23.50	12.76	12.76	138.76
	Ceiling for Commission as per the Act							657

* Shri N.N. Khandwala and Smt. Rashna Khan resigned from Directorship of the Company with effect from 17th September, 2019.

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

(₹ In Lakhs)

Sr. No.	Particulars of Remuneration	Key Managerial Personnel		
		Company Secretary	CFO	Total
1.	Gross salary	66	152	218
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	—	—	—
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	—	—	—
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961			
2.	Stock Option	—	—	—
3.	Sweat Equity	—	—	—
4.	Commission			
	— as % of profit			
	— others, specify...	—	—	—
5.	Others, please specify	—	—	—
	Total	66	152	218


VII. PENALTIES/PUNISHMENT/COMPOUNDING OF OFFENCES:

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

For and on behalf of the Board of Directors

B. L. Taparia
Chairman

 Place: Mumbai
 Date: 22nd May, 2020

Management Discussion and Analysis

1. OVERVIEW

Various initiatives taken by the center and state governments have given desired boost to the plastic pipe business. There is quantum jump in construction of affordable houses. The infrastructure activities comprising supplying drinking water and to boost the sewage system have gathered momentum.

Naturally all these activities supported by a large range of SKU's in Company's Plastic Pipe System and launching of additional systems have boosted growth in Plastic Pipe Business.

At the end of the year i.e. beginning second half of March 2020 the business was severely affected due to Covid-19 Pandemic. The Lockdown is now entering Lockdown 4.0. As the time passes, the focus of Government is moving to create a balance between Health and Safety of the Countrymen while keeping eyes to revive the economy back on growth path.

Government is taking incremental steps every day in different parts of the country to give desired boost to the economy. In that direction Government has announced ₹ 20 Lakh Crore package which is touching several sectors of the economy especially to support underprivileged population of the country.

With the Country's preparedness over the last two months to prepare to fight against Covid-19 Pandemic which suitably supported by this large relief package which is around 10% of India's annual GDP, it is expected that during second quarter of the year 2020-21 the economy may start to revive to serve the country with a higher growth potential.

Considering the bright future prospects, the Company has not slowed down its investment plans. The same was however delayed due to cease of activities in different parts of the country as a result of Lockdown which remains applicable in various parts of the country.

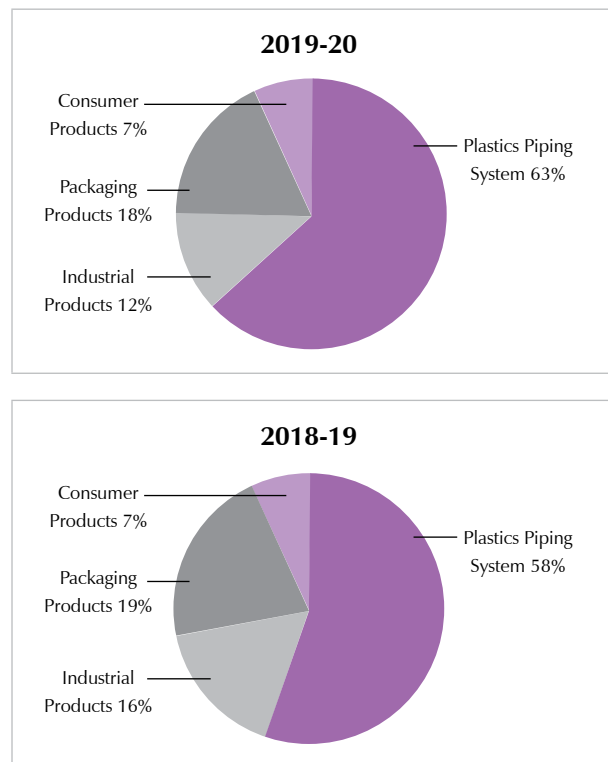
The Company expects that by September this year the business should be returning to normalcy and will move to growth path by November.

2. PRODUCT GROUPS:

The product groups of the Company have been recast as follows:

Group	Products
Plastics Piping System	uPVC Pipes, Injection Moulded PVC fittings and handmade fittings, Polypropylene Random Copolymer pipe system, HDPE Pipe Systems, CPVC Pipes Systems, Inspection Chambers, manholes, Toilets Bath fittings, Roto moulded Tanks and Fittings and Solvents, Industrial Piping System, DWC PE Pipe System and Fire Sprinkler System
Consumer products	Furniture
Industrial Products	Industrial Components, Material handling System and Pallets - Roto moulded crates, pallets and garbage bins and Composite LPG Cylinders.
Packaging Products	Flexible packaging film products, Protective Packaging Products, Cross Laminated Film products.

PRODUCT GROUP WISE SHARE IN TURNOVER FOR THE LAST TWO YEARS (% OF VALUE)



The net turnover (including other income) of the Company for the year under review was ₹ 5530.07 Crores (including ₹ 32.52 Crores by way of trading in other related products and ₹ 25.60 crores from sale of Premises) as against ₹ 5632.47 Crores (including ₹ 46.36 Crores by way of trading in other related products and ₹ 80.85 crores from sale of Premises) during the previous year.

The Company has sold 4,11,521 tons of Plastic products as against 3,97,983 tons of Plastic products in the corresponding period of previous year, reflecting a growth of 3.40 % in product turnover by volume.

The Company exported goods worth US \$ 18.29 million as against US \$ 23.05 million during the corresponding period of the previous year. Profit before interest, depreciation and exceptional items and taxes during the period under review have been at ₹ 853.71 Crores as against ₹ 804.57 Crores during the previous year.

3. COMPANY'S STRENGTH AND GROWTH DRIVERS

3.1 Manufacturing Sites

The Company is operating from 25 manufacturing sites operating across 12 state and Union Territories. The Company is in the process to create state-of-the-art Plastics Product Complex at Jadcherla in Telangana state. The unit will be adding several new systems in its product portfolio to serve Agriculture, Housing and infrastructure sectors in a cost-efficient manner. The Company has initiated actions to put up a Plastics Product Complex at Orissa for which an agreement has been entered into to buy 30 (Thirty) Acres of Land to expand its geographical spread.



3.2 Distribution network

The Company is committed to having its presence throughout the country. It is able to increase and also revamping its existing distribution network on a continuous basis. The active channel partners' strength remained at 3,567 Nos. by end of March 2020.

With a renewed push to reach more International Markets, the Company has participated in 16 International exhibitions in 2019-20 for its different products. The company is confident to have breakthrough to boost export in additional world markets in the year.

Company is serving its customers through maintaining more depots for its different product groups to serve its customers in a cost efficient manner.

3.3 Growth Drivers

The Company is continuously working to strengthen its Brand. It is increasing its' spend on Advertisement through Electronic and Print Media and participating in several National and International exhibitions. The Company organises large number of Plumbing Workshops to educate plumbers on how to install the piping system in a cost efficient manner. It holds thousands of small plumber meets spread throughout the year. Besides, meets with Farmers, Borer groups, Plumbing Contractors, Builders and Architects are also held throughout the year.

Company is quite active to seek legal remedy to contain counterfeit products in its range of products to protect consumers from getting cheated.

Company has opened knowledge centers in several parts of the country to showcase its product portfolio, guide on correct installation techniques with a focus on plastics Pipe System and Cross Laminated Film products for several cost efficient applications

4. OPERATIONAL PERFORMANCE

4.1 PLASTICS PIPING SYSTEMS

The Company continues its objective to grow Plastic Pipe System business. The Company is leader in this segment as it has the largest portfolio of products, which is being continuously increased to offer more systems as required in the economy.

The Company during the year under review registered an overall revenue growth of about 8.5% in Plastic Piping System made from different plastic materials. Overall the Company sold 3,00,772 Tons of Pipe System compared to 2,79,748 Tons in the previous year.

The Government at the Centre and States has put the priority focus on Swatch Bharat Abhiyan, Sanitation and affordable houses to all and development of 100 smart cities on all India basis. Real Estate Regulation Act (RERA) has created a major transformation the way housing construction for sale was in vogue in the Country. Many prominent Business Houses have made ambitious plans in this sector to grow geometrically with launch of their projects at multiple locations. For affordable housing segment Company has introduced pocket friendly complete drainage system under the different brand name "Streamline" which meets all functional requirements of the affordable Housing sector. The growth tempo has now started and the Company expects good demand coming from the segment on continual basis.

The Company has incurred Capex of ₹ 126 crores in this year and been put to use in its' various plants to build more capacities and increase range of products.

The Company with objective of making its footprint for manufacturing at South Zone, for Plastic Piping Division, has got 50 acres of land allotted at Jadcherla-District Mahbubnagar at Telangana. The production of Water & Septic Tanks at that location has started. The Company will launch other Piping System products at this location in this year. The construction work has started for the same. The Company also intends to launch new specialty systems from Jadcherla plant for Piping System to cater to high-end applications.

The plant at Kharagpur is fully operational. The capacity increase planned for PVC, HDPE & CPVC Pipes is now in place and operational. The Company is also exploring further increasing the capacity of PVC, HDPE and DWC Pipe at Kharagpur plant to cater to increased demand. The Company has also started manufacturing of Moulded Fittings at Kharagpur to service Eastern market effectively. Further capacity expansion of Moulded Fittings has been planned and civil work is in progress. Plant will operate with full capacity in third quarter of 2020-21.

To meet the increasing demand of HDPE Pipes in North India, the Company has put up the capacity in Malanpur Unit No.3. The commercial production of the same has started in full swing. The Company has planned further capacity expansions at that site for HDPE Pipes. Overall HDPE Pipe business grew by 46% during this year.

The company now manufactures Roto Moulded Products at four geography of country viz., North, South, East and West to service market effectively. The Roto Moulded Business of the company has grown by 31% during this year. The Company launched Roto Moulded Toilet and multi-station Urinal basically for construction sites, Melas and exhibitions during the year. Both these products are well accepted by the market supporting cleanliness and environment. Company has also introduced ready to use Toilet Block in modular design under the brand "Cleanage". These modular toilets can be installed as single unit or in a series with multiple units with minimum space requirements. The Company has put plans in place to substantially increase the business of Water Tanks through different market strategy of servicing directly to retailers from the respective factories at many places. The same will be further acted upon this year to get the desired results. The company is also exploring to start manufacturing of Roto Products at new location to encash business potential by effective servicing. The Company also launched Premium range of Water Tanks branded as "Weather Shield" with added features such as superior thermal insulation etc., from two locations with good market response. Premium range Water Tanks are being planned for supplies from all other locations during 2020-21.

The production of Double Wall Corrugated HDPE Pipes has started from Gadegaon and Kharagpur plants with BIS Certification. The Company is in process to educate various departments the benefits of putting in place a good quality DWC Pipes with latest technology and using virgin certified raw materials in terms of performance and longer life.

The Company introduced 36 nos. of variety of Injection Moulded Pipe fittings during 2019-20. They all have been well received in the market. The Company has plan of introducing further new items during the year as per system requirement.

The total product portfolio in Plastic Pipe System has reached 8314 nos., thus adding 232 products to the range of various Plastic Piping System compared to previous year.

The Company manufactures the cPVC Pipes at three of its manufacturing location and cPVC Fittings at two of its manufacturing locations. The Company has further expanded capacity of cPVC Pipe manufacturing at it's Malanpur plant. The Company also plans to set up facility to make cPVC pipes at Jadcherla plant. The necessary machines are being ordered and civil work is in progress. The Company plans to add further capacities of CPVC Pipes at Malanpur and Kharagpur units. The cPVC system sales during last year grew by 17% in value over previous year.

The Company has started manufacturing variety of Specialized Valves such as Butterfly Valves, Swing Check Valves, Ball type non-return Valve etc.. These Valves have been designed for different applications like Industrial, Agriculture and Plumbing segment. They are made of specialized materials to ensure reliability & longer life also to meet best of global standards. The Company received positive response from the market. The Company intends to increase the range of Valves for Industrial usage in the current year.

The AQUAKRAFT Bath Fittings introduced by the Company is well established now including newly launched Chrome Plated range. There were 23 new items introduced during the year. The portfolio in Bath Fittings has reached to 131 items. Company continues to import some variety of Bath Fittings to service local market. The Company plans to further complement the range during 2020-21 by introducing large varieties of products in Bath fittings. The Company also plans to enhance its manufacturing facility at Pondicherry at adjacent plot. The necessary work for same has started. The Bath Fittings sales during last year grew by 13% over previous year.

The Company's business to Export market during the year saw a de-growth of 31% in US \$ terms. The Company is continuously trying to boost its export business of Piping Systems in several markets.

The Division's Value Added Products sale was 38% compared to 37% in the previous year. The Company has also added further 167 direct business Channel partners during the year taking the total to 1214 Nos.. The Company continues to expand its reach by appointing Distributors in areas where there is a gap. The Company has also started directly servicing retailers in selected markets for certain specific products of this division.

The Company has multiple Knowledge Centres across the country to train Plumbers and interact with Farmers, Architects and Plumbing consultants in respective zones. Currently, they are functioning at Gadegaon, Kochi, Malanpur and Kharagpur. Company expects to start such centres at more locations in near future.

With the help of specialists the Company has embarked upon a new activity with nomenclature as "Plumbing Workshop" which is a full day session with Plumbers. Here the sharing is of latest Plumbing techniques along with applications of new products introduced by the Company in the recent past in the range. The markets have well appreciated it and there are numerous requests to the Company to increase the Plumbing Workshop numbers substantially. The Company organized 284 Plumbing workshops in the year 2019-20 throughout the year. Company plans to organize close to 500 Plumbing Workshop during the year 2020-21. There are now more than 80,000 Plumbers connected with the Company.

Company has started monitoring data of retailers who buy regularly through its distribution channels. An action plan to increase the number of such retailers on all India basis has been worked out and is being tracked. There are now more than 32,000 retailers connected with Piping System Business on regular basis.

FlameGuard, the Company's CPVC Fire Sprinkler Systems has become first choice for the leading builders in Mumbai. In spite of the increased cost of such system as compared to metal system, business is growing which inspires trust in the system. The Company is making inroads into several markets to promote the system with favourable response.

To bring down the cost of the system the Company has developed 68 no. of fittings. Each of these fittings has passed the stringent testing at UL and now listed by UL. The cost of the Indian manufactured product will be 30-40% cheaper as compared to the imported fittings from USA. The Indian manufactured fittings will contribute approximately 65 % of the total cost of the system. The Company will be able to get more business from local and cost conscious builders in current financial year. All it's pipe sizes are already approved by UL.

Product approval is a continuous process and the approvals are required at multiple stages apart from the approval from the fire department. At present the Company has approvals from Maharashtra, Gujarat, Karnataka and Uttar Pradesh fire departments. Apart from approvals from the regional heads, the Company is required to take the approvals from the individual Municipal Corporations.

The Company offers full support to the installer of this system. Product installation training is a mandatory requirement before the actual installation starts. The Company provides the technical support by providing the Bill of Quantities (BOQ) for the sprinkler layout of the project. The Company also does the value engineering to reduce the cost without compromising the quality of the installation.

To support environment concern, Company is gearing up to meet with National Green Tribunal and court directive of phasing out Lead stabilizers from manufacturing of different types of uPVC Pipes. The Company is planning a phased out schedule for different variety of PVC Pipes having Lead stabilizers to produce with Lead free stabilizers.

4.2 CONSUMER PRODUCTS

4.2.1 FURNITURE

Due to lockdown announced by the Government in second half of March 2020, the Company's furniture business of March took a severe hit resulting in drop of annual business by 3% in value terms and 4% in volume terms. The Company's business had grown by 4% in Value terms and 3% in Volume terms for 11 months and was expected to grow in same ratio had the lockdown not been announced. The overall sales of organized players in Plastic Furniture segment has been stagnant or infact declined for 11 month period. However, the sales of unorganized players continued to grow at local level. The Company expects that with it's range of different types of Furniture and brand strength coupled with countrywide reach, it will overcome the competition from unorganized players.

The Company started manufacture of Roto Moulded Furniture with a limited range at its Kharagpur Roto Moulding Unit during the year. The company now manufactures furniture made with all three different technologies i.e Injection Moulding, Blow Moulding and Roto Moulding. The Company manufactures



furniture made with Injection Moulding at six locations spread across the country which are Jadcherla (Telangana), Puducherry (UT), Durgapur (West Bengal), Derabassi (Punjab), Gadegaon (Maharashtra) & Guwahati (Assam) to effectively cater different regions of the country. The manufacturing facility for Blow Moulded Furniture as well as Roto Moulded Furniture is at Kharagpur (West Bengal).

The Company has been manufacturing Injection Moulded Furniture for 29 years and is a market leader in terms of its product range & quality. The Company has many firsts to its credit, be it in terms of technology, design or application. The Company was the first in India to start manufacture of Premium Range of Plastic Moulded Furniture using new technologies and materials such as Gas Injection Moulding along with Glass Filled Polypropylene. This has helped the Company in creating its own brand image which is associated with Premium Quality Plastic Furniture. With addition of Blow Moulding & Roto Moulding technology, the company now is perhaps the only Company in Plastic Furniture business in India to offer furniture made with three different processes.

The Company's range of Blow Moulded Tables has been well appreciated by various customers for its quality. The sales of these products grew by 8% by numbers in this segment. The Company now has 19 products in this segment and plans to introduce more products in the current year. The Company is optimistic about future growth from this segment and would look forward to expand its capacity for achieving economies of scale. The export potential of this segment is yet to be realized. However, the Company is hopeful of making breakthrough in exports in coming years. With the overall outlook of various countries looking to establish alternate source to China, the Company is optimistic of making the breakthrough.

The Company started manufacture of Roto Moulded Furniture in Feb 2020 and could supply only small quantity of this range is this year. The Company introduced three models and the market feedback for these is encouraging. The Company plans to increase its product range as well as start manufacture of items in large demand at more locations for easy service and reducing the freight cost involved in this product line.

The Company introduced total of seventeen new furniture models during the year. All the new models introduced during the year were well appreciated and the Company hopes to get good growth from its new introductions. The Company has already committed investments on new furniture moulds which will go into production by second half of the year and help in growth of business during the year.

The Company's furniture is currently available to its customers through nationwide network of 13,000 retailers. The Company plans to add another 1500 retailers during the year. The Company believes that in the ensuing year, Customers will prefer to buy the furniture from nearest stores and avoid travel which will help in growth of Company's business due to its vast network of retailers all across the country. The Company increased its strength of channel partners from 1045 to 1113 nos. and continues to increase its presence in unrepresented areas.

The Company has appointed dedicated channel partners for E commerce portals and plans to scale up the operations in the current year. The Company believes that the sales of furniture will partly shift from brick & mortar stores to online and thus is gearing up to service such sales through dedicated channel partners dealing in E commerce.

The Company continues to focus on developing its export market and has received good acceptance by various customers. The Company participated in three international furniture exhibitions in the year. The initiative enabled it to showcase its wide range of furniture in various International markets and make them aware about the quality & range of products manufactured by the Company.

The Company is in dialogue with large number of leading retailers in USA, Europe, UK, Japan and hope to start business with many of them once the COVID 19 situation is overcome. The Company has already completed the initial vendor assessment process and its Lalru Unit has cleared the SMETA audit required for Social Compliance by most of the Global large retailers.

4.3 INDUSTRIAL PRODUCTS

4.3.1 INDUSTRIAL COMPONENTS

After the encouraging first half of FY18-19, from Nov. 18 onwards, unexpected slump in the demand for both Auto and Consumer Durables was witnessed and it lasted through Q4 of FY18-19. However, country wide sentiment was indicating that there would be pick up post General Elections due in April-May'19. Based on this expectation, the Division planned 6% to 8% growth during FY19-20 over FY18-19, both in Auto and Appliances sector. However, slow down continued without expected recovery in both the segments even after General Elections. Slowdown in Auto sector intensified due to various Statutory changes in Vehicle Safety Norms, impending BSVI implementation resulting in cautious buying, difficulties in availing Vehicle loans resulting from NBFC crises, Weak Economic sentiments due to various Global and Domestic factors. In case of CVs where the company has larger presence as TIER 1 supplier, in addition to the above stated factors, demand took beating due to Statutory Axle load increase and drastically improved Vehicle Turnaround Time (TAT), a healthy effect of GST, allowing seamless Vehicle Movement across the country.

On a larger base of FY 18-19 Sales attained because of non-recurring sizable order from ECIL for EVM sub-assemblies and First Quarter revenue from the hived off Khushkhhera plant coupled with the combination of factors as stated above, the Division had to encounter de-growth of 27% and excluding these two effects, the de-growth has been about 16%.

Ghiloth plant set up exclusively for one of the major Appliances manufacturer completed its first full year of operations. This business was shifted from Noida plant. Noida and Ghiloth plants put together achieved revenue growth of about 10%. Noida plant stabilized Cooler production for one of its customers with improved Productivity, Quality and Operational efficiency. One of the Company's major customer in Appliances sector from Noida plant was discontinued by the company as it was showing signs of bankruptcy and that's what happened eventually. Although, this was a necessary step, obviously, it affected revenue of the plant for the year under review. The WCE Program which was launched for both Noida and Ghiloth plants, has started showing improvements and will be more visible in the years to come.

Division had one rented premises in Greater Noida which had been part of Noida Plant administratively. Company undertook a major Re-Engineering Exercise codenamed Noida Integration Project. Noida plant was completely relayed out with the aim to bring operations of both these plants at single location. This resulted in better space utilization, effective management



controls, improved layout, clean environment and effective cost management. The Company expects good results of this action in the future.

Since Commercial vehicle segment was severely hit and Talegaon plant having more dependence on Commercial vehicles, it suffered on revenues considerably. Company's major customer for Pondy plant which manufactures Washing machines, encountered de-growth in the segment where Company's presence is sizable. This impacted company's revenue resulting in de-growth of the Division in Puducherry plant. Company has undertaken exercise of Business Rationalization with this customer which should mitigate risk of overdependence on one segment and improve revenues in future. Company received "Excellent Business Partner Award" from this customer, a unique recognition given for long and sustained mutual business association.

Chennai plant has customer base both for Appliance and Automotive. One of the major customers stopped manufacturing TVs in India and contracted out AC manufacturing to third party. These actions from the said customer had adverse impact on the revenue of Chennai plant. However, company has acquired new businesses from existing customers and added couple of new customers. It should bring positive results during current and future years. The expansion of the plant undertaken last year has been completed in March, 20 and became operational.

Durgapur plant is mainly depending on Auto sector. Due to sluggish demand from Auto sector throughout the year, Division's business had to suffer de-growth in the revenue.

There was a considerable effect on supply chain of some of our major customers due to non-availability of few critical materials from China which was shut down to contain the spread of Covid 19 during February'20 and March'20. Overall revenue of the division adversely affected during last quarter due to wide spread slump in the economy, supply failures from China and nearly half of March month shut due to Covid 19 lock down.

Appropriate steps have been taken in all plants to follow right protocols and Operational SOPs including Norms for Social Distancing, Personal Hygiene, Sanitization, Environmental aspects etc. to contain spread of Covid19. Health, Safety and Hygiene has been taken on top of agenda.

Company has taken drive to rationalize and reorient the machine capacities at its various locations to align it with the changed Product- Mix. While doing so, the new machines and equipment being added are equipped with the latest Technology, Energy efficient, designed for Good repeatability for better quality and improved productivity. Wherever feasible and cost-effective, Automation is being considered to for better productivity and quality. All these initiatives will ensure enhanced Quality, Productivity, Safety, Energy conservation and Cost Optimization. It is helping the Company to negate the impact of inflation due to various manufacturing cost increases and cost reductions required to be given year on year to customers to remain competitive. The various such initiatives of the Company would support Environment and help Go Green. Continuous focus on employee engagement initiatives is helping company to enhance its Human Capital.

Overall rating of the company by its customers meets or exceeds their expectations. Company is considered a highly dependable and valuable supplier. The Journey towards excellence is being cultivated as a culture and will be continuous.

4.3.2 Material Handling Products

The footprints of Indian economy right at the beginning of the financial year were not encouraging. Most of the sectors of economy started the new year with subdued activities. The affect was most pronounced in Automobile, Engineering, and Consumer durables, Automobiles was also severely affected due to some statutory guidelines from Govt. and NBFC financial crisis.

If the Company divides the year in two halves, the first half has been good for material handling products division. Company's MH Division has been growing in both volumes and revenue fighting against odds more so when most of the driving sectors for material handling division were not performing well.

The second half of the year has been disappointing for MHD. The effect appeared starting from 3rd quarter for most of the product range, The fourth quarter was even worse with the onset of COVID-19 and lockdown in March. Consequently, MHD ended year with a negative of 4% in volume and a negative of 7% in revenue. Industrial crates which are primarily demanded from sectors like auto, engineering, appliances, FMCG and retail have 2% negative in volume and 8% negative in revenue. The same has been with pallets which are used for warehousing, storage in industrial, retail and FMCG have shown a degrowth of around 4% in volume and 8% in revenue.

Among the gloom, some positive strings have also flared for the company as few segments outshined and shown positive results. The Fruit and Vegetable (F&V) and Fisheries crates segment, even when The Company serves only the quality conscious customers and refrain from selling to mass markets and mandis abuzzed with recycled crates, have performed well F&V crates have particularly been impressive with an increase of 1.5 lakhs more units and registered a growth of around 15% over last year. This performance was also supported by introduction of new models.

Dairy Crates have also performed reasonably well during the year and new model in Dairy crates have shown promise for a bigger market volume this year.

The Roto segment has been poor both in crates, dustbins and pallets but the injection moulded dustbins models have shown positive trends and promise for good results in this year.

The bottle crates sold to other than major players have also been on the positive side over the last year.

There has been a massive disruption in majority of sectors i.e. Engineering, Appliances, Automobiles which were catered by the Company have lost ground in volumes. More importantly, the polymer prices have fallen with almost 15% in prices on average over the last year.

Your company is still confident of good surge in business this year in fisheries, F&V, retail and FMCG segments even when we feel that the first quarter in all possibilities would be consumed by the lockdown with less activity.

The division has planned to open two new fabrication facilities for speedy and timely service to the customers requiring customised crates in both South and North regions. New injection moulded dustbins models and few new crates models have also been planned for introduction.

The Management is focussed to increase the customer coverage specially in East and North east, Maharashtra and Southern India, by filling up the vacancies and further strengthening



network of channel partners by adding new partners in some less or unrepresented areas.

4.3.3 Composite LPG Cylinder

Company revisited the design and processes with the assistance from its consultant in The Czech Republic to overcome the minor technical hick ups going unnoticed in the process and have updated component design and improved the processes following Poka-yoke system not only to have better product but also to optimize the costs.

The Company's composite cylinders are also exported to Caribbean country and its' clients in Maldives and Somalia have appreciated the quality of cylinders and have placed repeat orders. Company's long term customer from Korea continued purchasing the cylinders and is making arrangements with retail companies for a bigger engagement.

The Company is following up with Government and local Oil Companies to introduce composite LPG cylinders in domestic market.

The Company addressed and settled the issues regarding the complaints of Composite cylinders from Bangladesh during the financial year. Newly designed product samples sent to customer at Bangladesh have been successfully tested and meets the required parameters. Company expects good business volume from this customer during the current year.

4.4 PACKAGING PRODUCTS

4.4.1 PACKAGING FILMS

Performance Films Division (PFD)

The Performance Films Division has recorded 15% growth in Volume and about 13% growth in Value.

The Total sale achieved was 7722 MT as against 6703 MT in the last year.

Last year's expansion in capacity at the Company's existing location in Khopoli has supported to overcome the de growth. The Company's CI Flexographic Printing press has given more opportunity for the division in several Segments which has led to increase sales as well. Both the new equipment's helped Company to deliver better quality of products and to improve its lead times due to the increase in flexibility of production capabilities.

The addition of lamination unit, has enabled the Division to grow in many untapped markets/Industry/Applications. This also helped the Company in creating value added products to its portfolio.

Exports have also grown at 1451 tons as against 1316 tons in the previous year.

There has been some additional demand from Essential Product like Dairy Industry & Edible OIL which is the major Driver of Growth. The Company remains optimistic in the current year. Even though the Lock down will have some impact on overall business in first quarter of this year. However, the customer base will be sustained and growing due to Company's quality, commitment and service.

The Company expects to achieve volume and value growth in this business in the current year due to increase in customer base in India and abroad. This has been made possible due to increase in the production capacity with improved product mix.

4.4.2 Protective packaging division (PPD)

PPD has recorded de-growth of about 4% in value and 1% in volume during the year under review. The total sale achieved 25,660 MT against 26,018 MT of last year. Due to outbreak of Covid-19 and lockdown, Sale in Feb and March affected. The last week of March was a total wash out. If all was ok, we would have achieved sale as per last year in value with 3% Growth in volume.

Jadcherla unit is now ready to start its commercial production immediately after the opening up post Covid 19 with an EPE plant saleable capacity of 3200 MTPA and ABF saleable capacity of 1440 MTPA. Also the division has installed conversion equipment for processing of crosslink foam blocks and other fabrication equipment to ensure quick services to the local customers. In view of the present scenario, we expect sales to stabilize in second quarter, but would take time to utilize full capacity.

Hosur unit with all its new facilities and expansions, is now fully stabilized for smooth operations with projected saleable capacities The Division is working on major cost reduction, utilization of its cross linked scrap & development of several new products. As a result the Company expects an impetus to the growth of cross linked foams across the country. It shall consider expansions of these products once the Company achieves over 90% utilisation. The Company expects to achieve this by the last quarter of this financial year.

Special initiative was taken during the year for energy conservation by using alternate source of power. Major cost savings have been achieved during the year by using roof top solar panels, windmills & also buying alternate energy at all it's manufacturing locations.

Division is expecting good saving in fuel cost after installation of dry steam IBR boiler at Hosur unit as against conventional small multiple non IBR boilers. By observing the cost benefits, division is considering now to replace the old non IBR boiler at Malanpur unit & shall implement the same soon.

Protection to environment against plastic wastes is high priority for the division. In house R&D team and the technical experts are working to develop new technology for converting the plastic wastes to application oriented products.

Increase in productivity from the existing equipments through technological upgradation is another focused area for the division in the coming year.

All units are working for reduction of product costs and other expenditure to build more competitiveness in the market to counter local & unorganised players.

PACKAGING –

Packaging vertical had a degrowth 8% in value and 7.1% in volume as against last year.

While absolute volume of sheets & rolls did not show a decline, tonnage growth was negative in view of density reduction achieved over the last year.

The division has decided to modify the existing single screw extruder at Urse with newly developed technology to produce low density EPE foam which is in demand in West zone. Due to Covid-19 delay, the Company expects this to be in place by the end of second quarter.

The demand of EVA based skin friendly non-toxic certified grade Yoga mat is now increasing against Chinese NBR PVC



Foam Yoga mat. In-house technical team has designed and developed several types of mats to meet the requirement of different segments.

The production of Interlock mat started two years ago, Initially it was difficult to compete against Chinese products. R&D team has successfully developed multiple variants of interlock mats for sports and general purpose use. Kabaddi Association of India has already started using this product and the division is expecting good business growth during the coming year. The technical team is working for further cost reduction to remain competitive.

CIVIL

Civil business degrowth was 11.4% in value and 9.8% in volume in current year.

BIS certification has helped to capture business in major government projects during the year. Dura floor protector which was developed by the division by using Silpaulin and EPE foam, is growing and expecting further growth in the coming year. In many projects, low cost inferior quality products are used in expansion joints at cheaper prices. The Company's technical team has developed low cost products to match the lower end product of competitors, with better properties. Production of new range of floor protection mat has been started at Hosur. It is expected to have good business growth from this new product in different applications.

INSULATION

Insulation business has grown by 8.8% value and 13.6% volume in the current year. The division has initiated several technological steps during the year to overcome market competition by introducing low density certified products for Insulation application. The division has started supplying special grade chemically cross link foam to Railway Coach factory, which was developed last year as an import substitute. The division has expanded its reach to many small towns. Once things open up, the Company expects better business in the coming year.

Acoustic panel which was developed last year by using XLPE waste is slowly picking up in sales. This will help in reduced sale of cross linked scrap.

Commercial production of NBR PVC Foam product which was started at Malanpur unit is growing well due to superior quality against other competitors. By modifying the existing design of the equipment, higher productivity of sheet and tube has been successfully achieved. The compounding cost has significantly dropped by using indigenous materials. It is expected to have good business growth during the coming year.

EXPORTS

From ₹ 770 lakhs Export last year, Division achieved an export sale of ₹ 1229 lakhs. The Company has developed & are developing several new products for the export market. The Company believes that many buyers will reduce their dependence on China, providing good opportunity for the division. The Company expects significant growth in exports during 2020-21.

TECHNOLOGY

Inhouse technical team has designed and developed new generation single screw extruder of 100 kgs/hr on pilot scale which was successfully installed at Hosur and commercial production started with better foam quality and higher productivity with low density, compared to extruders making

similar product. Division has decided to modify all its old single screw extruders by using this new technology thereby reducing density & costs. The division has been given a National award by the Ministry of Chemicals & Petrochemicals, for this innovation in the category of Innovation in Polymer processing machinery & equipments. Indeed a proud moment for the division & the company. Low cost ABF plant was developed by it's technical team through a Chinese vendor by using European technology at low cost for Jadcherla unit.

COST REDUCTION

The Company has shifted to indigenous Chemicals/Additives during the last quarter of the year, which will offset not only effect of Rupee depreciation but will also reduce lead time and will reduce compounding and inventory cost.

Post Covid-19, the division has made a revised plan of further cost reduction & increased introduction of new products to improve profitability

4.4.3 CROSS LAMINATED FILM

The Business of Cross Laminated Film & Products had a de-growth of 13.11% in volume terms mainly due to significantly lower business in the month of March 2020. The nationwide lockdown has completely disrupted the demand supply chain.

Company's plants have become operational after a gap of over one month. The Government granted partial relaxation from lockdown w.e.f. 20th April 2020. However running plant at full capacity is still a distant reality due to paucity of workers as several workers have left the work place due to prolonged lockdown.

The main product of the company i.e tarpaulin is seasonal in nature with peak season between March to June. The disruption in demand supply chain with movement restrictions in place due to COVID-19 pandemic has affected business in April 2020. This will have some adverse impact on the Company's business in the first quarter.

The good news is that the demand for company's product has started picking up and is expected to improve further once more economic activities are opened during lockdown. The Indian Meteorological Department (IMD) has predicted a normal monsoon in the year 2020 spelling some cheer to the agricultural sector amid the COVID-19 lockdown. Agriculture is expected to be the bright spot for the country in the year 2020-21 which augurs well for the Company's business as the Company's product finds uses in many agriculture applications.

The share of fabricated products is increasing steadily. The Company has made improvements in the existing fabricated products based on the feedback received from the customers and also developed new fabricated products which after successful trials will be launched during the current year. The products developed by laminating the XF film with other substrates has met with a great success in U.K.. The Company plans to market these laminated products in other world markets and in local market. The Company strongly believes that these fabricated / laminated products have great future in years to come.

The Company's tarpaulins made of own generated unusable Reprocess Granules meant to target the low cost Tarpaulin segment has had the desired results. The company has not sold a single kg of reprocess granule during the year under review speaks volumes of the interest this product has generated in the market.



The Company during the year has successfully installed balancing equipment to substantially increase the manufacturing capacity of Cross Line Bonded Film. With additional capacity in place the company can now offer the entire volume of its products in Cross Line Bonded Film. Besides being superior in quality this film enables the domestic/global market to distinguish the Company's products from look alike products of competitors. This product enjoys patent protection.

The Company is working intensively to increase its' volume in world market. There is repeat demand for its products for several newer applications in different world markets. The Company expects its' business to grow in world market in the years to come.

5. FINANCE

1. A brief on borrowing levels and finance cost is given below :

1.1 Summary

Particulars	Measure	F.Y. 2019-20	F.Y. 2018-19
Net borrowing level at the end of the year	₹ In crores	216.42	160.94
Average Monthly Borrowings	₹ in crores	205.02	265.58
Interest & finance charges (after removing the first time effect of IND AS116)	₹ In crores	16.13	26.00
Average cost of borrowings at the end of the year	% p. a	8.35	8.23
Financial cost as a % of Turnover	%	0.29	0.40
Total Net Debt : Equity Ratio		0.10	0.08

1.2 With the slowdown in the economy during the Calendar year 2019 RBI reduced the Key policy rates by 135 bps in five successive rate cuts starting from February, 2019. From time to time RBI has also infused liquidity in the system to boost the economy. The Repo rate which was at 6.50% at the start of the Calendar Year was reduced to 5.15% by the end of the Calendar year. Thereafter at the end of March 2020 due to the outbreak of Covid-19 pandemic related lockdowns & social distancing, all the economic activities were standstill & due to rising probability of recessionary trend in Global & Indian Economy, RBI has reduced repo rates by 75 bps at one stretch & also undertaken other aggressive measures to mitigate negative effect of virus, revive growth & to preserve financial stability. In line with the overall lower interest rate regime and with better working capital management, Company reduced its Finance cost to 0.29% of its Turnover at the end of the year vis a vis 0.40% of Turnover at the end of 31st March 2019.

1.3 Owing to the extra ordinary & unprecedented situation arising out of the prevailing COVID-19 pandemic and national lockdown, operations at all the units of the company were suspended barring supplies of packaging material and piping products for essential commodities and agriculture with effect from 20th March 2020. Company had taken conscious decision and availed short term borrowings to the tune of ₹ 270 crores by way of Working Capital Demand Loans (WC DL) with a view to meet all its committed obligations in normal course in timely manner & to create war chest to meet any eventuality.

2. Working Capital Borrowing

2.1. Foreign Currency Borrowing

During the year under review, Company continued to avail Buyer's credit (BC) funding, directly from overseas lenders at competitive rates. Total cumulative BCs availed during the F.Y. 2019-20, amounted to \$ 35.12 Mill.

Between July, 2019 to August, 2019 the rupee depreciated by around 3.50% vis-à-vis dollar & thereafter it remained steady at depreciated level. In the beginning of the Calendar Year 2020 after marginal appreciation, it again depreciated by around 5 % by end of March 2020.

As per the past trend, the company has kept judicious & consistent hedging policy to mitigate risk arising out of foreign currency fluctuation.

2.2. Commercial Papers

During the year under review, the Company placed cost effective Commercial Papers (CPs) in the market to the tune of ₹ 445 Crs. to avail low cost INR funding.

2.3. Dealers' financing & Vendor Management

The Dealers' finance facilities extended to the several Channel Partners of the Company has progressed well with more & more Channel Partners are getting enrolled on the Channel Finance Scheme. Considering the performance and peak season requirements, our banking partners are willing to extend additional facilities to meet seasonal requirements and also extending credit terms to them to tide over crises arisen due to pandemic Covid-19.

2.4 The company continues to negotiate favourable credit terms with its bankers as well as vendors for effectively managing its working capital requirements at optimum cost.

3. Term Debt :

During the year under review, the Company continued to remain debt free except for its Working capital facilities.

4. CRISIL Rating

During the year under review, a) the Rating for Company's Short term bank facilities continued to enjoy "CRISIL A1+" rating by CRISIL (which is the highest rating for the Short term instruments). And b) Company continued to enjoy Rating for Long Term Bank facilities at "CRISIL AA Stable Outlook".

5. Capital Expenditure

5.1. Considering optimistic business growth potential, the Company has incurred Capital Expenditure (Capex) of ₹ 241 crores, during the year under review. The highlights of the Capex incurred are as follows.

- Putting another Unit at Pondy new site to increase Bath fitting capacity
- Expanding Roto Moulding Capacity at Jadcherla
- Adding several varieties of Injection Moulding and Blow moulded furniture in the Company's range of furniture
- Installing additional equipment to increase production of XL Bonded XF film at Its' Silvassa and Get Muvala Units.
- To add end of the line fabrication machines for performance packaging films.

- f) To install balancing machines in Protective Packaging Division
- g) To increase capacity at Gadegaon and replace certain old machines at Lalru plant and to invest in moulds for increased product range in Material Handling Products
- h) To expand capacities in Industrial Product Division at Giloth and Chennai moulding unit

Apart from above, Company also made capex commitment for about ₹ 182 Crs and the same shall go into production/ use during the course of current year which primarily includes capex for:

- a) Putting Moulding shop to make pipe fittings at Kharagpur complex
- b) Establishing capacity to manufacture PVC Pipe System/ HDPE Fittings/CPVC Pipe System/PEX Piping system at Jadcherla
- c) Adding varieties of injection Moulded, Blow moulded and Roto moulded furniture in the Company's range of furniture

5.2. During the current year i.e. 2020-21, the Company envisages further Capex in the range of about ₹ 150 to 200 crores in the existing locations and new projects, mainly on the following.

- a) To increase PVC Pipe capacity at Kanpur, Gadegaon and Kharagpur.
- b) To increase HDPE Pipe capacity at Malanpur, Gadegaon and Kharagpur.
- c) To increase DWC Pipe capacity at Kharagpur.
- d) To increase CPVC Pipe capacity at Malanpur and Kharagpur.
- e) Adding several capacities of Water Tank moulds and additional Roto Moulding machines.

5.3 New Projects:

- a) Orissa State: The Company has negotiated purchase of 30 acre land to put up Plastic Piping complex at Orissa. Due to lockdown the legal possession of the land has been delayed. The Company will initiate actions to put the complex after the possession of the Land.
- b) The drawings of various equipment to put up Cross Plastic Film project at Get Muvala are under preparation in Romania and Switzerland. Due to Covid-19 lockdown the process is taking more time to finalise the drawings. The Company will move expeditiously after working drawings are frozen to put up the Plant.

The company has realized ₹ 25.60 Crores from sale of its remaining block (one unit) consisting of 12540 sq fts of its commercial premises of Supreme Chambers. Consequent to the above sale, Inventory of the Commercial Premises has become NIL.

With the sale of all the premises from time to time over the years the company has realized in excess of ₹ 428 Crs. against the project investment of about ₹ 150 Crs. which helped the Company to strengthen its cash flow for better use in its core business.

6. At the Closure of the Financial Year 2019-2020, the company has divested its 20.67% Equity stake in its joint venture

company viz Kumi Supreme India Pvt Ltd to Kumi (Thailand), nominees of Kumi Kasei Co Ltd, Japan for an aggregate consideration of ₹ 24.32 Crs. as per the mutual understanding arrived at with the majority partner viz. Kumi Kasei Japan.

In view of unprecedented & difficult times the company's focus shall remain on all critical areas of cost control and cost reduction thereof and the finance cost being one of them shall always be a focal point for constant optimization.

6. INTERNAL CONTROL SYSTEM

The Company has adequate internal audit and control systems. Internal auditors comprising of professional firms of Chartered Accountants have been entrusted the job to conduct regular internal audits and risk based audits at all units/ locations and report to the management the lapses, if any. Both internal auditors and statutory auditors independently evaluate the adequacy of internal control system. Based on the audit observations and suggestions, follow up, remedial measures are being taken including review and increase in the scope of coverage, if necessary. The Audit Committee of Directors, in its periodical meetings, review the adequacy of internal control systems and procedures and suggest areas of improvements.

The Company has undertaken a detailed exercise to revisit its control systems in technical and other non financial areas to align them properly with Management Information Systems (MIS) to make MIS more efficient and result oriented. Information technology base created by the Company over the period is providing a very useful helping hand in the process. Needless to mention, that ensuring maintenance of proper accounting records, safeguarding assets against loss and misappropriation, compliance of applicable laws, rules and regulations and providing reasonable assurance against fraud and errors will continue to remain central point of the entire control systems.

7. HUMAN RESOURCES

Human resource is considered as key to the future growth strategy of the Company and looks upon to focus its efforts to further align human resource policies, processes and initiatives to meet its business needs. In order to focus on keeping employees abreast of technological and technical developments, the Company provides opportunity for training and learning within the country and abroad. Company is also developing its infrastructure and facilities by which many employees could work from home. This has helped the Company to continue to provide services to all its stakeholders during countrywide lockdown due to pandemic COVID 19. Industrial relations at all the units and locations are cordial.

Cautionary Statement

Statements in the Management Discussion and Analysis describing the Company's objectives, expectations or predictions may be forward looking within the meaning of applicable securities, laws and regulations. Actual results may differ materially from those expressed in the statement. Important factors that would influence the Company's operations include cost of raw materials, tax laws, interest and power cost and economic developments particularly in view of ongoing pandemic COVID 19 and such other factors within the country and the international economic and financial developments.



Corporate Governance

The Directors present the Company's Report on Corporate Governance for the year ended March 31, 2020.

1. PHILOSOPHY OF COMPANY ON CORPORATE GOVERNANCE

Good Governance ensures adoption of best business practices, and accountability of the person's in-charge of the company's operations. Your Directors are committed to good Governance practices and the company has been sharing all important information about its various business segments and operations of the company through Quarterly Results, Press release, Chairman's Statement, Annual Reports and Telephonic Con calls. Further as required by the Listing Agreement, Report on Corporate Governance is given below.

2. GOVERNANCE STRUCTURE

The Company's Governance Structure comprises a dual layer, the Board of Directors and the Committees of the Board at the apex level and the Management Team at an operational level. The Board lays down the overall Corporate Objectives and provides direction and independence to the Management Team to achieve these objectives within a given framework. This professional management process results in building a conducive environment for sustainable business operations and value creation for all stakeholders.

The Board of Directors and the committees of the Board play a fundamental role in upholding and furthering the principals of good governance which translates into ethical business practices, transparency and accountability in the Company's dealing with its stakeholders and in the utilization of resources for creating sustainable growth to the benefit of all the stakeholders. The Board within the framework of law discharges its fiduciary duties of safeguarding the interests of the Company. The Boards composition and size is robust and enables it to deal competently with emerging business development issue and exercise independent judgment.

Committee of Directors assists the Board of Directors in discharging its duties and responsibilities. The Board has constituted the following Committees viz. Audit Committee, Stakeholders Relationship Committee, Nomination & Remuneration Committee, Corporate Social Responsibility (CSR) Committee, Risk Management Committee which are mandatory Committees. The Business Responsibility Committee (for BRR) is also constituted which is non-mandatory Committees.

The Management Structure for the day-to-day business operations and management of the Company is in place with appropriate delegation of powers and responsibilities.

3. CORPORATE GOVERNANCE PRACTICE

The Company maintains the highest standard of corporate governance; it is the Company's constant endeavour to adopt the best Corporate Governance Practice.

4. ROLE OF COMPANY SECRETARY IN OVERALL GOVERNANCE PROCESS

The Company Secretary plays a key role in ensuring that the Board and Committees procedures are followed and regularly reviewed. The Company Secretary ensures that all relevant information, details and documents are made available to the Directors and Senior Management for effective decision making at the Meetings. The Company Secretary is primarily responsible for assisting and advising the Board in conducting the affairs of the Company, to ensure the compliances with applicable statutory requirements, to provide guidance to Directors and to facilitate convening of Meetings. The Company Secretary interfaces between the Management and regulatory authority for governance matters.

5. BOARD OF DIRECTORS

The Company has a broad-based Board of Directors, constituted in compliance with the Companies Act, 2013, SEBI (Listing Obligations and Disclosure Requirements), Regulations 2015 "Listing Regulations" and is in accordance with best practices in Corporate Governance.

As on 31st March, 2020, the Board comprised of 10 Directors viz Managing Director, Two Executive Directors and Seven Non-Executive Directors out of which six Directors are Independent Directors. The Chairman of the Board is Non -Executive Director.

a) Composition and Categories of Board of Directors:

Name of the Directors	Category	No. of outside Directorship*		No. of Committees Chairpersonship / Membership held including Supreme	
		Public	Private	Chairperson	Members
Shri B L Taparia	Promoter / Non-Executive Chairman	2	1	–	–
Shri M P Taparia	Promoter / Managing Director	4	2	1	1
Shri S J Taparia	Promoter / Executive Director	2	1	–	2
Shri V K Taparia	Promoter / Executive Director	1	1	–	–
Shri B. V. Bhargava	Independent / Non-Executive Director	5	–	1	3
Shri Y. P. Trivedi	Independent / Non-Executive Director	4	1	4	1

Name of the Directors	Category	No. of outside Directorship*		No. of Committees Chairpersonship / Membership held including Supreme	
		Public	Private	Chairperson	Members
Shri R. Kannan	Independent / Non-Executive Director	1	–	1	–
Shri Rajeev M. Pandia	Independent / Non-Executive Director	6	–	2	3
Shri Sarthak Behuria	Independent / Non-Executive Director	4	-	1	1
Ms. Ameeta Parpia	Independent / Non-Executive Director	4	1	4	4

Committee positions only of the Audit Committee and Stakeholders Relationship Committee in Public Limited Companies have been considered.

*Directorship in public and private companies includes Section 8 Companies.

b) Attendance of Directors at the Board Meetings held during 2019-2020 and the last Annual General Meeting held on 10th July, 2019.

During the Financial Year 2019-2020 the Board met on six occasions i.e. 7th May, 2019, 10th July, 2019, 29th July, 2019, 25th October, 2019, 24th January, 2020 and 28th February, 2020. The gap between any two meetings is not more than 120 days.

Name of the Directors	Category	Meetings held during the tenure of the Directors	Meetings Attended	Attendance at the last AGM
Shri B L Taparia	Promoter / Non-Executive Chairman	6	6	Yes
Shri M. P. Taparia	Promoter / Managing Director	6	5	Yes
Shri S. J. Taparia	Promoter / Executive Director	6	6	Yes
Shri V. K. Taparia	Promoter / Executive Director	6	6	Yes
Shri B. V. Bhargava	Independent / Non-Executive Director	6	4	No
Shri Y. P. Trivedi	Independent / Non-Executive Director	6	6	Yes
Shri R Kannan	Independent / Non-Executive Director	6	5	Yes
Shri Rajeev M. Pandia	Independent / Non-Executive Director	6	6	Yes
Shri Sarthak Behuria #	Independent / Non-Executive Director	6	5	Yes
Ms. Ameeta Parpia #	Independent / Non-Executive Director	6	4	No
Shri N. N. Khandwala*	Independent / Non-Executive Director	3	3	Yes
Smt Rashna Khan*	Independent / Non-Executive Director	3	3	Yes

*Shri N.N. Khandwala and Smt. Rashna Khan were resigned with effect from 17th September, 2019.

#Shri Sarthak Behuria and Ms. Ameeta Parpia were appointed as Non-Executive Independent Director with effect from 7th May, 2019.

c) Details of Directorship in other Listed Entities and category of Directorship

Name of the Directors	Name of other Listed Entities	Category of Directorship
Shri B L Taparia	Supreme Petrochem Limited	Non-Executive- Non Independent Director
Shri M. P. Taparia	Supreme Petrochem Limited	Non-Executive- Non Independent Director, Chairperson
	Kabra Extrusion Technik Limited	Non-Executive - Independent Director
	West Coast Papers Mills Limited	Non-Executive - Independent Director
Shri S. J. Taparia	Supreme Petrochem Limited	Non-Executive - Non Independent Director
Shri V. K. Taparia	NIL	NA
Shri B. V. Bhargava	Excel Crop Care Ltd.	Non-Executive - Independent Director
	J.K Lakshmi Cement Ltd	Non-Executive - Independent Director
Shri Y. P. Trivedi	Reliance Industries Ltd	Non-Executive - Independent Director
	Zodiac Clothing Co. Ltd	Non-Executive - Independent Director
	Emami Ltd	Non-Executive - Independent Director
Shri R Kannan	Supreme Petrochem Limited	Non-Executive - Independent Director



Name of the Directors	Name of other Listed Entities	Category of Directorship
Shri Rajeev M. Pandia	GRP Limited	Non-Executive - Independent Director
	Excel Industries Limited	Non-Executive - Independent Director
	Thirumalai Chemicals Limited	Non-Executive - Independent Director
	Ultramarine & Pigments Limited	Non-Executive - Independent Director
	Supreme Petrochem Limited	Non-Executive - Independent Director
Shri Sarthak Behuria	SPML Infra Limited	Non-Executive - Independent Director
	BLS International Services Limited	Non-Executive - Independent Director
Ms. Ameeta Parpia	Supreme Petrochem Limited	Non-Executive - Independent Director
	Prism Johnson Limited	Non-Executive - Independent Director
	Hathway cable and Datacom Limited	Non-Executive - Independent Director

6. RELATIONSHIP BETWEEN DIRECTORS

Out of 10 Directors 4 Directors are related Directors viz : Shri B. L. Taparia, Non-Executive Chairman, Shri M. P. Taparia, Managing Director, Shri S. J. Taparia, Executive Director and Shri V. K. Taparia, Executive Director. None of the other Directors are related with each other

7. EQUITY SHAREHOLDING OF THE NON-EXECUTIVE DIRECTORS IN THE COMPANY AS ON 31ST MARCH, 2020:

Sr. No.	Name of the Non-Executive Director	No. of Shares
1)	Shri B. L. Taparia	317398
2)	Shri B. V. Bhargava	13000
3)	Shri Y. P. Trivedi	20010
4)	Shri R Kannan	7410
5)	Shri Rajeev M. Pandia	Nil
6)	Shri Sarthak Behuria	Nil
7)	Ms Ameeta Parpia	1500

8. THE DETAILS OF FAMILIARISATION PROGRAMMES IMPARTED TO INDEPENDENT DIRECTORS:

Brief Terms of reference:

An Appropriate induction programme for new Directors and ongoing familiarization with respect to the Business / working of the Company for all Directors is a major contributor for meaningful Board Level deliberations and sound business decisions.

The Company has adopted a structured programme for orientation of Independent Directors at the time of their joining so as to familiarize them with the Company's operations, business, industry and environment in which it functions and the regulatory environment applicable to it. The Company updates the Board Members on a continuing basis on any significant changes therein and provides them an insight to their expected roles and the responsibilities so as to be in a position to take well-informed and timely decisions and contribute significantly to the Company.

The Company through its Managing Director / Executive Directors / Senior Management Personnel makes presentations regularly to the Board, Audit Committee or such other Committees, as may be required, covering, inter alia, business environmental, business strategies, operations review, quarterly and annual results, budgets, review of Internal Audit Report and Action Taken, statutory compliance, risk management, etc.

The details of familiarization programmes held for the Independent Directors is provided on the Company's website.

9. MATRIX/TABLE CONTAINING SKILLS, EXPERTISE AND COMPETENCIES OF THE BOARD OF DIRECTORS:

The Board Members are from diversified areas having the required knowledge. Competency, skills, and experience to effectively discharge their responsibilities. The range of experience of the Board Members includes in the areas of Plastics, Petrochemicals, Banking & Finance, Taxation and Legal.

The broad policies are framed by the Board of Directors. All strategic decisions are taken by the Board after due deliberation between the Board Members which consists of Managing Director, Executive Directors, Non-Executive Director and, Independent Directors

The Company has identified and broadly categorised its Core Skills, Expertise and Competencies as mentioned hereunder:

Matrix/Table of Core Skills, Expertise and Competencies of Board of Directors as Whole;

Particulars	Detailed List of Core Skills, Expertise and Competencies	Name of Directors who have Skills, Expertise and Competence									
		Shri B.L. Taparia	Shri M.P. Taparia	Shri S.J. Taparia	Shri V.K. Taparia	Shri B.V. Bhargava	Shri Y.P. Trivedi	Shri R. Kannan	Shri R.M. Pandia	Shri Sarthak Behuria	Ms. Ameeta Parpia
Core Skills	Strategic policy formulation and advising	✓	✓	✓	✓	✓	✓		✓	✓	
	Regulatory framework knowledge	✓	✓	✓	✓	✓	✓			✓	✓
	Financial performance	✓	✓	✓	✓	✓	✓	✓	✓	✓	
	Advising on Risk mitigation and Compliance requirements	✓	✓	✓	✓	✓	✓	✓	✓		✓
Expertise	Knowledge of Petrochemicals	✓	✓	✓	✓		✓	✓	✓	✓	
	Commercial acumen	✓	✓	✓	✓	✓	✓	✓	✓	✓	
	Able to guide in building the right environment for Human Assets Development	✓	✓	✓	✓	✓	✓		✓	✓	✓
Competencies	Strategic Leadership	✓	✓	✓	✓	✓	✓		✓	✓	
	Execution of policies framed by the Board	✓	✓	✓	✓	✓	✓			✓	✓
	Identifying the growth areas for expanding the business in India and outside India	✓	✓	✓	✓	✓	✓	✓	✓	✓	
	Advising on Business Risks & environment.	✓	✓	✓	✓	✓	✓	✓	✓	✓	

10. CONFIRMATION OF BOARD REGARDING INDEPENDENT DIRECTORS

Board of Directors confirms that the Independent Directors fulfil the conditions specified in the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015 as amended from time to time and are Independent of the Management.

11. INDEPENDENT DIRECTORS MEETING:

In Compliance with the Companies Act, 2013 and Regulation 25 of SEBI (Listing Obligations and Disclosure Requirements), Regulations, 2015, the Independent Directors Meeting of the Company was held on 23rd January, 2020. Independent Directors Meeting considered the performance of Non-Independent Directors and Board as whole, reviewed the performance of Chairman of the Company, taking into account the views of Executive Directors and Non-Executive Directors and assessed the quality, quantity and timeliness of flow of information between the Company Management and the Board.

Shri Y. P. Trivedi is the Chairman of Independent Directors Meeting.

Attendance of Independent Directors in Independent Directors Meeting:

Directors	Meetings held during Year	Meetings Attended
Shri Y.P. Trivedi	1	1
Shri B.V. Bhargava	1	1
Shri R. Kannan	1	1
Shri Rajeev M. Pandia	1	1
Shri Sarthak Behuria	1	1
Ms. Ameeta Parpia	1	1

12. AUDIT COMMITTEE:

The Company has an independent Audit Committee. The composition, procedure, Role / Function of the committee complies with the requirements of the Companies Act, 2013 as well as those of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The brief terms of reference of the Audit Committee includes the following:

- Overseeing the Company's financial report process and the disclosure of its financial information's.
- To review quarterly, half yearly and Annual Financial results before submission to the Board.
- To review the statement of significant related party transactions submitted by management.
- To review the adequacy of internal control systems with the management, external & internal auditors.
- Discussion with external auditors about the nature and scope of audit including their observation.
- To investigate into any matter referred to by the Board.

During the financial year 2019-20, Audit Committee meeting was held on 7th May, 2019, 10th July, 2019, 29th July, 2019, 24th October, 2019 and 23rd January, 2020.

**Composition and Attendance of Members at the Meetings of the Audit Committee held during 2019-2020:**

Members	Category	Meetings held during the tenure of the Directors	Meetings attended
Shri Y. P. Trivedi (Chairman)	Independent / Non-Executive Director	5	5
Shri N. N. Khandwala*	Independent / Non-Executive Director	3	3
Shri Rajeev M. Pandia	Independent / Non-Executive Director	5	5
Ms. Ameeta Parpia #	Independent / Non-Executive Director	2	2

*Shri N.N. Khandwala resigned with effect from 17th September, 2019.

Ms. Ameeta Parpia was inducted as member of the Audit Committee with effect from 17th September, 2019.

13. NOMINATION AND REMUNERATION COMMITTEE**(i) Brief Terms of reference:**

- To formulate a criteria for determining qualifications, positive attributes and independence of a Director.
- Formulate criteria for evaluation of Independent Directors and the Board.
- Identify persons who are qualified to become Directors and who may be appointed in Senior Management in accordance with the criteria laid down in this policy.
- To carry out evaluation of every Director's performance.
- To recommend to the Board the appointment and removal of Directors and Senior Management.
- To recommend to the Board policy relating to remuneration for Directors, Key Managerial Personnel and Senior Management.
- Ensure that level and composition of remuneration is reasonable and sufficient, relationship of remuneration to performance is clear and meets appropriate performance benchmarks.
- To devise a policy on Board diversity.
- To carry out any other function as is mandated by the Board from time to time and / or enforced by any statutory notification, amendment or modification, as may be applicable.
- To perform such other functions as may be necessary or appropriate for the performance of its duties.

During the financial year 2019-20 Nomination and Remuneration Committee meeting was held on 7th May, 2019, 24th October, 2019 and 23rd January, 2020.

(ii) Composition

Members	Category	Meetings held	Meetings attended
Shri Y. P. Trivedi – Chairman	Independent / Non-Executive Director	3	3
Shri B. V. Bhargava	Independent / Non-Executive Director	3	3
Shri N. N. Khandwala*	Independent / Non-Executive Director	3	1
Shri R.M. Pandia #	Independent / Non-Executive Director	3	2

* Shri N.N. Khandwala resigned with effect from 17th September, 2019.

Shri R.M. Pandia was inducted as member of the Nomination and remuneration Committee with effect from 17th September, 2019.

(iii) Performance evaluation criteria for Independent Directors:

- How well prepared and well informed the Independent Directors for the Board Meeting.
- Is the attendance of Independent Directors at meetings satisfactory?
- Does Independent Director demonstrate a willingness to devote time and efforts learning about the Company and its Business?
- What has been the quality and value of their contributions at Board Meeting?
- What has been their contribution to development of strategy and to risk management?
- How effectively have they followed up matters about which they have expressed concern?
- How good are their relationship with other Board members, the company secretary, and senior management?
- Are they up-to-date with the latest developments in areas such as corporate governance framework and financial reporting and in the industry and market conditions?
- How well do they communicate with other Board members, senior management and others?
- Do the Independent Directors willing to participate in events outside Board meeting such as site visits?
- Does their performance and behaviour promote mutual trust and respect within the Board?

(iv) Nomination and Remuneration Policy:

In accordance with Section 178 of the Act, the Committee has framed a Nomination and Remuneration Policy and the same set out as Annexure IV (A) to the Board Report.

The details relating to the remuneration of Directors is as under:

(v) Remuneration Paid/Provided to Directors during 2019-20

(₹ in lakhs)

Sr No.	Names	Category	Sitting Fees	Salary & Perquisites	Commission	Total
1	Shri B L Taparia	Promoter / Non-Executive Chairman	6.00	–	10.00	16.00
2	Shri M P Taparia	Promoter / Managing Director	–	330.00	657.00	987.00
3	Shri S J Taparia	Promoter / Executive Director	–	325.00	657.00	982.00
4	Shri V K Taparia	Promoter / Executive Director	–	318.00	657.00	975.00
5	Shri B V Bhargava	Independent / Non-Executive Director	6.50	–	10.00	16.50
6	Shri Y P Trivedi	Independent / Non-Executive Director	12.50	–	10.00	22.50
7	Shri N N Khandwala*	Independent / Non-Executive Director	6.00	–	4.62	10.62
8	Smt Rashna Khan*	Independent / Non-Executive Director	3.00	–	4.62	7.62
9	Shri R Kannan	Independent / Non-Executive Director	6.50	–	10.00	16.50
10	Shri Rajeev M. Pandia	Independent / Non-Executive Director	13.50	–	10.00	23.50
11	Shri Sarthak Behuria	Independent / Non-Executive Director	6.00	–	6.76	12.76
12	Ms. Ameeta Parpia	Independent / Non-Executive Director	6.00	–	6.76	12.76
	Total		66.00	973.00	2043.76	3082.76

* Shri N.N. Khandwala and Smt. Rashna Khan resigned from Directorship of the Company with effect from 17th September, 2019.

14. STAKEHOLDERS RELATIONSHIP COMMITTEE

The company has constituted Stakeholders Relationship Committee of the Board of Directors to look into the transmission of Equity Shares /issuance of duplicate Equity Share certificates, complaints received from the shareholders of the Company and other allied connected matters.

During the financial year 2019-20 Stakeholders Relationship Committee meeting was held on 7th May, 2019, 31st July, 2019, 24th October, 2019, 23rd January, 2020 and 28th February, 2020

a) Composition:

Members	Category	Meetings held	Meetings attended
Shri Y.P. Trivedi – Chairman *	Independent / Non-Executive Director	5	3
Shri M. P. Taparia	Promoter / Managing Director	5	4
Shri Rajeev M Pandia	Independent / Non-Executive Director	5	5
Shri N.N. Khandwala #	Independent / Non-Executive Director	5	2

* Shri Y.P. Trivedi was inducted as member of the Stakeholders relationship Committee w.e.f. 17th September, 2019.

Shri N.N. Khandwala resigned with effect from 17th September, 2019.

b) Compliance Officer:

Shri R. J. Saboo VP (Corporate Affairs) & Company Secretary is the Compliance Officer for complying with requirements of Companies Act, Securities laws and listing Agreements with Stock Exchanges.

c) During the year, the company received 63 complaints / correspondence from Shareholders regarding non-receipt of Share Certificates / issuance of Duplicate Share Certificates / Dividend Warrants etc. all 63 have been duly resolved in time.

15. CORPORATE SOCIAL RESPONSIBILITY COMMITTEE

The Corporate Social Responsibility Committee is constituted pursuant to section 135 of the Companies Act 2013. The Corporate Social Responsibility Committee of the Board consists of the following Directors as Members.

During the financial year 2019-20 Corporate Social Responsibility Committee meeting was held on 6th May, 2019.

Name	Meetings held	Meetings attended
Shri N. N. Khandwala - Chairman*	1	1
Shri B. L. Taparia	1	1
Shri M. P. Taparia	1	1
Shri R. Kannan# - Chairman	NA	NA

* Shri N.N. Khandwala resigned with effect from 17th September, 2019.

Shri R Kannan was inducted as member of Corporate Social Responsibility Committee w.e.f. 17th September, 2019.

**Terms of reference:**

- Formulate and recommended to the Board, a CSR Policy.
- Recommend to the Board CSR activities to be undertaken by the Company.
- Monitor the CSR Policy of the Company from time to time and ensure its Compliance.

Submit to the Board half-yearly / yearly report giving status of the CSR activities undertaken, expenditure incurred and such other details as may be required by it.

16. RISK MANAGEMENT COMMITTEE

The Board of Directors of the Company constituted a Risk Management Committee of the Board comprising Shri M. P. Taparia, Managing Director, Shri Rajeev M. Pandia, Independent Director, Shri R. Kannan, Independent Director and Shri P. C. Somani, CFO. The Chairman of the Committee is Shri M. P. Taparia.

During the financial year 2019-20 Risk Management Committee was held on 24th January, 2020.

Members	Category	Meetings held	Meetings attended
Shri M. P. Taparia – Chairman	Promoter / Managing Director	1	1
Shri Rajeev M. Pandia	Independent / Non-Executive Director	1	1
Shri R. Kannan	Independent / Non-Executive Director	1	1
Shri P. C. Somani	Chief Financial Officer	1	1

17. BUSINESS RESPONSIBILITY COMMITTEE

The Board of Directors of the Company constituted a Business Responsibility Committee of the Board comprising Shri M.P. Taparia, Managing Director, Shri P.C. Somani, Chief Financial Officer and Shri R.J. Saboo, VP (Corporate Affairs) & Company Secretary, to assess the various initiatives forming part of the BR performance of the Company, on a periodic basis.

During the financial year 2019-20 Business Responsibility Committee was held on 6th May, 2019

Members	Category	Meetings held	Meetings attended
Shri M. P. Taparia – Chairman	Promoter / Managing Director	1	1
Shri P.C. Somani	Member	1	1
Shri R.J. Saboo	Member	1	1

18. GENERAL BODY MEETINGS**(i) Location and time of last Three AGM's held:**

Year	Location	Date	Time
2017 – 75th AGM	WalchandHirachand Hall, I.M.C., Near Churchgate Station, Mumbai -400 020	3rd July, 2017	4.00 p.m
2018 -76th AGM	WalchandHirachand Hall, I.M.C., Near Churchgate Station, Mumbai -400 020	29th June. 2018	4.00 p.m.
2019-77th AGM	WalchandHirachand Hall, I.M.C., Near Churchgate Station, Mumbai -400 020	10th July, 2019	4.00 p.m.

(ii) Special Resolutions passed in previous Three Annual General Meetings.

Year	Date	Time	Special Resolutions passed
2018-19	10.07.2019	4.00 pm	• To approve re-appointment of Shri Y. P. Trivedi (DIN: 00001879) as an Independent director of the Company for a period of two years from 17th September, 2019 to 16th September, 2021.
			• To approve re-appointment of Shri B. V. Bhargava (DIN: 00001823) as an Independent director of the Company for a period of two years from 17th September, 2019 to 16th September, 2021.
2017-18	29.06.2018	4.00 pm	• To approve re-appointment and remuneration of Shri M.P. Taparia (DIN: 00112461) as a Managing Director of the Company
			• To approve re-appointment and remuneration of Shri S.J. Taparia (DIN: 00112513) as a Executive Director of the Company
			• To approve re-appointment and remuneration of Shri V.K. Taparia (DIN: 00112567) as a Executive Director of the Company.
2016-17	03.07.2017	4.00 pm	• Alteration of Articles of Association
			• Approving the re-appointment of Shri S.J. Taparia (Director Identification No. 00112513) as an Executive Director liable to retire by rotation

(iii) Details of Special Resolution Passed by Postal Ballot during FY 2019-20 through Postal Ballot

During the year 2019-20 no business was conducted through postal ballot.

19. CODE FOR PREVENTION OF INSIDER TRADING PRACTICES:

In compliance with the SEBI Regulations on prevention of Insider trading, the Company has adopted a code of conduct for its Directors and designated employees. The code lays down guidelines which included procedures to be followed and disclosures to be made while dealing with the shares of the Company.

20. MANAGEMENT DISCUSSION AND ANALYSIS:

The management discussion and analysis is a part of the Annual report and annexed separately.

21. DISCLOSURE REGARDING APPOINTMENT / RE-APPOINTMENT OF DIRECTORS:

Particulars of Directors, seeking re-appointment/ continuation are given here in below:

Name of the Directors	Date of Birth	Date of Appointment	Expertise in specific functional area	Qualifications	Chairman / Director of other companies	No of Equity Shares held in the Company
Shri V.K Taparia	26/10/1955	29/10/1984	Industrialist Having rich Business experience	B.Com	1. Venkatesh Investment and Trading Company Private Limited 2. Organization of Plastics Processors of India	344890
Shri Ramanathan Kannan	23/09/1947	17/09/2014	Oil & Gas Infrastructure, Structured Products & Technology Finance Divisions	Post Graduate Degree in Chemical Engineering	1. Supreme Petrochem Limited	7410
Shri R.M Pandia	17/12/1949	17/09/2014	Petrochemicals Polymers, Elastomers and Speciality Chemicals	Graduate in Chemical Engineering	1. GRP Limited 2. Excel Industries Limited 3. Supreme Petrochem Limited 4. Thirumalai Chemicals Limited 5. Ultramarine & Pigments Limited 6. Deepak Phenolics Limited	Nil

22. MEANS OF COMMUNICATION:

(i) The Quarterly results of the company are published in widely circulated newspapers such as The Economic Times (English), Business Standard & Maharashtra Times (Marathi). The results are also displayed on the company's website: <http://www.supreme.co.in>.

(ii) Official News Releases:-

Official News releases and media releases are sent to the Stock Exchanges.

The Ministry of Corporate Affairs ("Ministry"), Government of India, has taken a "Green Initiative in Corporate Governance" by allowing paperless compliance by the Companies and clarified that the service of documents by the Companies can be made through Electronic Mode. Accordingly, as a contribution towards green environment, your Company also implemented the Initiative to send documents, such as Notice calling the general meeting, audited financial statements, Board' report, auditors' report, etc. in electronic form on the email id's provided by the shareholders & made available by them to the company through the depositories.

(iii) Presentation made to Institutional Investor / Analysts:

Detailed presentation made to Institutional Investors and financial analysis's is available on the Company's website: <http://www.supreme.co.in>.

23. GENERAL SHAREHOLDER INFORMATION

(i)	AGM (Date, Time and Venue)	:	Date : September 17, 2020 Time : 4.00 p.m. Venue : The Company is conducting meeting through VC / OAVM pursuant to the MCA Circular dated May 5, 2020 and as such there is no requirement to have a venue for the AGM. For details please refer to the Notice of this AGM.
(ii)	Financial Year	:	1st April, 2019 to 31st March, 2020

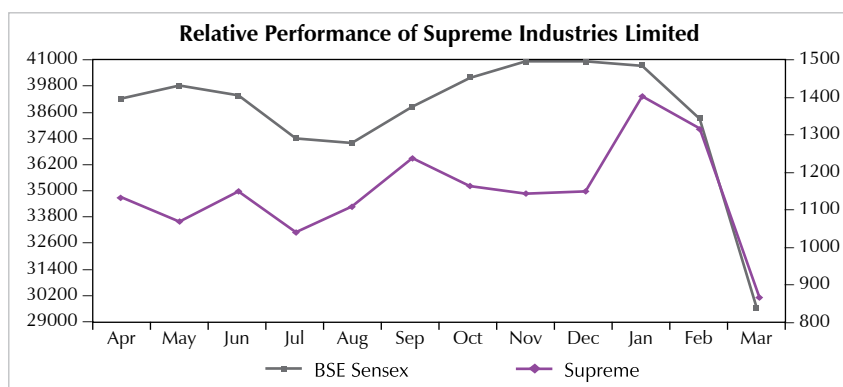


(iii)	Key Financial Reporting Dates F.Y. 2020-2021	
	Unaudited Results for the First Quarter ended June 30, 2020	: On or before 15th August, 2020
	Unaudited Results for the Second Quarter ended September 30, 2020	: On or before 15th November, 2020
	Unaudited Results for the Third Quarter ended December 31, 2020	On or before 15th February, 2021
	Audited Results for the F.Y. 2020-2021	: On or before 31st May, 2021
(iv)	Date of Book Closure	: Friday the 11th September, 2020 to Thursday the 17th September, 2020 (both days inclusive)
(v)	Registered Office	: 612, Raheja Chambers, Nariman Point, Mumbai 400 021.
(vi)	Listing on Stock Exchanges	: (i) BSE Limited (ii) National Stock Exchange of India Ltd., (NSE)
(vii)	Listing Fees	: Annual Listing Fees for the year upto 2020-21 have been paid to both the Stock Exchanges.
(viii)	Stock Codes	: (i) BSE : 509930 (ii) NSE : SUPREMEIND
(ix)	Trading Group	: (i) BSE : "A" Group, (ii) NSE : "Other Securities"

(x) Market Price Data: High / Low / Close During each month in the last Financial Year.

Month	BSE			NSE		
	High	Low	Close	High	Low	Close
April-2019	1191.00	1080.00	1140.10	1195.00	1081.25	1142.95
May-2019	1140.00	950.20	1077.20	1148.00	946.25	1078.70
June-2019	1155.50	1026.55	1144.40	1155.45	1026.15	1146.05
July-2019	1157.40	990.00	1049.80	1157.00	989.00	1049.80
August-2019	1149.95	1005.05	1105.55	1154.95	1001.00	1105.40
September-2019	1246.00	1079.05	1227.85	1247.65	1078.00	1232.70
October-2019	1255.00	1148.75	1164.95	1254.75	1158.05	1164.15
November-2019	1214.45	1107.00	1149.30	1215.00	1105.60	1140.05
December-2019	1186.00	1093.05	1152.35	1187.90	1091.00	1153.30
January-2020	1409.00	1131.90	1394.95	1410.00	1121.65	1394.30
February-2020	1413.95	1284.95	1307.75	1413.00	1285.00	1319.20
March-2020	1327.90	797.00	868.60	1332.30	773.30	867.70

(xi) Relative Performance of Supreme Share Price V/S. BSE Sensex :



(xii)	Registrar & Transfer Agent (For Physical & Demat Shares)	: M/s. Bigshare Services Pvt. Ltd. Bharat Tin Works Building 1st Floor, Opp. Vasant Oasis, Next to Keys Hotel, Makwana Road, Andheri – East, Mumbai – 400059. Tel 022- 62638200 Fax No- 022 -62638299 Weblink to raise queries: http://www.bigshareonline.com/Contact.aspx
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(xiii) Distribution of Shareholding (As on 31st March, 2020)

No. of Equity Shares held	No. of Shareholders	Percentage of Shareholders	No. of Shares	Percentages of Shareholdings
Upto 500	33902	87.48	2516443	1.98
501 - 1000	1740	4.49	1406902	1.11
1001 - 2000	1336	3.45	2012621	1.59
2001 - 3000	508	1.31	1282481	1.01
3001 - 4000	255	0.66	905659	0.71
4001 - 5000	193	0.50	901874	0.71
5001 - 10000	364	0.94	2579495	2.03
Over 10001	454	1.17	115421395	90.86
Total	38752	100.00	127026870	100.00

(xiv)	Dematerialization of Shares	:	125644100 Shares are Dematerialized (as on 31.03.2020) 98.91% of total Shares viz 127026870 shares)
(xv)	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 convertible instruments in past and hence as on 31st March, 2020, the Company does not have any outstanding GDRs/ADRs/Warrants or any convertible instruments.
(xvi)	<p>Foreign Exchange Risk & Hedging Activity</p> <ol style="list-style-type: none"> Long term liabilities Long term liabilities by way of loans including ECB loans are fully hedged ab initio by way of a currency and interest rate swap. Trade exposure <ol style="list-style-type: none"> Imports/ buyer's credit finance This exposure is hedged to the extent of at least 50% on a regular basis; Exports Since the quantum of exports is nominal in comparison to Company's imports/ buyer's credit exposure, the same is kept open. Derivatives The Company follows a very conservative policy with regard to derivatives. The derivatives are used only to cover/hedge the underlying liabilities in the nature of Long Term Loans. The foreign exchange policy is in line with the mandate received from the Board. The same is closely followed by Chief Financial Officer, under the overall supervision of the Managing Director and Executive Directors. 		
(xvii)	Plant Locations	:	<ol style="list-style-type: none"> Derabassi (Lalru, Punjab) Durgapur (West Bengal) Gadegaon (Maharashtra) Guwahati (Assam) Chilot (Rajasthan) Halol - Unit I (Gujarat) Halol - Unit II (Gujarat) Halol - Unit III (Gujarat) Halol - Unit IV (Gujarat) Hosur (Tamil Nadu) Jalgaon - Unit I (Maharashtra) Jalgaon - Unit II (Maharashtra) Jadcherla- (Telangana) Kanhe (Talegaon, Maharashtra) Kanpur (Uttar Pradesh) Kharagpur (West Bengal) Khopoli (Maharashtra)



		18. Malanpur - Unit I (Madhya Pradesh) 19. Malanpur - Unit II (Madhya Pradesh) 20. Malanpur - Unit III (Madhya Pradesh) 21. Noida (Uttar Pradesh) 22. Puducherry (Union Territory) 23. Silvassa (Union Territory) 24. Sriperumbudur (Chennai, Tamil Nadu) 25. Urse (Maharashtra)
(xviii)	Address for Correspondence Investor Correspondence	For shares held in Physical form: M/s. Bigshare Services Pvt. Ltd. Bharat Tin Works Building 1st Floor, Opp. Vasant Oasis Next to Keys Hotel Makwana Road Andheri – East Mumbai – 400059 Tel No. : 62638200 Fax No. : 62638299 Weblink to raise queries: http://www.bigshareonline.com/Contact.aspx For Shares held in Demat form: Investor's concerned Depository Participant's and / or M/s Bigshare Services Pvt Ltd.
(xix)	Shareholders Assistance Investors Service Department	: Shares Department The Supreme Industries Limited, Regd. Office: 612, Raheja Chambers, Nariman Point, Mumbai 400 021. Phone Nos. : 22820072, 22851656, 22851159-60 Fax No.: 22851657 E-mail : investor@supreme.co.in

(xx) Credit Rating obtained for Bank Loan Facilities

Total Bank Loan Facilities Rated	₹ 1760.80 Crore	
Long -Term Rating	CRISIL AA/Stable (Reaffirmed)	CRISIL AA/Stable (Outlook Revised from "Positive" and Rating Reaffirmed)
Short -Term Rating	CRISIL A1+ (Reaffirmed)	No revision

(xxi) Categories of Shareholders (As on 31st March, 2020)

Sr. No.	Category	No. of Shareholders	Voting%	Number of Shares held
1	Promoters	17	49.94	63435295
2	Resident Individuals	36382	15.64	19863293
3	Corporate Bodies	379	2.72	3453562
4	Financial Institutions	1	0.00	7671
5	Nationalised Banks and Mutual Funds	64	15.25	19374026
6	FII's & Foreign Portfolio Investors	122	15.92	20222950
7	Foreign Bank	1	0.00	500
8	NRIs	1786	0.53	669573
	Total	38752	100.00	127026870

24. DISCLOSURES:

(i) Materially Significant Related Party Transactions:

There are no materially significant related party transactions of the Company which have potential conflict with the interest of the Company at large

(ii) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI, or any statutory authority, on any matter related to capital markets, during the last three years:

The Company has complied with the requirements of regulatory authorities on capital markets and no penalties / strictures have been imposed against it in the last three years.

(iii) Vigil Mechanism Policy

The Company believes in conducting its affairs in a fair and transparent manner by adopting the highest standards of professionalism, honesty, integrity and ethical behavior. The Company has adopted a Vigil Mechanism policy in order to provide a secure environment and to encourage employees of the Company to report unethical, unlawful or improper practice, acts or activities. The reportable matter may be disclosed to the Audit Committee. Employees may also report to the Chairman of the Audit Committee. During the year under review, no employee was denied access to the Audit Committee.

(iv) Mandatory and Non-mandatory requirements:

The Company has complied with all the mandatory requirements of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015. The Company has fulfilled the following non-mandatory requirements as prescribed in Schedule II, PART E of Regulation 27(1) of (Listing Obligations and Disclosure Requirements) Regulations, 2015.

The Positions of Chairman and Managing Director are separate.

- (v) The Policy for determination of Material Subsidiary and Related Party Transactions is available on company's website: www.supreme.co.in.
- (vi) Compliance Certificate from the V. Laxman and Company, 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 Directors of Companies by the Board/Ministry of Corporate Affairs or any such authority is attached as annexure to this Corporate Governance Report.
- (vii) During the Financial Year Board of Director has accepted all recommendations of committees, which are mandatory by law.
- (viii) Statutory Audit fees of ₹ 28,00,000 has been paid by the Company to M/s Lodha & Company (FRN-301051E) for agreed services between the Company and M/s Lodha & Company.
- (ix) Disclosure regarding the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013 given in Board Report. During the year no complaints reported / filed under this act.
- (x) Your Company has complied with all the requirements of Regulations 17 to 27 and clause (b) to (i) of sub-regulation 46 of SEBI (Listing obligations and Disclosure Requirements) Regulations, 2015.

(xi)	Additional Information Regarding the Company is also available on the Company's Website at	:	http://www.supreme.co.in
(xii)	CEO / CFO Certification	:	<p>Shri M. P. Taparia, Managing Director and Shri P. C. Somani, CFO heading the finance function have certified to the Board that :</p> <p>(A) They have reviewed financial statements and the cash flow statement for the year and that to the best of their knowledge and belief:</p> <ol style="list-style-type: none"> (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading; (2) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations. <p>(B) There are, to the best of their 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.</p> <p>(C) They accept responsibility for establishing and maintaining internal controls for financial reporting and that they have evaluated the effectiveness of the internal control systems of the company, pertaining to financial reporting and they have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation of internal controls, if any, of which they are aware and the steps they have taken or propose to take to rectify these deficiencies.</p> <p>(D) They have indicated to the Auditors and the Audit Committee</p> <ol style="list-style-type: none"> (1) significant changes in internal control over financial reporting during the year;



		<p>(2) significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and</p> <p>(3) instances of significant fraud of which they have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.</p> <p>The above Certificate was placed before the Board Meeting held on 22nd May, 2020.</p>
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CODE OF CONDUCT

The Board has adopted the Code of Conduct for members of the Board and Senior Management personnel of the Company. The Code lays down, in details, the standards of business conduct, ethics and governance. The compliance of the same has been affirmed and a declaration signed by the Managing Director to this effect is given below. Code of Conduct has also been posted on the Company's Website. www.supreme.co.in

Declaration

As provided under SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, all Board members and Senior Management Personnel have affirmed compliance with The Supreme Industries Limited Code of Conduct for the year ended 31st March, 2020.

For **The Supreme Industries Limited**

M. P. Taparia
 Managing Director

Mumbai : 22nd May, 2020
 Place: Mumbai

Certificate

Based on our verification of books, papers, forms and returns filed and other records maintained by The Supreme Industries Limited ("The Company"), and also the information provided by its officers, agents and authorized representatives during the conduct of secretarial audit of the Company, we hereby certify that none of the Directors on the Board of the Company have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities Exchange Board of India, Ministry of Corporate Affairs or any such authority as on 31st March, 2020.

For and on behalf of
V. Laxman & Co.,
Company Secretaries

Date: 6th May, 2020
Place: Mumbai

(V. Laxman)
FCS No. 1513
C P No. : 744



Auditors' Certificate on Corporate Governance

**To the Members of
The Supreme Industries Limited**

This certificate contains details of compliance of conditions of corporate governance by **THE SUPREME INDUSTRIES LIMITED** ('the Company') for the year ended 31st March 2020, as stipulated in Regulations 17-27, clause (b) to (i) of Regulation 46 (2) and paragraphs C, D and E of Schedule V of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015 ('Listing Regulations')

Management's Responsibility for compliance with the conditions of Listing Regulations:

The compliance of conditions of corporate governance is the responsibility of the management. This responsibility includes the designing, implementing and maintaining operating effectiveness of internal control to ensure compliance with the conditions of corporate governance as stipulated in the Listing Regulations.

Auditor's Responsibility

Our responsibility is limited to examining the procedures and implementation thereof, adopted by the Company for ensuring the compliance with the conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

We have examined the books of account and other relevant records and documents maintained by the Company for the purposes of providing reasonable assurance on the compliance with Corporate Governance requirements by the Company in accordance with the Guidance Note on Certification of Corporate Governance issued by the Institute of Chartered Accountants of India ('ICAI'), Standards on auditing specified under section 143(10) of the Companies Act, 2013 and Guidance Note on Reports or Certificates for Special Purposes issued by the ICAI which requires that we comply with the ethical requirements of the Code of Ethics issued by the ICAI.

We have complied with the relevant applicable requirements of the Standard on Quality Control (SQC) 1, Quality Control for Firms that Perform Audits and Reviews of Historical Financial Information, and Other Assurance and Related Services Engagements.

Opinion

Based on the procedures performed by us and to the best of our information and according to explanations given to us and representation made by the Management, in our opinion, we certify that the Company has complied, in all material respects, with the conditions of Corporate Governance as stipulated in the above-mentioned Listing Regulations.

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

Restriction on Use

The certificate is addressed to and provided to the Members of the Company solely for the purpose to enable the Company to comply with requirement of aforesaid Regulations and should not be used by any other person or for any other purpose. Accordingly, we do not accept or assume any liability or any duty of care for any other purpose or to any other person to whom this certificate is shown or into whose hands it may come without our prior consent in writing.

For **LODHA & COMPANY**
Chartered Accountants
Firm registration No. – 301051E

R. P. Baradiya
Partner
Membership No. 44101
UDIN:- 20044101AAAACW9904

Place : Mumbai
Date : May 22, 2020

Business Responsibility Report

SECTION A: GENERAL INFORMATION ABOUT THE COMPANY

1. Corporate Identity Number (CIN) of the Company	L35920MH1942PLC003554
2. Name of the Company	The Supreme Industries Limited
3. Registered address	612, Raheja Chambers, Nariman Point, Mumbai – 400 021
4. Website	www.supreme.co.in
5. E-mail id	investor@supreme.co.in
6. Financial Year reported	2019-2020
7. Sector(s) that the Company is engaged in (industrial activity code-wise)	Plastic Products, NIC Code -222
8. List three key products/services that the Company manufactures/ provides (as in balance sheet)	Plastic Piping, Packaging Products, Industrial Products, Consumer Products.
9. Total number of locations where business activity is undertaken by the Company	25 Manufacturing Locations, 18 Offices including Registered Office, One Subsidiary Company at Sharjah, UAE. Joint Venture Company named as Kumi Supreme India Private Limited at Khushkhara up to 31st March, 2020 (Rajasthan)
(a) Number of International Locations (Provide details of major 5)	One-The Supreme Industries Overseas FZE, Sharjah, UAE, a wholly owned subsidiary. The principal activity is to promote globally Plastics piping Products
(b) Number of National Locations	<ol style="list-style-type: none"> 1. Derabassi (Lalru, Punjab) 2. Durgapur (West Bengal) 3. Gadegaon (Maharashtra) 4. Guwahati (Assam) 5. Chilot (Rajasthan) 6. Halol - Unit I (Gujarat) 7. Halol - Unit II (Gujarat) 8. Halol - Unit III (Gujarat) 9. Halol - Unit IV (Gujarat) 10. Hosur (Tamil Nadu) 11. Jalgaon - Unit I (Maharashtra) 12. Jalgaon - Unit II (Maharashtra) 13. Jadcherla- (Telangana) 14. Kanhe (Talegaon, Maharashtra) 15. Kanpur (Uttar Pradesh) 16. Kharagpur (West Bengal) 17. Khopoli (Maharashtra) 18. Malanpur - Unit I (Madhya Pradesh) 19. Malanpur - Unit II (Madhya Pradesh) 20. Malanpur - Unit III (Madhya Pradesh) 21. Noida (Uttar Pradesh) 22. Puducherry (Union Territory) 23. Silvassa (Union Territory) 24. Sriperumbudur (Chennai, Tamil Nadu) 25. Urse (Maharashtra)
10. Markets served by the Company	Local/State/National/International



SECTION B: FINANCIAL DETAILS OF THE COMPANY

₹ in lakhs

1. Paid up Capital (INR)	2541
2. Total Turnover (INR)	₹ 5530
3. Total profit after taxes (INR)	₹ 496
4. Total Spending on Corporate Social Responsibility (CSR) as percentage of profit after tax (%)	2.69 %
5. List of activities in which expenditure in 4 above has been incurred:-	<ul style="list-style-type: none"> • Health Care, Hygiene and Sanitation • Drinking Water • Education • Benefit to the under privileged

SECTION C: OTHER DETAILS

- Your Company as on 31st March, 2020 has one wholly owned Subsidiary Company.
- The subsidiary company does not participate in Business Responsibility (BR) Initiatives of the Company.
- The Company does not mandate its suppliers/distributors to participate in the Company's BR initiatives. However, they are encouraged to adopt such practice and follow the concept of being a responsible business.

SECTION D: BR INFORMATION

1. Details of Director/Directors responsible for BR

(a) Details of the Director/Officers responsible for implementation of the BR policy/policies

- DIN : 00112461
- Name : Shri M. P. Taparia
- Designation : Managing Director
- DIN : NA
- Name : Shri P. C. Somani
- Designation : Chief Financial Officer
- DIN : NA
- Name : Shri R. J. Saboo
- Designation : VP (Corporate Affairs) & Company Secretary

(b) Details of the BR head

- DIN : 00112461
- Name : Shri M. P. Taparia
- Designation : Managing Director
- Tel. No. : 022-67710010 / 02240430010
- E-mail id : mp_taparia@supreme.co.in

2. Principle-wise (as per NVGs) BR Policy/policies

(a) Details of compliance (Reply in Y/N)

- P1 Businesses should conduct and govern themselves with Ethics, Transparency and Accountability
- P2 Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle
- P3 Businesses should promote the wellbeing of all employees
- P4 Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.
- P5 Businesses should respect and promote human rights
- P6 Business should respect, protect, and make efforts to restore the environment
- P7 Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner
- P8 Businesses should support inclusive growth and equitable development
- P9 Businesses should engage with and provide value to their customers and consumers in a responsible manner

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	Do you have a policy/policies for....	Y Part of policy on Ethics and Code	Y Part of Company's Environmental Policy, Health Safety and Policy on Ethics and Code.	Y Part of Ethics and Code. Human Resource Policy, Employee Safety Policy	Y Part of CSR Policy.	Y Part of policy on Ethics and Code	Y Part of Company's Environmental Policy and Health Safety & Environmental Policy.	N	Y Part of CSR Policy	Y Part of Policy on Ethics and Code
2	Has the policy being formulated in consultation with the relevant stakeholders?	Y	Y	Y	Y	Y	Y	NA	Y	Y
3	Does the policy conform to any national / international standards? If yes, specify? (50 words)	Y	Y	Y	Y	Y	Y	NA	Y	Y
		The spirit and content of the Ethics & Code and all the applicable laws and standards are captured in the policies articulated by the Company. The policies are based on and are in compliance with the applicable regulatory requirements and National Standards.								
4	Has the policy being approved by the Board? Is yes, has it been signed by MD/ owner/ CEO/ appropriate Board Director?	Y	Y	Y	Y	Y	Y	NA	Y	Y
5	Does the company have a specified committee of the Board/ Director/ Official to oversee the implementation of the policy?	Y	Y	Y	Y	Y	Y	NA	Y	Y
6	Indicate the link for the policy to be viewed online?	http://www.supreme.co.in/policies.php	http://www.supreme.co.in/policies.php	http://www.supreme.co.in/policies.php	http://www.supreme.co.in/policies.php	http://www.supreme.co.in/policies.php	http://www.supreme.co.in/policies.php	NA	http://www.supreme.co.in/policies.php	http://www.supreme.co.in/policies.php
7	Has the policy been formally communicated to all relevant internal and external stakeholders?	Yes-on the Website of the Company	Yes-on the Website of the Company	Yes-on the Website of the Company	Yes-on the Website of the Company	Yes-on the Website of the Company	Yes-on the Website of the Company	NA	Yes-on the Website of the Company	Yes-on the Website of the Company
8	Does the company have in-house structure to implement the policy/ policies.	Y	Y	Y	Y	Y	Y	NA	Y	Y
9	Does the Company have a grievance redressal mechanism related to the policy/ policies to address stakeholders' grievances related to the policy/ policies?	Y	Y	Y	Y	Y	Y	NA	Y	Y
10	Has the company carried out independent audit/ evaluation of the working of this policy by an internal or external agency?	No								



2a. If answer to Sr. No. 1 against any principle is 'No', please explain why: (Tick upto 2 options)

No.	Questions	P 1	P 2	P 3	P 4	P 5	P 6	P 7	P 8	P 9
1	The Company has not understood the Principles	-	-	-	-	-	-	-	-	-
2	The Company is not at a stage where it finds itself in a position to formulate and implement the policies on specified principles.	-	-	-	-	-	-	-	-	-
3	The Company does not have financial or manpower resources available for the task.	-	-	-	-	-	-	-	-	-
4	It is planned to be done within next 6 months.	-	-	-	-	-	-	-	-	-
5	It is planned to be done within the next 1 year.	-	-	-	-	-	-	-	-	-
6	Any other reason (please specify)	-	-	-	-	-	-	The Company has always remained at forefront and represented the industry in a responsible manner at various level with in the Government and various industry associations from time to time. However no need for a formal policy has been felt.	-	-

3. Governance related to Business Responsibility (BR)

The Board of Directors of your Company constituted the Business Responsibility Committee consisting of

Shri M P Taparia, Managing Director and Principal Officers of the Company viz Shri P C Somani, CFO and Shri R J Saboo, VP (Corporate Affairs) & Company Secretary, to assess various initiatives forming part of the BR performance of the Company, on a periodic basis.

The Company includes the information on BR in this Annual Report of the Company. The Annual Report is also uploaded on the website of the Company at www.supreme.co.in

SECTION E: PRINCIPLE-WISE PERFORMANCE

Principle 1

Businesses should conduct and govern themselves with Ethics, Transparency and Accountability

As one of the largest plastics processor in India, having diversified product portfolio, significant Market Share, the Company's reputation is most important. How we conduct ourselves on a day to day basis with our customers, shareholders, competitors, contactors, neighbouring communities, suppliers and Distributor forms the basis of reputation of the Company as an ethical Company.

We have an established Policy on Ethics and Code, Whistle Blower Policy, Insider Trading Prohibition Code containing (a) Code of Conduct to regulate, monitor and report Trading in Securities of the company. (b) Policy and procedure for inquiry in case of leak of Unpublished Price Sensitive Information. (c) Code of Practices and procedure for fair Disclosure of Unpublished Price Sensitive Information. The Code, policies and standards communicate our zero tolerance approach to ethical and legal violations, and communicate our commitment and requirement for legal compliance and ethical good practice.

The Policy on Ethics and Code provides guidelines for our business to be consistent with the highest standards of business ethics and is intended to assist all employees in meeting the high standards of personal and professional integrity that the Company requires of them, with strict adherence to the provisions of the Ethic and Code, a condition of employment. It covers: Honest and Ethical Conduct of Employees, Relationship of Employees with the Company, Health Safety and Environment, Whistle Blower Policy, Insider Trading, Competition and Fair Dealing, Conflicts of Interest, Gifts and Entertainment, Protection and Use of Company Assets, Compliance with Government Laws, Rules and Regulations.

The Company has in place different mechanisms for receiving and dealing with complaints from different stakeholders' viz. shareholders, customers, employees, vendors etc. The Company responds to the complaints within a time bound manner. During the year, Company received 63 complaints from shareholders and all have been resolved.

Principle 2

Businesses should provide goods and services that are safe and contribute to sustainability throughout their life cycle

Your Company is committed to offer quality standards for all range of products which are safe and environmental friendly. The Company is having well equipped test labs at all locations to verify the products on a regular basis to ensure no deviation. Some of the products are also tested in International labs to verify the values against declared standards. The Company prefers to forego the business rather than playing with the specified quality standards.

Most of the products supplied by the Company are functional products and are of day to day use. Company very well ensures that all the products meet hygiene, durability as per the application requirement and functional requirement of end application. As a policy, Company

refrains from using any degraded/post consumer waste material for its products. The Company is committed to offer eco-friendly products which meet the best international standards. As leading plastic processor and producer of diversified finished products, the Company has entered into various Technical Collaborations for the different Product Lines and is also having Design and Development Centre as well as testing lab and quality facilities at its plants to regularly carry out different test work on products at various stages of production process to ensure the required standards and efficiencies.

Your Company continues to enlarge its product portfolio and introduces many new product/application which replaces conventional material. These products not only give better value for money to the end consumer but also provide ease of use, installation and maintenance.

The Company has created Knowledge Centres at various locations to inculcate complete knowledge on various products of the Company. Knowledge Centre is equipped with product display and hands on demo section including advance testing laboratories and class room, for familiarizing with safety standards to visiting Farmers, Customers, plumbers, Architects, Contractors, engineers etc. The Company imparts extensive training to the piping people fraternity, viz. the plumbers, plumbing contractors, architects, engineers, consultants, farmers etc. Beside awareness on various products manufactured by the Company and its end applications, this will educate people more about plastic piping products and its advantage over the conventional materials.

The Company's products designed and manufactured in the various group viz. Plastic Piping System, Consumer Products, Industrial Products and Packaging Products.

Products incorporate the social and environmental considerations. The products notably which incorporates environment consideration are Plastic Piping System, Cross Laminated Films, Material Handling Products, products in the Protective Packaging Division viz. Children Health and Education (Funjoy) (safe for childrens, skin friendly), Bonded Foams and Cross Link Foam, health products like yoga mats (Fitspree). End of lifecycle waste is also being utilized for converting into another useful products. Your Company has introduced Septic Tanks, Underground water storage tanks, Double wall Corrugated pipes for underground sewage & drainage which are the testimony of Company's philosophy of providing safe and sustainable products throughout their life cycle.

Your Company has also introduced various products for waterproofing, acoustic insulation, thermal insulation, fire resistant properties in its goods.

The raw materials are sourced locally as well as imported. The Company due to the size of the requirement of the raw materials obtains the best trade terms and also avail the offered cash discounts.

The production costs are continuously monitored. The new generation machines for production are used which results in reduced scrap percentage. Automation is used extensively which helped in reducing human dependency. The water consumption requirements at various plants has been reduced significantly due to reduction of water consumed in utilities by recycling, restricted direct discharge by any units, reusing the recycled water for gardening and process improvements in cooling tower operations, re-use and recycle of waste water back into the manufacturing process.

The Company is continuously putting its efforts to improve Energy Management by way of monitoring energy related parameters on a regular basis.

The Company is committed to transform energy conservation into a strategic business goal fully along with the technological sustainable development of Energy Management System. It is putting best endeavour to reduce energy consumption in all its operations.

To achieve above objectives the following steps are taken / being undertaken by the Company:-

- 1 Continuously monitoring the energy parameters such as maximum demand, power factor, load factor, TOD tariff utilization on regular basis.
- 2 Continuously replacing the inefficient equipment's with latest energy efficient technology & up gradation of equipment's continually.
- 3 Increasing the awareness of energy saving within the organization to avoid the wastage of energy.
- 4 To enhance utilization of Renewable Energy Resources.
- 5 Achieving the power factor near to unity in all plants by the effective reactive energy management.
- 6 To reduce the Green House Emission by improving energy efficiency at all plants.
- 7 Conducting Power Quality Audit at several locations.
- 8 Reduction of Fuel consumption of boiler by efficient maintenance thereof.
- 9 Exploring the feasibility of utilization of Solar Power at Plant locations wherever possible.
- 10 Installed roof-top solar power plant at Jalgaon, Khopoli, Gadegaon (situated in Maharashtra) & all the three plants viz. Plastics Piping, Protective Packaging & Roto moulding situated in Madhya Pradesh. Company had also installed 1.53 Mw ground mountained capex solar power plant in Gadegaon (MH) which had commissioned in Dec-17. Company has also installed 2.09 MW roof-top solar Power plant in Kharagpur west Bengal which had commissioned in July 19. Company is also looking further exploring the feasibility of utilization of Solar Power at its other locations.
- 11 Noida plant is certified for ISO-50001 Energy Management System.
- 12 Executed Wind Power purchase agreement for 60 lakhs kwh/annum for Hosur unit & Solar Power purchase agreement(s) for 100 lakhs kwh for Malanpur Unit(s).
- 13 Fire safety audit is done of all the units by an outside consultant periodically to ensure adequate fire safety monitoring to remain in place.

The Company procures raw materials indigenously as well as imports the same. The Company enters into long term / short term contracts for procuring raw materials and other inputs.



The Company has strategically designed its distribution network in order to serve its distributors and the dealers thereof in the least possible time and transportation time. This has resulted in better warehouse and inventory management. The Company drives its distribution plan using an ERP system to optimize freight cost.

The Company gives preference to local suppliers/producers especially by giving to local persons work on job work basis, selectively providing capital for procurement of capital assets, entering into contracts with local contractors, etc.

Waste management is highly focused and under closed monitoring to ensure reuse of recycled material and develop new product by using unusable crosslinked scraps to protect the environment

Principle 3

Businesses should promote the wellbeing of all employees

The employees are the key asset to the Company's growth. The success of the Company is to a large extent attributable to the employees. The strategy for recruitment, development and retention of workforce staff and employees in the management cadre are well in place & monitored and if need being there also undergoes the desired change.

The Company is committed to providing the employees a safe and healthy work Environment. Through a high degree of engagement and empowerment the Company enables them to realize their full potential, creating a high performance work culture. The focus is on effectively utilizing and grooming talent by appropriately rotating them across businesses for experience in new roles and to prepare them to take up various key positions in the future.

The Company is having/provided the following norms/guidelines:

- 1) Clear Pay structure as per Corporate guidelines.
- 2) As per the competency and Job responsibilities employees are placed for the job.
- 3) Well measured performance appraisal system through which annual increments and rewards & incentives are recognized.
- 4) Training needs are identified and required training for encouraging the employee to take higher responsibility is imparted.
- 5) Health and Hygiene – continuous monitoring – extend all supports from time to time.
- 6) Dependent Family members covered under health insurance scheme in certain cases.
- 7) No child labour policy is adhered to strictly.
- 8) Sexual harassment policy and its redressal mechanism is in place.
- 9) Pollution free environment supported with requisite apparatus while on the job.
- 10) Annual health check-up of employees.
- 11) Medical and financial assistance.

All Employees undergo safety and skill up-gradation training on regular basis as per the training calendar and function.

Your Company has total number of 4926 permanent employees (including - 114 permanent women employees. Company also deploys contracted workforce for various ancillary and non-core activities and more than 9000 number of people including more than 750 women are engaged in such services.-

The Company is having recognized Trade Unions at most of the Company's manufacturing locations and most of the eligible employees at those places are members of recognized Employee Unions.

The Company's policy prohibits engaging of any child labour or involuntary labour. Thus, there are no complaints relating to child labour, forced labour and involuntary labour. During the year no complaints relating to Sexual harassment were reported.

There are regular safety & skill up-gradation training given to both permanent and contractual employees at each of the works through in house and professional faculties

Principle 4

Businesses should respect the interests of, and be responsive towards all stakeholders, especially those who are disadvantaged, vulnerable and marginalized.

The Company is responsive towards all stakeholders. The Company has mapped its internal and external stakeholders in a way which is mutually beneficial.

The Company identifies the disadvantaged, vulnerable and marginalized stakeholders on a continuous basis. In particular, for any new proposed project or expansion at the existing location, local workforce is engaged to the extent feasible.

The Company extends its social responsibility by engaging in providing education to underprivileged, medical and sanitation facilities and providing safe and clean drinking water through its CSR projects. Company undertakes community led need assessment where we understand the expectations and the context of our neighbouring communities in nearby locations where we operates. The details of initiatives taken by your Company in this regard are provided in the Corporate Social Responsibility section of the Annual report.

Your Company deploys contract workforce in manufacturing facilities for various non core activities like warehouse operations, housekeeping, canteen operations and other ancillary activities. Safeguarding the interest of contract workforce and ensuring that they are paid fairly is

very important for your Company. Suitable control mechanism is in place at each plant location and verification of statutory obligation compliance by the contractors are made at regular intervals. Training and safety programmes are also organized for such contract workforce.

The Company identifies the stakeholders and engages with them through multiple channels in order to hear what they have to say about our products and services so as to incorporate their feedback for subsequent action. Continuous improvement and innovation is way of life and imbibed in the culture which enables your Company to meet customer expectation, need and demand in fair manner.

Principle 5

Businesses should respect and promote human rights.

Supreme is committed to protect the human rights across the value chain. The Company believes that a sustainable organization rests on a foundation of ethics and respect for human rights. Company has detailed code of conduct which takes care of its value culture and applies to one and all equally. Supreme promotes awareness of the importance of respecting human rights within its value chain and discourages instances of abuse.

The Complaints as and when received from the various stakeholders are satisfactorily addressed. There were no complaints of a substantial nature received during the year.

Principle 6

Business should respect, protect, and make efforts to restore the environment.

The Company has developed, documented and implemented Environmental Policy and Health Safety & Environmental Policy for all its units. The policies are adequately displayed. Top management demonstrates its leadership and commitment by:

- Taking accountability for the effectiveness of Environment Management System (EMS).
- Ensuring that the policy and environmental objectives are established and are compatible with the strategic direction and context of the organization.
- Ensuring the integration of EMS requirement in the organizations business processes.
- Ensuring provision of adequate resources, directing and supporting persons to contribute to the effectiveness of the EMS.
- Promoting continuous improvement.

The Company's Policy on Health, Safety & Environmental is applicable only to the Company.

The Company's Health, Safety and Environment Policy guide the organization to continually mitigate the impact on climate change and global warming as a result of its operations.

The Company is continuously working to improve energy efficiency in its operations. The Company adheres to all legal requirements and norms of energy conservation standards stipulated by the Government of India. Energy conservation initiatives are part of regular operations.

Your company is committed to the environment friendly measures, by offering products to the cause. All Insulation products are certified as complete Green products as per latest version of Green Building Center / Confederation of Indian Industries on behalf of Indian Green Building Counsel.

Your company received 8th Plasticon award during 2018 PLAST INDIA international plastic trade fair cum conference in the category of "Innovation in Polymer Waste management and recycling Technology" achieving by developed new Indigenous sustainable technology at first time in which three variants of cross linked foam recycling is shredded in small specified shapes and bonded with appropriate adhesive to produce block foam.

Company has been granted a National award by the ministry of chemicals and petrochemicals for technology innovation in plastic machinery and equipments. This inhouse designed and developed single screw extruder helped company to achieve better product quality and improved productivity.

Company has been awarded a patent (publication no. 20180126694), for its innovative product, method for preparing chemical cross linked polyethylene close cell foam with air gaps designed to achieve desired efficacy. This specially designed products provides better thermal insulation and at the same time it offers sound absorption improvement.

ISO 9001, 14001 and OHSAS as per BS 18001 standards are adopted at Units as the quality and environment management system standards. All plants are upgraded their ISO 9001, ENV 14001 certifications to latest 2015 versions and upgrading our OHSAS from BS 18001 to IS 45001 as per IATF norms. The Company has consistently managed and improved the environmental performance. The Company is sensitive to its role as user of natural resources. The efforts to manage water, energy and material resources have yielded positive results.

One of our Insulation product INSUFLEX certified by globally reputed M/S FM Approvals at their website as GREEN and Confirm to use in building insulation and pipe insulation which gives confidence to the customer for its fire resistance properties, which is becoming the requirement of new age homes and industries.

The Company considers compliance to statutory Environment, Health and Safety requirements as the minimum performance standard and is committed to go beyond and adopt stricter standards wherever appropriate.

The Company focus on energy consumption reduction through various in-process innovations and adoption of best practices like machine productivity enhancement resulted in reduction of specific energy consumption.



The emissions/ waste generated by the Company are within the permissible limits given by the State or Central pollution control board. This are continuously monitored, reviewed internally and reported to the CPCB/SPCB as per the requirement.

All the Units in the country are having consents from CPCB/SPCB as required and are renewed when required. All the units have been certified for ISO 14001:2015 Environmental Management System and also BS OHSAS 18001:2007 standards as per accredited certification bodies currently available and upgrading our OHSAS as per ISO 45001 accordingly. The compliance obligations are fulfilled. The Status of evaluation of environmental monitoring measurement analysis and results of evaluation are discussed twice in a year with the top management.

Adequate tree plantation has been done and maintained in all the units. In Gadegaon unit which is spread over 132 acres, There are no show cause /Legal notices from CPCB/SPCB which are pending as at the end of the financial year.

Principle 7

Businesses, when engaged in influencing public and regulatory policy, should do so in a responsible manner

The Company has maintained a fair degree of transparency through timely and adequate disclosure of information to the public and regulatory bodies. The Company articulates the larger interest of industry and the community at industrial forums. As on 31st March, 2020 your Company is a member of following trade associations:

1. Plastindia Foundation
2. Organisation of Plastic Processors of India (OPPI)
3. Confederation of Indian Industries (CII)
4. Automotive Component manufacturers Association of India (ACMA)
5. Indian Plastic Federation (IPF)
6. Indian Institute of Packaging (IIP)
7. Tool & Gauge Mfgs. Association of India (TGMA)
8. Federation of Indian Export Organisation (FIEO)
9. Bureau of Indian standards (BIS)
10. Indian Green building council (IGBC)
11. Deccan Chamber of Commerce, Industries and Agriculture, Pune (DCCIA)

The Company believes in promoting public policies and regulatory framework that serve the common good of the society.

Principle 8

Businesses should support inclusive growth and equitable development.

The Company has identified few focus areas of engagement which are as under:

1. Benefits to the under privileged
2. Education
3. Sanitation
4. Healthcare
5. Drinking Water supply
6. Preservation of environment including watersheds, forests and wildlife.

The Company extends its social responsibility through in-house and Supreme Foundation. The Company's CSR approach focuses on the development of the communities around the vicinity of the plants and in education grant to students in need and to various Institutions / Trusts carrying out exemplary in the field of education health care and benefits of underprivileged in rural India.

An amount of ₹ 1,579 lakhs was spent towards various CSR projects during the financial year 2019-20 and people in nearby villages surrounding the plant locations in rural areas were benefitted.

The details of the CSR initiatives undertaken by the Company are set out in the Corporate Social Responsibility section of this Annual Report.

Principle 9

Businesses should engage with and provide value to their customers and consumers in a responsible manner.

Our growth and success are directly linked with providing quality products to our customers. We are therefore committed to ensuring that the intended end purposes of the products are met. The consumer related legal cases pending as at the end of the financial year, are not substantial to the overall business operations of the Company.

The products of the Company display all information which is mandated by law including the directions for use. Product information is available in the Product Information Sheet/Catalogue that is available with the distributors/dealers of the Company and also displayed on the website of the Company.

Company always pushes its deliverables to its customers and meets or exceeds their expectations. Company is considered a highly dependable and valuable supplier. Company received various Awards and Recognitions from time to time from its customers for its support

in Quality, Cost, Delivery and New product development, Overall Support, Best Practices etc. All employees are constantly re-oriented to ensure utmost focus on Customer Satisfaction.

There are no cases filed by any stakeholder against the Company regarding unfair trade practices, irresponsible advertising and/or anti-competitive behaviour during the last five years. On the Company's website, an interactive platform allows any potential customer to raise queries pertaining to our products and services.

The Company leverage feedback from customers for continual improvement in product and service quality, for benchmarking the products with the industry standards and identifying scope and future opportunities to increase customer value.

The Company believes in implementing the customer feedback into product development and enhancing user experience. Each complaint is brought to a final point of closure within the defined level of service.

Company conducts customer experience surveys from time to time for its products and services.



Independent Auditors' Report

To The Members of
The Supreme Industries Limited

Report on the Audit of Standalone Financial Statements

Opinion

We have audited the accompanying standalone financial statements of The Supreme Industries Limited ("the Company"), which comprises of Balance Sheet as at March 31, 2020, the Statement of Profit and Loss (including Other Comprehensive Income), the Statement of Changes in Equity and the Statement of Cash Flow for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information in which are included the standalone financial statements for the year ended on that date audited by the branch auditors of the Company's 24 manufacturing units located in the India.

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 Companies (Indian Accounting Standards) Rules, 2015, as amended, ("Ind AS") and other accounting principles generally accepted in India, of the state of affairs of the Company as at 31st March 2020, its profits (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of standalone financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 (ICAI) together with the ethical requirements that are relevant to our audit of the standalone financial statements under the provisions of the Act and the Rules made 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 audit opinion on the standalone financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significant 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, and we do not provide a separate opinion on these matters.

Sr. No	Key Audit Matters	Auditor's response
1.	Inventory – existence and valuation As at March 31, 2020, the Company held inventories of ₹ 89,057 Lakhs. [Also, refer Note no. 1.9 and 11 of the standalone financial statements] Inventories existence and valuation was an audit focus area because of nationwide lockdown imposed by the Government of India in view of pandemic coronavirus (COVID 19). As explained by the Management, due to COVID 19 related restriction on account of nationwide lockdown, physical verification of inventories, lying at various locations as on the Balance sheet date and subsequently also till the date of this report, couldn't be carried out. We have accordingly designated this as a focus area of the audit.	Audit procedures performed: We have performed following alternative audit procedures over inventory existence and valuations. (a) Ensuring the effectiveness of the design, implementation and maintenance of controls over changes in inventory to determine whether the conduct of physical inventory verification at a date other than the date of the financial statement is appropriate and testing of those controls whether those have operated effectively. (b) Performing procedures to ensure that the changes in inventory between the last verification date and date of the Balance sheet are properly recorded (Roll forward procedures). (c) Performing substantive analytical procedures to test the correctness of inventory existence and valuation. (d) Testing of accuracy of inventory reconciliations with the general ledgers at period end, including test of reconciling items. The procedures performed gave us a sufficient evidence to conclude about the inventory existence and valuation.
2.	Industrial Promotion Scheme (IPS) receivables Other current assets include government grant in the form of refund of Sales tax/GST under IPS Scheme of ₹ 7,929 lakhs as at March 31, 2020 (₹ 6,242 lakhs as at March 31, 2019) from the states of Maharashtra, Madhya Pradesh, West Bengal and Rajasthan as the respective scheme notifications were issued by the aforesaid State Governments.	Audit Procedure performed: In response to the risk of completeness of the accruals in the standalone financial statements: We have examined the eligibility certificates and obtained a list of year wise break- up of the IPS receivables by the Company for all the financial years.

Sr. No	Key Audit Matters	Auditor's response
	<p>Post GST, the state of west Bengal is yet to notify the IPS scheme and accordingly, the Company has not recognized grant, since July 2017 the amount whereof is presently not ascertainable.</p> <p>Management judgement is involved in assessing the accounting for grants and particularly in considering the probability of a grant being released and we have accordingly designated this as a focus area of the audit.</p>	<p>We had discussed the status of the assessment of grants receivable for all the financial years and the Management view on the expected time frame by which the grants will be released.</p> <p>Additionally, we have considered the status of the previous assessments and the adjustments, if any, done by the respective concerned authorities.</p> <p>The procedures performed gave us a sufficient evidence to conclude that the grants have been accounted in terms of the schemes announced by various state governments.</p>

Information Other than the Standalone Financial Statements and Auditor's report thereon

The Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to the Board report, Business responsibility report, Corporate Governance report and Shareholder's information, but does not include the standalone financial statement 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 required to report that fact. We have nothing to report in this regard.

Responsibilities of Management and those charged with Governance for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of 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 (including other comprehensive income), changes in equity and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act.

This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the standalone financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

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

The Board of Directors are also responsible for overseeing the Company's financial reporting process.

Auditor's Responsibilities for the Audit of the Standalone Financial Statements

Our objectives are to obtain reasonable assurance about whether the standalone financial statements 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 control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of the Act, we are also responsible for expressing our opinion on whether the Company has adequate internal financial control 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 the 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 entity'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 entity 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 standalone 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 standalone 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 Matter:

We did not audit the financial statements of 24 branches included in the standalone financial statements of the Company whose financial statements reflect the total assets of ₹ 283,044 lakhs as at March 31, 2020 (₹ 283,816 lakhs as at March 31, 2019) and total revenue of ₹ 544,220 lakhs for the year ended on that date (₹ 551,657 lakhs for the year ended March 31, 2019). The financial statements of these branches have been audited by the 9 branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

Our opinion is not modified in respect of this matter.

Report on Other Legal and Regulatory Requirements

1. Pursuant to 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.
2. As required by Section 143(3) of the Act, we report that:
 - (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
 - (b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books and records.
 - (c) The reports on the financial statements of branches of the Company audited under section 143(8) of the Act by nine firms of independent auditors have been sent to us and properly dealt with by us in preparing this report.
 - (d) The Balance sheet, the Statement of Profit & Loss (including other comprehensive income), Statement of Changes in Equity and the Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - (e) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.
 - (f) On the basis of the written representation received from the directors as on March 31, 2020 taken on records by the Board of Directors, none of the directors are disqualified as on March 31, 2020 from being appointed as a Directors in terms of Section 164(2) of the Act.
 - (g) 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".
 - (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Sec 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.

- (i) With respect to the matters to be included in the Auditor's report in accordance with the 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:
- The Company has disclosed the impact of pending litigations on its financial performance in its standalone financial statements. [Refer note no. 38 to standalone financial statements]
 - The Company did not have any long-term contracts including derivative contracts for which there were any 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, except ₹ 11 lakhs.

For **LODHA & COMPANY**
Chartered Accountants
Firm registration No. – 301051E

R. P. Baradiya
Partner
Membership No. 44101
UDIN:- 20044101AAAACW9904

Place : Mumbai
Date : May 22, 2020



Annexure A to the Independent Auditor's Report

ANNEXURE "A" REFERRED TO IN "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" SECTION OF OUR REPORT TO THE MEMBERS OF THE SUPREME INDUSTRIES LIMITED OF EVEN DATE:

- i. a. The Company has maintained proper records, showing full including quantitative details and situation of fixed assets.
- b. As explained to us the Company has a phased program for physical verification of the fixed assets for all locations. In our opinion, the frequency of verification is reasonable, considering the size of the Company and nature of its fixed assets. Pursuant to the program of the physical verification of fixed assets, physical verification of the assets has been carried out during the year and no material discrepancies were noticed on such verification.
- c. According to the information and explanations given to us and on the basis of our examination of the records of the Company, the title deeds of immovable properties are held in the name of the Company except certain freehold land and building having carrying value of ₹ 43 lakhs as at March 31, 2020 (₹ 43 lakhs as at March 31, 2019) are held in the name of 2 directors on behalf of the Company, due to technical reasons.
- ii. The inventories have been physically verified by the management at reasonable intervals during the year, except for goods in transit and those lying with third parties. The procedures of physical verification of the inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business. As per the information and explanations given to us, no material discrepancies were noticed on physical verification of inventories as compared to book records. Due to COVID 19 related nationwide lockdown, the Management was not able to perform year end physical verification of inventory, except at 2 locations (holding 6% of total inventory).
- iii. According to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under section 189 of the Act. Accordingly, the provisions of clause 3(iii) of the Order are not applicable to the Company.
- iv. 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 Act, to the extent applicable with respect to the loans and investments made. The Company has not provided any guarantee and security to parties covered under section 185 and 186 of the Act.
- v. No deposits have been accepted by the Company within the meaning of Section 73 to 76 or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 2014 (as amended). Accordingly, the provisions of clause 3(v) of the Order are not applicable to the Company.
- vi. We have broadly reviewed the books of account maintained by the Company pursuant to rules made by the central government for the maintenance of cost records under sub section 1 of section 148 of the Act in respect of company's products and services and are of the opinion that, prima facie, the prescribed accounts and records have been made and maintained. However, we have not made a detailed examination of the cost records with a view to determine whether they are accurate and complete.
- vii. (a) According to the information and explanations given to us and on the basis of our examination of the records, the Company is generally regular in depositing undisputed statutory dues including provident fund, employees' state insurance, income tax, sales tax, custom duty, cess, excise duty, service tax, goods and service tax, value added tax, and other material statutory dues during the year with the appropriate authorities. No undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.
- (b) According to the information and explanations given to us, there are no dues of income tax, goods and service tax, sales tax, service tax, duty of customs, duty of excise, value added tax, cess which have been not deposited on account of any dispute except the following:

Name of the statute	Nature of dues	Amount ₹ in Lakhs	Period to which the amount relates	Forum where dispute is pending
The Central Excise Act, 1944	Excise Duty and Penalty	4,016	2000-01 to 2016-17	Custom Excise & Service Tax Appellate tribunal (CESTAT)
The Central Sales Tax Act, 1956 and Sales Tax / VAT / Entry Tax- Acts of various states	Sales Tax / VAT and Entry Tax	339	Various years from 2000-01 to 2016-17	Joint / Deputy Commissioner / Commissioner (Appeals)
		489	Various Years from 2002-03 to 2015-16	Sales tax Appellate Tribunal and Revisionary Board
		40	Various Years from 2000-01 to 2015-16	High Courts

- viii. Based on our audit procedures and on the basis of information and explanations given to us, we are of the opinion that the Company has not defaulted in the repayment of dues to banks and government. The Company did not have any outstanding dues to debenture holders during the year.
- ix. In our opinion and according to the information and explanations given to us, the term loans have been applied for the purpose for which they were raised. The Company has not raised any money by way of Initial public offer or further public offer (including debt instrument) during the year or in the recent past.

- x. During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India and according to the information and explanations given to us, we have neither come across any instance of fraud by or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of such case by the management.
- xi. According to the information and explanations given to us and based on our examination of the books and records of the Company, the Company has paid / provided for the managerial remuneration in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- xii. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi Company. Therefore, the provisions of clause 3(xii) of the Order are not applicable to the Company.
- xiii. According to the information and explanations given to us and based on our examination of the records of the Company, all the transactions with related parties are in compliance with section 177 and 188 of the Act and all the details have been disclosed in the standalone financial statements as required by the applicable Accounting Standard (Refer Note 40 to the standalone financial statements).
- xiv. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year or in the recent past. Therefore, the provisions of clause 3(xiv) of the Order are not applicable to the Company.
- xv. According to the information and explanations given to us, the Company has not entered into any non-cash transactions prescribed under Section 192 of the Act with directors or persons connected with them during the year.
- xvi. The Company is not required to be registered under section 45-IA of the Reserve Bank of India Act, 1934.

For **LODHA & COMPANY**
Chartered Accountants
Firm registration No. – 301051E

R. P. Baradiya
Partner
Membership No. 44101
UDIN:- 20044101AAAACW9904

Place : Mumbai
Date : May 22, 2020



Annexure B to the Independent Auditor's Report

ANNEXURE "B" REFERRED TO IN "REPORT ON OTHER LEGAL AND REGULATORY REQUIREMENTS" SECTION OF OUR REPORT TO THE MEMBERS OF THE SUPREME INDUSTRIES LIMITED OF EVEN DATE:

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

We have audited the internal financial controls over financial reporting of the Supreme Industries Limited ("the Company") as of March 31, 2020 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 Board of Directors of the Company is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential component 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 Act.

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 deemed to be prescribed under section 143(10) of the Act 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 ICAI. 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 judgment, including the assessment of the risks of material misstatement of the standalone 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 standalone 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 entity are being made only in accordance with authorisations of management; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the entity's assets that could have a material effect on the standalone financial statements.

Inherent Limitations of Internal Financial Controls Over Financial Reporting

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

Opinion

In our opinion, the 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, 2020, based on the internal control over financial reporting criteria established by the Company considering the essential Component 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 **LODHA & COMPANY**
Chartered Accountants
Firm registration No. – 301051E

R. P. Baradiya
Partner

Membership No. 44101
UDIN:- 20044101AAAACW9904

Place : Mumbai
Date : May 22, 2020

Balance Sheet as at 31st March, 2020

		₹ in lakhs	
PARTICULARS	Note	As at 31-Mar-20	As at 31-Mar-19
ASSETS			
(1) NON - CURRENT ASSETS			
(a) Property, plant & equipment	2	153314	150138
(b) Capital work-in-progress	3	9292	9004
(c) Intangible assets	4	1602	1959
(d) Right to use - Lease	5	5858	—
(e) Financial assets			
(i) Investment in associates & subsidiaries	6	3356	5859
(ii) Other investments	6	526	521
(iii) Deposits	7	1858	1676
(iv) Loans	8	83	114
(v) Other financial assets	9	—	11
(f) Other non-current assets	10	8348	4015
TOTAL NON - CURRENT ASSETS		184237	173297
(2) CURRENT ASSETS			
(a) Inventories	11	89057	75044
(b) Financial assets			
(i) Trade receivables	12	31260	38741
(ii) Cash & cash equivalents	13	21850	3061
(iii) Other bank balances	14	1147	523
(iv) Deposits	7	360	478
(v) Loans	8	195	183
(vi) Other financial assets	9	518	47
(c) Income tax assets (net)	23	3789	3606
(d) Other current assets	10	12355	11869
(e) Assets held for disposal		73	73
TOTAL CURRENT ASSETS		160604	133625
TOTAL ASSETS		344841	306922
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	15	2541	2541
Other equity	16	210718	196724
TOTAL EQUITY		213259	199265
LIABILITIES			
(1) NON - CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	17	88	112
(ii) Deposits	18	284	187
(iii) Finance lease liabilities		2948	—
(b) Provisions	19	2001	1617
(c) Deferred tax liabilities (net)	31	9011	12036
TOTAL NON - CURRENT LIABILITIES		14332	13952
(2) CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	17	41006	16094
(ii) Trade payables	20		
Micro, Small and Medium Enterprises		1659	1544
Others		53184	54321
(iii) Deposits	18	58	284
(iv) Other financial liabilities	21	10584	8340
(b) Other current liabilities	22	9633	12338
(c) Provisions	19	1126	784
TOTAL CURRENT LIABILITIES		117250	93705
TOTAL EQUITY AND LIABILITIES		344841	306922

Significant Accounting Policies. 1
The accompanying notes are an integral part of the Standalone financial statements

As per our attached report of even date

For and on behalf of the board

For **LODHA & COMPANY**
FRN – 301051E
Chartered Accountants

B. L. Taparia
Chairman
(DIN No. 00112438)

M. P. Taparia
Managing Director
(DIN No. 00112461)

S. J. Taparia
Executive Director
(DIN No. 00112513)

V. K. Taparia
Executive Director
(DIN No. 00112567)

R. P. Baradiya
Partner

B. V. Bhargava
Director
(DIN No. 00001823)

Y. P. Trivedi
Director
(DIN No. 00001879)

R. M. Pandia
Director
(DIN No. 00021730)

Ameeta Parpia
Director
(DIN No. 02654277)

Mumbai, 22nd May, 2020

P. C. Somani
Chief Financial Officer

R. J. Saboo
VP (Corporate Affairs) &
Company Secretary



Statement of Profit and Loss for the year ended on 31st March, 2020

				₹ in lakhs	
PARTICULARS	Note	2019 – 2020		2018 – 2019	
INCOME					
Revenue from operations	24	551127		561167	
Other income	25	1879	553006	2080	563247
EXPENDITURE					
Cost of materials consumed	26	370600		374467	
Purchase of traded Goods		4729		8423	
Changes in inventories of finished goods, Semi finished goods and traded goods	27	(17514)		(914)	
Employee benefits expenses	28	27864		25354	
Finance costs	29	2018		2600	
Depreciation and amortisation expense	2, 4, 5	20567		18354	
Other expenses	30	81956	490220	75460	503744
PROFIT BEFORE TAX AND EXCEPTIONAL ITEMS		62786		59503	
Exceptional Items		–		8175	
PROFIT BEFORE TAX		62786		67678	
TAX EXPENSES		31			
Current tax		16173		20878	
Deferred tax		(3026)	13147	697	21575
PROFIT AFTER TAX		49639		46103	
OTHER COMPREHENSIVE INCOME					
Items that will not be reclassified to profit or loss					
Remeasurements of net defined benefit plans		(566)		(363)	
Income tax relating to net defined benefit plans		143	(423)	127	(236)
TOTAL COMPREHENSIVE INCOME		49216		45867	
EARNINGS PER SHARE					
37					
Basic & diluted earning per share before exceptional items		39.08		31.40	
Basic & diluted earning per share after exceptional items		39.08		36.29	
(Face value of ₹ 2 each)					

Significant Accounting Policies

1

The accompanying notes are an integral part of the Standalone financial statements

As per our attached report of even date
For **LODHA & COMPANY**
FRN – 301051E
Chartered Accountants

R. P. Baradiya
Partner

Mumbai, 22nd May, 2020

For and on behalf of the board

B. L. Taparia
Chairman
(DIN No. 00112438)

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Executive Director
(DIN No. 00112567)

Ameeta Parpia
Director
(DIN No. 02654277)

Cash flow Statement for the year ended on 31st March, 2020

PARTICULARS	2019 – 2020	2018 – 2019
A. CASH FLOW FROM OPERATING ACTIVITIES		
Net profit before tax and exceptional items	62786	59503
Adjustments to reconcile profit before tax to cashflows :		
Add : Depreciation	20567	18354
Interest expenses	2956	3342
Unwinding of discount on deferred sales tax	10	13
Fair value loss on investments through profit or loss	2	2
Bad debts	917	1
Provision for doubtful debts	265	62
Foreign currency exchange fluctuation	1850	–
Loss on Sale of Investments in an associate	77	–
Leasehold amortisation	23	19
	26667	21793
	89453	81296
Less : Dividend received	1736	1302
Interest income	691	485
Unwinding of discount on security deposits	56	54
Share of profit in partnership firm	5	–
Excess liabilities written back	288	336
Profit /(Loss) on sale of investments	201	216
Foreign currency exchange fluctuation	–	675
Profit /(Loss) on sale of assets	51	342
	3028	3410
Operating profit before working capital changes	86425	77886
Adjustments for : Change in working capital		
(Increase)/decrease in inventories	(14013)	(5345)
(Increase)/decrease in trade receivable	6299	(501)
(Increase)/decrease in other assets	(3916)	669
Increase/(decrease) in trade payables	(1975)	8190
Increase/(decrease) in other liabilities	(2896)	371
	(16501)	3384
Cash generated from operations	69924	81270
Direct taxes paid (net of refund)	(16213)	(25566)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)	53711	55704
B. CASH FLOW FROM INVESTING ACTIVITIES		
Purchase of property, plant & equipments	(24165)	(34725)
Sale of property, plant & equipments	200	2115
Sale proceeds of investment in associate	2426	–
Sale proceeds from Khushkhera unit (net of transaction cost)	–	9644
Investment in Associate	–	(2,503)
Investment in Partnership firm	–	(513)
Purchase of unquoted share	(3)	–
Share of profit in partnership firm	(5)	–
Purchase of liquid mutual funds	(177296)	(104400)
Sale of liquid mutual funds	177497	104616
Interest received	240	509
Dividend received	1736	1302
NET CASH USED IN INVESTING ACTIVITIES (B)	(19370)	(23955)
C. CASH FLOW FROM FINANCING ACTIVITIES		
Repayment of long term borrowings (Refer Note 44)	(35)	(1538)
Increase/(Decrease) in short term borrowings (Refer Note 44)	23834	(7285)
Interest paid	(2712)	(2872)
Payment of lease liabilities	(1417)	–
Dividend & corporate dividend tax paid	(35222)	(19908)
NET CASH USED IN FINANCING ACTIVITIES (C)	(15552)	(31603)
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)	18789	146
Opening balance at beginning of the year	3061	2915
Closing balance at end of the year	21850	3061
Significant Accounting Policies	1	
The accompanying notes are an integral part of the Standalone financial statements		

As per our attached report of even date

For **LODHA & COMPANY**

FRN – 301051E

Chartered Accountants

R. P. Baradiya

Partner

Mumbai, 22nd May, 2020

For and on behalf of the board

B. L. Taparia

Chairman
(DIN No. 00112438)

B. V. Bhargava

Director
(DIN No. 00001823)

P. C. Somani

Chief Financial Officer

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Executive Director
(DIN No. 00112567)

Ameeta Parpia

Director
(DIN No. 02654277)



Statement of Changes in Equity for the year ended 31st March, 2020

₹ In lakhs

EQUITY SHARE CAPITAL :	Balance as at 1st April' 2018	Changes in equity share capital during the year	Balance as at 1st April' 2019	Changes in equity share capital during the year	Balance as at 31st March' 2020
Paid up capital (Refer Note 15)	2541	–	2541	–	2541

OTHER EQUITY :	Reserves and Surplus					Accumulated Other Comprehensive Income	
Particulars	Capital reserve	Securities premium	Capital redemption reserve	General reserve	Retained earnings	Actuarial gains/ (losses)	Total
Balance as at 1st April' 2018	245	4749	222	152184	13782	(418)	170764
Profit for the year					46103		46103
Remeasurements of net defined benefit plans (Net of Taxes)						(236)	(236)
Final dividend paid including corporate dividend tax for FY 2017-18					(13782)		(13782)
Interim dividend paid including corporate dividend tax for FY 2018-19					(6125)		(6125)
Transfer to general reserve					(26195)		(26195)
Transfer from Statement of profit & loss				26195			26195
Balance as at 31st March' 2019	245	4749	222	178379	13783	(654)	196724
Profit for the year					49639		49639
Remeasurements of net defined benefit plans (Net of Taxes)						(423)	(423)
Final dividend paid including corporate dividend tax for FY 2018-19					(13783)		(13783)
Interim dividend paid including corporate dividend tax for FY 2019-20					(21439)		(21439)
Transfer to general reserve					(28200)		(28200)
Transfer from Statement of profit & loss				28200			28200
Balance as at 31st March' 2020	245	4749	222	206579	–	(1077)	210718

Significant Accounting Policies

1

The accompanying notes are an integral part of the Standalone financial statements

As per our attached report of even date
For **LODHA & COMPANY**
FRN – 301051E
Chartered Accountants

R. P. Baradiya
Partner

Mumbai, 22nd May, 2020

For and on behalf of the board

B. L. Taparia
Chairman
(DIN No. 00112438)

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Director
(DIN No. 00001823)

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M. P. Taparia
Managing Director
(DIN No. 00112461)

Y. P. Trivedi
Director
(DIN No. 00001879)

R. J. Saboo
VP (Corporate Affairs) &
Company Secretary

S. J. Taparia
Executive Director
(DIN No. 00112513)

R. M. Pandia
Director
(DIN No. 00021730)

V. K. Taparia
Executive Director
(DIN No. 00112567)

Ameeta Parpia
Director
(DIN No. 02654277)

Notes to the financial statements for the year ended 31st March, 2020

1. BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

1.1 COMPANY OVERVIEW:

The Supreme Industries Limited ("the Company") is public limited company incorporated and domiciled in India and has registered office at 612, Raheja Chambers, Nariman Point, Mumbai 400 021. It is incorporated under the Indian Companies Act, 1913 and its shares are listed on the Bombay Stock Exchange Limited and National Stock Exchange in India.

The Company is one of the leading plastic products manufacturing company in India having 25 manufacturing facilities spread across the country, offering a wide and comprehensive range of plastic products in India. The company operates in various product categories viz. Plastic Piping System, Cross Laminated Films & Products, Protective Packaging Products, Industrial Moulded Components, Moulded Furniture, Storage & Material Handling Products, Performance Packaging Films and Composite LPG Cylinders.

The standalone financial statements are approved for issue by the Company's Board of Directors on May 22, 2020.

1.2 BASIS OF ACCOUNTING

These financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the 'Ind AS') as prescribed under section 133 of the Companies Act, 2013 ("the Act") read with Companies (Indian Accounting standards) Rules, 2015 as amended and other relevant provisions of the Act.

The financial statements are prepared and presented on accrual basis and under the historical cost convention, except for the following material items that have been measured at fair value as required by the relevant Ind AS:

- Certain financial assets and liabilities are measured at Fair value and derivative financial instruments (Refer accounting policy on financial instruments - Refer note 1.10 below)
- Defined Benefit and other Long-term Employee Benefits - Refer note 1.12 below

Rounding off

All amounts disclosed in the financial statements and notes have been rounded off to the nearest lakhs as per the requirement of Schedule III, unless otherwise stated.

1.3 USE OF ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires that the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgements used in the preparation of the financial statements are continuously evaluated and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Company believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

Current and non-current classification

All the assets and liabilities have been classified as current or non-current as per the company's normal operating cycle (not exceeding twelve months) and other criteria set out in Schedule III to the Companies Act, 2013.

Areas involving critical estimates and Judgements are:

- Estimation of employee defined benefit obligations (Refer note no. 1.12 below)
- Estimation of current tax expenses (Refer note no. 1.15 below)
- Estimation of provisions and contingent liabilities (Refer note no. 1.17 below)

1.4 PROPERTY, PLANT AND EQUIPMENT & INTANGIBLE ASSETS

Property, Plant and Equipment

Freehold land is carried at historical cost. All other items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses, if any. Costs include freight, import duties, non-refundable purchase taxes and other expenses directly attributable to the acquisition of the asset.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the Company and the cost of the item can be measured reliably. The carrying amount of any component accounted for as a separate asset is derecognized when replaced. All other repairs and maintenance are charged to the Statement of Profit and Loss during the reporting period in which they are incurred.

Leasehold land is stated at historical cost less amounts written off proportionate to expired lease period.



Notes to the financial statements for the year ended 31st March, 2020

Intangible Assets

Intangible assets are held on the balance sheet at cost less accumulated amortisation and impairment losses. Intangible assets developed or acquired with finite useful life are amortized on straight line basis over the useful life as specified below:

- Computer Software and Licenses – 3 to 5 years
- Right to Use – 5 years

Capital Work-in-progress and Pre-operative Expenses during Construction Period

Capital Work-in-Progress includes expenditure during construction period incurred on projects under implementation treated as pre-operative expenses pending allocation to the assets. These expenses are apportioned to the respective fixed assets on their completion / commencement of commercial production.

Depreciation/amortisation:

Depreciation is provided on the straight-line method applying the useful lives as prescribed in part C of Schedule II to the Companies Act, 2013. The range of estimated useful lives of Property, Plant & Equipment's are as under:

Category	Useful Life
Buildings (including roads)	3 - 60 Years
Plant & Equipment*	7 - 25 Years
Moulds & Dies*	2 - 6 Years
Furniture & Fixture	10 Years
Office Equipment	3 - 5 Years
Vehicles	8 - 10 Years

* Useful life of Plant & Equipment of Plastic Piping System Division, Protective Packaging Division and Cross Laminated Film Division and Moulds and Dies are determined based on the internal assessment supported by independent technical evaluation carried out by external valuers.

The management believes that the useful life as given above the best represent the period over which the management expects to use these assets. The company reviews the useful lives and residual value at each reporting date.

Depreciation on assets added/sold or discarded during the year is being provided on pro-rata basis up to the date on which such assets are added/sold or discarded. Leasehold Land is amortized over the period of lease.

Assets costing up to ₹ 10,000 each are depreciated fully in the year of purchase.

Gains/Losses on disposals/de-recognition of property, plant and equipment are determined by comparing proceeds with carrying amount and these are recognized in statement of profit & Loss.

Assets held for sale

Non-current assets or disposal groups comprising of assets and liabilities are classified as 'held for sale' when all of the following criteria's are met:

- decision has been made to sell.
- (the assets are available for immediate sale in its present condition.
- the assets are being actively marketed and
- sale has been agreed or is expected to be concluded within 12 months of the Balance Sheet date.

Subsequently, such non-current assets and disposal groups classified as 'held for sale' are measured at the lower of its carrying value and fair value less costs to sell. Non-current assets held for sale are not depreciated or amortised.

1.5 IMPAIRMENT OF NON-FINANCIAL ASSETS

The Company assesses at each reporting date whether there is any objective evidence that a non-financial asset or a group of non-financial assets are impaired. If any such indication exists, the Company estimates the amount of impairment loss. For the purpose of assessing impairment, the smallest identifiable group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows 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 individual asset/cash generating unit is made.

An impairment loss is calculated as the difference between an asset's carrying amount and recoverable amount. Losses are recognised in profit or loss and reflected in an allowance account. When the Company considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognised, then the previously recognised impairment loss is reversed through profit or loss.

Notes to the financial statements for the year ended 31st March, 2020

1.6 REVENUE FROM CONTRACTS WITH CUSTOMERS

The Company recognizes revenue, when or as control over distinct goods or services is transferred to the customer; i.e. when the customer is able to direct the use of the transferred goods or services and obtains substantially all of the remaining benefits, provided a contract with enforceable rights and obligations exists and amongst others collectability of consideration is probable taking into account customer's creditworthiness.

Revenue is the transaction price the Company expects to be entitled to. In determining the transaction price, the Company considers effects of variable consideration, the existence of significant financing contracts, noncash consideration and consideration payable to the customer, if any.

Variable Consideration

If the consideration in a contract includes a variable amount, the company estimates the amount of consideration to which it will be entitled to in exchange for transferring goods to the customer. Some contracts with the customers provide them with a right to return and volume rebates. The right to return and volume rebates gives rise to variable consideration. The amount of variable consideration is calculated by either using the expected value or the most likely amount depending on which is expected to better predict the amount of variable consideration.

Sale of goods: Revenues are recognized at a point in time when control of the goods passes to the buyer, usually upon either at the time of dispatch or delivery. In case of export sale, it is usually recognised based on the shipped-on board date as per bill of lading. Revenue from sale of goods is net of taxes and recovery of charges collected from customers like transport, packing etc.

Sale of services: Revenues are recognized over time on a straight-line basis or, if the performance pattern is other than straight-line, as services are provided/rendered.

Other Income

Dividend income on investments is recognised when the right to receive dividend is established.

Interest income is recognized on a time proportionate basis taking into account the amounts invested and the rate of interest. For all financial instruments measured at amortised cost, interest income is recorded using the Effective interest rate method to the net carrying amount of the financial assets.

1.7 Contract balances:

Trade Receivables:

A receivable represents the Company's right to an amount of consideration that is unconditional (i.e. only a passage of time is required before payment of the consideration is due).

Contract liabilities:

A contract liability is the obligation to transfer goods or services to a customer for which the company has received consideration (or an amount of consideration is due) from the customer. If a customer pays consideration before the company transfer goods and services to the customer, a contract liability is recognised when the payment is made or the payment is due, whichever is earlier. Contract liabilities are recognised as revenue when the company performs under the contract.

1.8 GOVERNMENT GRANTS

Government grants are recognised where there is reasonable assurance that the grant will be received, and all attached conditions will be complied with. Government grants related to revenue are recognised on a systematic basis in the statement of profit and loss over the periods necessary to match them with the related costs which they are intended to compensate. Such grants are deducted in reporting the related expense. When the grant relates to an asset, it is recognized as income over the expected useful life of the asset.

In case a non-monetary asset is given free of cost it is recognised at a fair value. When loan or similar assistance are provided by government or related institutions, with an interest rate below the current applicable market rate, the effect of this favorable interest is recognized as government grant. The loan or assistance is initially recognized and measured at fair value and the government grant is measured as the difference between the initial carrying value of the loan and the proceeds received.

1.9 INVENTORIES

Inventories includes raw material, Work-in-Progress, stock -in -trade, finished goods, stores & spares, consumables, packing materials, goods for resale and commercial premises are valued at lower of cost and net realizable value. Materials in transit is valued at cost incurred till date.

Raw Material and Components – cost include cost of purchases and other costs incurred in bringing the inventories to their present location and condition. Cost is determined using moving average.

Finished/Semi-Finished Goods – cost includes cost of direct material, labor, other direct cost (Including variable costs) and a proportion of fixed manufacturing overheads allocated based on the normal operating capacity but excluding borrowing costs. Cost is determined on weighted average cost basis.



Notes to the financial statements for the year ended 31st March, 2020

Stock-in-trade - cost includes cost of purchase and other costs incurred in bringing the inventories to their present location and conditions.

Stores, Spare Parts, Consumables, Packing Materials etc. – cost is determined on FIFO basis.

Goods for Resale – cost is determined on FIFO basis.

Commercial Premises – Cost includes cost of land, premium for development rights, construction cost, materials, services and allocated interest and expenses incidental to the construction business.

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

Adequate allowance is made for obsolete and slow-moving items.

1.10 FINANCIAL INSTRUMENTS

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

Financial assets - Initial recognition

Financial assets are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial assets other than trade receivables are initially recognised at fair value plus transaction costs for all financial assets not carried at fair value through profit or loss. Financial assets carried at fair value through profit or loss are initially recognised at fair value, and transaction costs are expensed in the Statement of Profit and Loss.

Subsequent measurement

Financial assets, other than equity instruments, are subsequently measured at amortised cost, fair value through other comprehensive income or fair value through profit or loss on the basis of both:

- the entity's business model for managing the financial assets and
- the contractual cash flow characteristics of the financial asset.

(a) Measured at amortised cost:

A financial asset is measured at amortised cost, if it is held under the hold to collect business model i.e. held with an objective of holding the assets to collect contractual cash flows and the contractual cash flows are solely payments of principal and interest on the principal outstanding. Amortised cost is calculated using the effective interest rate ("EIR") method by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included in interest income in the Statement of Profit and Loss. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, gain or loss, if any, is recognised to Statement of Profit and Loss.

(b) Measured at fair value through other comprehensive income (FVOCI):

A financial asset is measured at FVOCI, if it is held under the hold to collect and sell business model i.e. held with an objective to collect contractual cash flows and selling such financial asset and the contractual cash flows are solely payments of principal and interest on the principal outstanding. It is subsequently measured at fair value with fair value movements recognised in the OCI, except for interest income which recognised using EIR method. The losses arising from impairment are recognised in the Statement of Profit and Loss. On derecognition, cumulative gain or loss previously recognised in the OCI is reclassified from the equity to Statement of Profit and Loss.

(c) Measured at fair value through profit or loss (FVTPL):

Investment in financial asset other than equity instrument, not measured at either amortised cost or FVOCI is measured at FVTPL. Such financial assets are measured at fair value with all changes in fair value, including interest income and dividend income if any, recognised in the Statement of Profit and Loss.

Equity Instruments:

All investments in equity instruments classified under financial assets are subsequently measured at fair value. Equity instruments which are held for trading are measured at FVTPL.

For all other equity instruments, the Company may, on initial recognition, irrevocably elect to measure the same either at FVOCI or FVTPL. The Company makes such election on an instrument-by-instrument basis. Fair value changes on an equity instrument shall be recognised in Statement of Profit and Loss unless the Company has elected to measure such instrument at FVOCI. Fair value changes excluding dividends, on an equity instrument measured at FVOCI are recognised in the OCI. Amounts recognised in Other Comprehensive Income (OCI) are not subsequently transferred to Statement of Profit and Loss. Dividend income on the investments in equity instruments are recognised in Statement of Profit and Loss.

Notes to the financial statements for the year ended 31st March, 2020

Impairment

The Company recognises a loss allowance for Expected Credit Losses (ECL) on financial assets that are measured at amortised cost and at FVOCI. The credit loss is difference between all contractual cash flows that are due to an entity in accordance with the contract and all the cash flows that the entity expects to receive (i.e. all cash shortfalls), discounted at the original effective interest rate. This is assessed on an individual or collective basis after considering all reasonable and supportable including that which is forward-looking.

The Company's trade receivables or contract revenue receivables do not contain significant financing Branch and loss allowance on trade receivables is measured at an amount equal to life time expected losses i.e. expected cash shortfall, being simplified approach for recognition of impairment loss allowance.

Under simplified approach, the Company does not track changes in credit risk. Rather it recognizes impairment loss allowance based on the lifetime ECL at each reporting date right from its initial recognition. The Company uses a provision matrix to determine impairment loss allowance on the portfolio of trade receivables.

The provision matrix is based on its historically observed default rates over the expected life of the trade receivable and is adjusted for forward looking estimates. At every reporting date, the historical observed default rates are updated and changes in the forward-looking estimates are analysed.

For financial assets other than trade receivables, the Company recognises 12-month expected credit losses for all originated or acquired financial assets if at the reporting date the credit risk of the financial asset has not increased significantly since its initial recognition. The expected credit losses are measured as lifetime expected credit losses if the credit risk on financial asset increases significantly since its initial recognition. If, in a subsequent period, credit quality of the instrument improves such that there is no longer significant increase in credit risks since initial recognition, then the Company reverts to recognizing impairment loss allowance based on 12 months ECL.

Impairment loss allowance including ECL or reversal recognized during the period is recognized as income/ expense in the Statement of Profit and Loss. This amount is reflected under the head 'other expenses' in the Statement of Profit and Loss. The impairment loss is presented as an allowance in the balance sheet as a reduction from the net carrying amount of the trade- receivable, loan, deposits and lease receivable respectively.

De-recognition

The Company derecognises a financial asset when the contractual rights to the cash flows from the financial asset expire, or it transfers rights to receive cash flows from an asset, it evaluates if and to what extent it has retained the risks and rewards of ownership. When it has neither transferred nor retained substantially all of the risks and rewards of the asset, nor transferred control of the asset, the Company continues to recognise the transferred asset to the extent of the Company's continuing involvement. In that case, the Company also recognises an associated liability. The transferred asset and the associated liability are measured on a basis that reflects the rights and obligations that the Company has retained.

Financial Liabilities

Initial Recognition and measurement

Financial liabilities are recognised when the Company becomes a party to the contractual provisions of the instruments. Financial liabilities are initially recognised at fair value net of transaction costs for all financial liabilities not carried at fair value through profit or loss.

The Company's financial liabilities includes trade and other payables, loans and borrowings including bank overdrafts and derivative instruments.

Subsequent measurement

Financial liabilities measured at amortised cost are subsequently measured at using EIR method. Financial liabilities carried at fair value through profit or loss are measured at fair value with all changes in fair value recognised in the Statement of Profit and Loss.

Loans & Borrowings

After initial recognition, interest bearing loans and borrowings are subsequently measured at amortised cost using EIR method. Gains and losses are recognized in profit & loss when the liabilities are derecognized as well as through EIR amortization process. Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the EIR. The EIR amortisation is included as finance costs in the statement of profit or loss.

Financial Guarantee Contracts

Financial guarantee contracts issued by the Company are those contracts that requires a payment to be made or to reimburse the holder for a loss it incurs because the specified debtors fails to make payment when due in accordance with the term of a debt instrument. Financial guarantee contracts are recognized initially as a liability at fair value, adjusted for transaction costs that are directly attributable to the issuance of the guarantee. Subsequently the liability is measured at the higher of the amount of loss allowance determined as per impairment requirements of Ind AS 109 and the amount recognized less cumulative adjustments.



Notes to the financial statements for the year ended 31st March, 2020

De-recognition

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

Derivative financial instruments & hedge accounting

The Company uses derivative financial instruments, such as forward foreign exchange contracts to hedge its foreign currency risks. Such derivative financial instruments are initially recognised at fair value on the date on which a derivative contract is entered into and are subsequently remeasured at fair value, with changes in fair value recognised in Statement of Profit and Loss. Derivatives are carried as financial assets when the fair value is positive and as financial liabilities when the fair value is negative.

The Company designates their derivatives as hedges of foreign currency risk associated with the cash flows of highly probable forecast transactions and variable interest rate risks associated with the borrowings.

The Company documents at the inception of hedging transaction the economic relationship between hedging instruments and hedged items including whether the hedging instrument is expected to offset cash flow of hedged items. The Company documents its risk management objective and strategy for undertaking various hedge transaction at the inception of each hedge relationship.

Cash flows hedge that qualify for the hedge accounting

Any gains or losses arising from changes in the fair value of derivatives are taken directly to statement of profit & loss, except for the effective portion of cash flow hedge which is recognized in other comprehensive income and presented as separate Branch of equity which is later reclassified to statement of profit & loss when the hedge item affects profit & loss.

Offsetting of financial instruments

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

1.11 FAIR VALUE MEASUREMENT:

The Company measures financial instruments, such as, derivatives at fair value at each balance sheet date.

Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date. The fair value measurement is based on the presumption that the transaction to sell the asset or transfer the liability takes place either:

- In the principal market for the asset or liability, or
- In the absence of a principal market, in the most advantageous market for the asset or liability

The principal or the most advantageous market must be accessible by the Company.

The fair value of an asset or a liability is measured using the assumptions that market participants would use when pricing the asset or liability, assuming that market participants act in their economic best interest.

A fair value measurement of a non-financial asset takes into account a market participant's ability to generate economic benefits by using the asset in its highest and best use or by selling it to another market participant that would use the asset in its highest and best use.

The Company uses valuation techniques that are appropriate in the circumstances and for which sufficient data are available to measure fair value, maximising the use of relevant observable inputs and minimising the use of unobservable inputs.

All assets and liabilities for which fair value is measured or disclosed in the financial statements are categorised within the fair value hierarchy, described as follows, based on the lowest level input that is significant to the fair value measurement as a whole:

- Level 1 — Quoted (unadjusted) market prices in active markets for identical assets or liabilities
- Level 2 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is directly or indirectly observable
- Level 3 — Valuation techniques for which the lowest level input that is significant to the fair value measurement is unobservable

For assets and liabilities that are recognised in the financial statements on a recurring basis, the Company determines whether transfers have occurred between levels in the hierarchy by re-assessing categorisation (based on the lowest level input that is significant to the fair value measurement as a whole) at the end of each reporting period. For the purpose of fair value disclosures, the Company has determined classes of assets and liabilities on the basis of the nature, characteristics and risks of the asset or liability and the level of the fair value hierarchy as explained above.

Notes to the financial statements for the year ended 31st March, 2020

1.12 EMPLOYEE BENEFITS

The Company has provides following post-employment plans such as:

- (a) Defined benefit plans such a gratuity and
- (b) Defined contribution plans such as Provident fund & Superannuation fund

a) Defined-benefit plan:

The liability or asset recognised in the balance sheet in respect of defined benefit gratuity plan is the present value of defined benefit obligations at the end of the reporting period less fair value of plan assets. The defined benefit obligations is calculated annually by actuaries through actuarial valuation using the projected unit credit method.

The Company recognises the following changes in the net defined benefit obligation as an expense in the statement of profit and loss:

- (a) Service costs comprising current service costs, past-service costs, gains and losses on curtailment and non-routine settlements; and
- (b) Net interest expense or income

Re-measurement comprising of actuarial gains and losses arising from:

- (a) Re-measurement of Actuarial(gains)/losses
- (b) Return on plan assets, excluding amount recognized in effect of asset ceiling
- (c) Re-measurement arising because of change in effect of asset ceiling

are recognised in the period in which they occur directly in Other comprehensive income. Re-measurement are not reclassified to profit or loss in subsequent periods.

Ind AS 19 requires the exercise of judgment in relation to various assumptions including future pay rises, inflation and discount rates and employee and pensioner demographics. The Company determines the assumptions in conjunction with its actuaries, and believes these assumptions to be in line with best practice, but the application of different assumptions could have a significant effect on the amounts reflected in the income statement, other comprehensive income and balance sheet. There may be also interdependency between some of the assumptions.

b) Defined-contribution plan:

Under defined contribution plans, provident fund, the Company pays pre-defined amounts to separate funds and does not have any legal or informal obligation to pay additional sums. Defined Contribution plan comprise of contributions to the employees' provident fund with the government, superannuation fund and certain state plans like Employees' State Insurance and Employees' Pension Scheme. The Company's payments to the defined contribution plans are recognised as expenses during the period in which the employees perform the services that the payment covers.

c) Other employee benefits:

- (a) Compensated absences which are not expected to occur within twelve months after the end of the period in which the employee renders the related services are recognised as a liability at the present value of the obligation as at the Balance sheet date determined based on an actuarial valuation.
- (b) Undiscounted amount of short-term employee benefits expected to be paid in exchange for the services rendered by employees are recognised during the period when the employee renders the related services.
- (d) Expenses incurred towards voluntary retirement scheme are charged to the statement of profit and loss as and when incurred.
- (e) Other benefits comprising of discretionary long service awards are recognized as and when determined.

1.13 LEASES

As a Lessee:

The Company's lease asset classes primarily consist of leases for land, buildings and vehicles. The Company assesses whether a contract contains a lease, at inception of a contract. A contract is, or contains, a lease if the contract conveys the right to control the use of an identified asset for a period of time in exchange for consideration.

To assess whether a contract conveys the right to control the use of an identified asset, the Company assesses whether:

- (i) the contract involves the use of an identified asset;
- (ii) the Company has substantially all of the economic benefits from use of the asset through the period of the lease; and
- (iii) the Company has the right to direct the use of the asset.

At the date of commencement of the lease, the Company recognizes a right-of-use asset ("ROU") and a corresponding lease liability for all lease arrangements in which it is a lessee, except for leases with a term of twelve months or less (short-term leases) and low value leases. For these short-term and low value leases, the Company recognizes the lease payments as an operating expense on a straight-line basis over the term of the lease.



Notes to the financial statements for the year ended 31st March, 2020

The right-of-use assets are initially recognized at cost, which comprises the initial amount of the lease liability adjusted for any lease payments made at or prior to the commencement date of the lease plus any initial direct costs less any lease incentives. They are subsequently measured at cost less accumulated depreciation and impairment losses.

Certain lease arrangements includes the options to extend or terminate the lease before the end of the lease term. ROU assets and lease liabilities includes these options when it is reasonably certain that they will be exercised.

Right-of-use assets are depreciated from the commencement date on a straight-line basis over the shorter of the lease term and useful life of the underlying asset. Right of use assets are evaluated for recoverability whenever events or changes in circumstances indicate that their carrying amounts may not be recoverable. For the purpose of impairment testing, the recoverable amount (i.e. the higher of the fair value less cost to sell and the value-in-use) is determined on an individual asset basis unless the asset does not generate cash flows that are largely independent of those from other assets. In such cases, the recoverable amount is determined for the Cash Generating Unit (CGU) to which the asset belongs.

The lease liability is initially measured at amortized cost at the present value of the future lease payments. The lease payments are discounted using the interest rate implicit in the lease or, if not readily determinable, using the incremental borrowing rates in the country of domicile of these leases. Lease liabilities are remeasured with a corresponding adjustment to the related right of use asset if the Company changes its assessment if whether it will exercise an extension or a termination option.

Lease liability and ROU asset have been separately presented in the Balance Sheet and lease payments have been classified as financing cash flows.

As a Lessor:

Lease income from operating leases where the Company is a lessor is recognised in income on a straight-line basis over the lease term unless the receipts are structured to increase in line with expected general inflation to compensate for the expected inflationary cost increases. The respective leased assets are included in the balance sheet based on their nature.

1.14 FOREIGN CURRENCY TRANSACTIONS

a) Functional and Presentation currency

The Financial statements are presented in Indian Rupees (INR), which is Company's functional and presentation currency.

b) Initial Recognition

Transactions in foreign currency are recorded at the exchange rate prevailing on the date of the transaction. Exchange differences arising on foreign exchange transactions settled during the year are recognized in the Statement of Profit and Loss of the year.

c) Measurement of Foreign Currency Items at the Balance Sheet Date

Foreign currency monetary items of the Company are restated at the closing exchange rates. Non monetary items are recorded at the exchange rate prevailing on the date of the transaction. Non-monetary items that are measured at fair value in a foreign currency are translated using the exchange rates at the date when the fair value was determined. The gain or loss arising on translation of non- monetary items measured at fair value is treated in line with the recognition of the gain or loss on the change in the fair value of the item. Exchange differences arising out of these transactions are charged to the Statement of Profit and Loss.

1.15 TAXES ON INCOME

The income tax expense or credit for the period is the tax payable on the current period's taxable income based on the applicable income tax rate adjusted by changes in deferred tax assets and liabilities attributable to temporary differences and to unused tax losses, if any.

Income tax comprises current and deferred tax. Income tax expense is recognized in the statement of profit and loss except to the extent it relates to items directly recognized in equity or in other comprehensive income. In this case, the tax expense is also recognized in other comprehensive income or directly in equity, as the case may be.

Current tax is based on taxable profit for the year. Taxable profit is different from accounting profit due to temporary differences between accounting and tax treatments, and due to items, that are never taxable or tax deductible. Current tax is measured at the amount expected to be paid to the tax authorities in accordance with the taxation laws prevailing and applicable for the relevant assessment year.

Deferred income tax is provided in full, using the liability method, on temporary differences arising between the tax bases of assets and liabilities and their carrying amounts in the financial statements. Deferred income tax is determined using tax rates (and laws) that have been enacted or substantially enacted by the end of the reporting period and are expected to apply when the related deferred income tax asset is realized or the deferred income tax liability is settled.

The Company offsets, the tax assets and liabilities (on a year on year basis) where it has a legally enforceable right and where it intends to settle such assets and liabilities on a net basis or to realise the assets and liabilities on net basis.

The carrying amount of deferred income tax assets is reviewed at each reporting date and reduced to the extent that it is no longer probable that sufficient taxable profit will be available to allow all or part of the deferred income tax asset to be utilized. Deferred income tax assets and liabilities are measured at the tax rates that are expected to apply in the period when the asset is realized or the liability is settled, based on tax rates (and tax laws) that have been enacted or substantively enacted at the reporting date.

Notes to the financial statements for the year ended 31st March, 2020

Minimum Alternative Tax ('MAT') credit is recognised as an asset only when and to the extent there is convincing evidence that the Company will pay normal income-tax during the specified period. The Company reviews the same at each balance sheet date and writes down the carrying amount of MAT credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income-tax during the specified period.

1.16 RESEARCH AND DEVELOPMENT EXPENDITURE

Research costs are expensed as incurred. Product development costs are expensed as incurred unless technical and commercial feasibility of the project is demonstrated, further economic benefits are probable, the Company has an intention and ability to complete and use or sell the product and the costs can be measured reliably.

1.17 PROVISIONS AND CONTINGENCIES

A provision is recognised when there is a present legal or constructive obligation as a result of past event; it is probable that an outflow of resources will be required to settle the obligation, and in respect of which a reliable estimate can be made. These are reviewed at each balance sheet date and adjusted to reflect the current best estimates.

A disclosure for a contingent liability is made where there is a possible obligation arising out of past event, the existence of which will be confirmed only by the occurrence or non-occurrence of one or more uncertain future events not wholly within the control of the Company or a present obligation arising out of past event where it is either not probable that an outflow of resources will be required to settle or a reliable estimate of the amount cannot be made.

Provisions for onerous contracts are recognized when the expected benefits to be derived by the Company from a contract are lower than the unavoidable costs of meeting the future obligations under the contract.

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

1.18 CASH AND CASH EQUIVALENTS

Cash and Cash equivalents include cash and Cheque in hand, bank balances, demand deposits with banks and other short-term highly liquid investments that are readily convertible to known amounts of cash & which are subject to an insignificant risk of changes in value where original maturity is three months or less.

1.19 CASH FLOW STATEMENT

Cash flows are reported using the indirect method where by the profit before tax is adjusted for the effect of the transactions of a non-cash nature, any deferrals or accruals of past and future operating cash receipts or payments and items of income or expenses associated with investing or financing cash flows. The cash flows from operating, investing and financing activities of the company are segregated.

1.20 BORROWING COST

General and specific borrowing costs that are directly attributable to the acquisition, construction or production of qualifying assets are capitalized as a part of Cost of that assets, during the period till all the activities necessary to prepare the Qualifying assets for its intended use or sale are complete during the period of time that is required to complete and prepare the assets for its intended use or sale. Qualifying assets are assets that necessarily take a substantial period of time to get ready for their intended use or sale.

Other borrowing costs are recognized as an expense in the period in which they are incurred.

1.21 EARNINGS PER SHARE

Basic EPS is arrived at based on net profit after tax available to equity shareholders to the weighted average number of equity shares outstanding during the year. The diluted EPS is calculated on the same basis as basic EPS, after adjusting for the effects of potential dilutive equity shares unless impact is anti-dilutive.

1.22 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM).

The Company has identified its Managing Director as CODM who is responsible for allocating resources and assessing performance of the operating segments and makes strategic decisions.

1.23 EXCEPTIONAL ITEMS

When an item of income or expense within profit or loss from ordinary activity is of such size, nature or incidence that their disclosure is relevant to explain the performance of the Company for the year, the nature and amount of such items is disclosed as exceptional items.

1.24 CASH DIVIDEND

The Company recognizes a liability to pay dividend when the distribution is authorised and the distribution is no longer at the discretion of the Company i.e. when the dividend distribution is being approved by the shareholders. A corresponding amount is recognized directly in equity.



Notes to the financial statements for the year ended 31st March, 2020

1.25 RECENT INDIAN ACCOUNTING STANDARDS (IND AS)

Ministry of Corporate affairs (MCA) notifies new standards or amendment to the existing standards. There is no such notification which would have been applicable from April 01, 2020.

2 PROPERTY, PLANT AND EQUIPMENT

₹ In lakhs

	Land Freehold	Land Leasehold	Buildings	Plant and Equipment	Moulds and Dies	Furniture and Fixtures	Vehicles	Office Equipment	Total
Gross carrying amount									
Balance as at 1st April 2019	6857	1891	62922	154862	42281	3258	686	3941	276698
Additions	71	—	6199	13181	3396	422	14	706	23989
Deductions/ Adjustment	—	—	13	1266	810	81	116	416	2702
Reclassified on account of adoption of Ind As 116 (Refer note 36)	—	1891	—	—	—	—	—	—	1891
Balance as at 31st March 2020	6928	—	69108	166777	44867	3599	584	4231	296094
Accumulated Depreciation									
Balance as at 1st April 2019	—	—	15640	76046	29480	2048	476	2870	126560
Additions	—	—	2331	11619	3938	210	43	633	18774
Deductions/ Adjustment	—	—	—	1187	806	77	105	379	2554
Balance as at 31st March 2020	—	—	17971	86478	32612	2181	414	3124	142780
Net carrying amount as at 1st April 2019	6857	1891	47282	78816	12801	1210	210	1071	150138
Net carrying amount as at 31st March 2020	6928	—	51137	80299	12255	1418	170	1107	153314
Gross carrying amount									
Balance as at 1st April 2018	6883	1594	56712	139480	39082	2902	808	3371	250832
Additions	2	455	8475	22025	4109	438	25	749	36278
Deductions/ Adjustment	28	—	916	1112	27	34	147	108	2372
Assets held for disposal	—	8	140	—	—	—	—	—	148
Transfer*	—	129	1209	5531	883	48	—	71	7871
Amortisation	—	21	—	—	—	—	—	—	21
Balance as at 31st March 2019	6857	1891	62922	154862	42281	3258	686	3941	276698
Accumulated Depreciation									
Balance as at 1st April 2018	—	—	14312	70383	26520	1946	571	2369	116101
Additions	—	—	2142	10701	3870	174	48	670	17605
Deductions/ Adjustment	—	—	404	1086	27	33	143	107	1800
Assets held for disposal	—	—	75	—	—	—	—	—	75
Transfer*	—	—	335	3952	883	39	—	62	5271
Balance as at 31st March 2019	—	—	15640	76046	29480	2048	476	2870	126560
Net carrying amount as at 1st April 2018	6883	1594	42400	69097	12562	956	237	1002	134731
Net carrying amount as at 31st March 2019	6857	1891	47282	78816	12801	1210	210	1071	150138

*Transfer of Assets of Khushkhera unit to Kumi Supreme India Pvt Ltd (Associate), Refer Note 48.

NOTES

1. Leasehold land under varying lease arrangement for period ranging from 30-99 years.
2. Refer Note 42 for assets provided as security.
3. Land and Buildings include amount of ₹ 43 lakhs (Previous year ₹ 43 lakhs) in respect of which title deeds are yet to be registered in the name of the Company.

Notes to the financial statements for the year ended 31st March, 2020

₹ In lakhs

3 CAPITAL WORK-IN-PROGRESS

	As at 31st March 2020	As at 31st March 2019
Buildings	4420	4766
Plant and equipment	2856	2983
Moulds & dies and other assets	1037	779
Project expenses pending capitalisation (include depreciation and amortization of ₹ 87 Lakhs (Previous year ₹ NIL))	979	476
TOTAL CAPITAL WORK-IN-PROGRESS	9292	9004

4 INTANGIBLE ASSETS

	Computer software	Know how, Right to use & Patents	Total
Gross carrying amount			
Balance as at 1st April 2019	1735	2467	4202
Additions	89	102	191
Deductions/ Adjustment	—	—	—
Balance as at 31st March 2020	1824	2569	4393
Accumulated Depreciation			
Balance as at 1st April 2019	632	1611	2243
Additions	318	211	529
Deductions/ Adjustment	2	17	19
Balance as at 31st March 2020	952	1839	2791
Net carrying amount as at 1st April 2019	1103	856	1959
Net carrying amount as at 31st March 2020	872	730	1602
Gross carrying amount			
Balance as at 1st April 2018	1039	2190	3229
Additions	1238	863	2101
Deductions/ Adjustment	521	586	1107
Transfer*	21	—	21
Balance as at 31st March 2019	1735	2467	4202
Accumulated Depreciation			
Balance as at 1st April 2018	926	1695	2621
Additions	247	502	749
Deductions/ Adjustment	520	586	1106
Transfer*	21	—	21
Balance as at 31st March 2019	632	1611	2243
Net carrying amount as at 1st April 2018	113	495	608
Net carrying amount as at 31st March 2019	1103	856	1959

*Transfer of Assets of Khushkhara unit to Kumi Supreme India Pvt Ltd (Associate), Refer Note 48.

Notes to the financial statements for the year ended 31st March, 2020

₹ In lakhs

5 RIGHT TO USE - LEASE

Gross carrying amount**Balance as at 1st April 2019**

Additions

Reclassified on account of adoption of Ind As 116 (Refer note 36)

Deductions/ Adjustment

Amortisation

Balance as at 31st March 2020**Accumulated Depreciation****Balance as at 1st April 2019**

Additions

Deductions/ Adjustment

Balance as at 31st March 2020**Net carrying amount as at 1st April 2019****Net carrying amount as at 31st March 2020**

(Refer Note 36)

Right to use

—

5253

1891

—

23

7121

1263

—

1263

—

5858

6 NON CURRENT INVESTMENTS

	Quantity		Amount	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
EQUITY SHARES FULLY PAID UP				
A. INVESTMENT IN ASSOCIATES & SUBSIDIARIES				
QUOTED (At Cost)				
Supreme Petrochem Ltd. (an associate Company - 30.01% equity stake held [Previous year 29.99%]) (Face value @ ₹ 10 each)	28936400	28936400	3337	3337
UNQUOTED (At Cost)				
Supreme Industries Overseas (FZE), a wholly owned subsidiary incorporated in UAE (Face value @ AED 150,000 each)	1	1	19	19
Kumi Supreme India Pvt Ltd (an associate Company - 20.67% equity stake held upto 31st March'2020) (Face value @ ₹ 10 each), Refer Note 48	—	25025611	—	2503
TOTAL INVESTMENT IN ASSOCIATES & SUBSIDIARIES			3356	5859
B. OTHER INVESTMENTS				
QUOTED (Fair value through Profit & Loss Account)				
Bank of Baroda	1286	1286	1	2
Central Bank of India	5874	5874	1	2
UNQUOTED (Fair value through Profit & Loss Account)				
Windage Power Company Private Ltd.*	42150	17300	5	2
Nu Power Wind Farms Limited*	4769	4769	0	0
INVESTMENT IN PARTNERSHIP				
HPC Research s.r.o. (LLC)**			519	515
TOTAL OTHER INVESTMENTS			526	521
TOTAL NON CURRENT INVESTMENTS [A+B]			3882	6380
*Lying in escrow account				
Aggregate market value of quoted investments			37532	64836
Aggregate carrying value of unquoted investments			543	3038
Aggregate carrying value of quoted investments			3339	3341

** Name of Partners and shares

1. Special engineering s.r.o. (45%)
2. Andriy Zakharchuk (45%)
3. The Supreme Industries Limited (10%)

Notes to the financial statements for the year ended 31st March, 2020

₹ in Lakhs

7 DEPOSITS

	Non-Current		Current	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Sundry deposits considered good - Unsecured	1858	1676	360	478
TOTAL DEPOSITS	1858	1676	360	478

8 LOANS

	Non-Current		Current	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Loans to employees considered good - Unsecured	83	114	195	183
TOTAL LOANS	83	114	195	183

9 OTHER FINANCIAL ASSETS

	Non-Current		Current	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Interest accrued and due on fixed deposits	–	11	48	47
Derivative financial assets	–	–	470	–
TOTAL OTHER FINANCIAL ASSETS	–	11	518	47

10 OTHER ASSETS

	Non-Current		Current	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
(Unsecured - Considered good)				
Capital advances	2946	1704	–	–
Advances to Supplier	–	–	2744	1873
Advances/claims recoverable	6	198	2371	1435
Prepaid expenses	107	161	1098	713
Refunds due/balances from/with government authorities	5289	1952	6142	7848
TOTAL OTHER ASSETS	8348	4015	12355	11869

11 INVENTORIES

(Cost or Net realisable value whichever is lower)

	As at 31-Mar-20	As at 31-Mar-19
Raw materials and components [(including goods in transit ₹ 4714 lakhs (As at 31st March' 2019 - ₹ 169 lakhs)]	33096	36268
Finished goods [(including goods in transit ₹ 4 lakhs (As at 31st March' 2019 - ₹ 35 lakhs)]	45089	31212
Semi-finished goods	7165	3670
Traded goods	808	667
Stores, spare parts, and consumables	1762	1599
Packing materials	1137	956
Commercial premises	–	672
TOTAL INVENTORIES	89057	75044

Note: Write down of Inventories to Net Realisable Value by ₹ 143 lakhs (Previous year ₹ 42 lakhs) based on management inventory policy - Non & slow moving inventory. The same has been recognised as an expense during the year and included in "Changes in value of Inventory of "semi finished goods" and "finished goods" in statement of Profit and Loss.

Refer Note no. 42

Notes to the financial statements for the year ended 31st March, 2020

₹ in Lakhs

12 TRADE RECEIVABLES

	As at 31-Mar-20	As at 31-Mar-19
Trade Receivables considered good - Unsecured	30761	37389
Trade Receivables which have significant increase in Credit Risk	706	1435
Trade Receivables - credit impaired	405	305
	31872	39129
Less: Provision for doubtful trade receivables	612	388
TOTAL TRADE RECEIVABLES	31260	38741

Note: Refer note 33, 40 and 42

13 CASH AND CASH EQUIVALENTS

	As at 31-Mar-20	As at 31-Mar-19
Balance with banks in current and cash credit accounts	12362	2974
Cash on hand	40	34
Remittances in transit	2443	53
Cheques on hand	1	—
Investment in liquid mutual funds*	7004	—
TOTAL CASH AND CASH EQUIVALENTS	21850	3061

*Investment in Liquid Mutual funds includes:

Scheme Name	Units	₹ In Lakhs
HDFC Liquid Fund–Growth	89656	3503
SBI Liquid Fund–Growth	112616	3501
Total	202272	7004

14 OTHER BANK BALANCES

	As at 31-Mar-20	As at 31-Mar-19
Deposit with banks (Earmarked for electricity/sales tax/margin money)	582	65
Unclaimed dividend	565	458
TOTAL OTHER BANK BALANCES	1147	523

15 EQUITY SHARE CAPITAL

	As at 31-Mar-20	As at 31-Mar-19
AUTHORISED		
15,00,00,000 Nos. Equity Shares of ₹ 2 each	3000	3000
1,12,00,000 Nos. Preference Shares of ₹ 10 each	1120	1120
3,38,00,000 Nos. Unclassified Shares of ₹ 10 each	3380	3380
	7500	7500
ISSUED, SUBSCRIBED AND PAID UP		
12,70,26,870 Nos. Equity Shares of ₹ 2 each Fully Paid Up	2541	2541
TOTAL SHARE CAPITAL	2541	2541

The reconciliation of the number of equity shares outstanding	As at 31-Mar-20		As at 31-Mar-19	
	Numbers	Amount	Numbers	Amount
Equity Shares at the beginning of the year	127026870	2541	127026870	2541
Equity Shares at the end of the year	127026870	2541	127026870	2541

Notes to the financial statements for the year ended 31st March, 2020

₹ in Lakhs

Terms/rights attached to Equity shares :

The Company has only one class of issued Equity Shares having a par value of ₹ 2 per share. Each Shareholder is eligible for one vote per share held.

In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

The details of Shareholders holding more than 5% shares:

Name of the Shareholders	31-Mar-20		31-Mar-19	
	No. of Equity Shares	% of Holding	No. of Equity Shares	% of Holding
Boon Investment and Trading Company Pvt Ltd	20357956	16.03%	20206592	15.91%
Jovial Investment and Trading Company Pvt Ltd	20108268	15.83%	19912082	15.68%
Venkatesh Investment and Trading Company Pvt Ltd	19693081	15.50%	19693081	15.50%

In the Period of five years immediately preceding March, 2020:

The Company has not allotted any equity shares as fully paid up without payment being received in cash or as Bonus Shares or Bought back any equity shares.

16 OTHER EQUITY

	As at 31-Mar-20	As at 31-Mar-19
Capital reserve	245	245
Securities premium	4749	4749
Capital redemption reserve	222	222
General reserve	206579	178379
Retained earnings	—	13783
Accumulated other comprehensive income	(1077)	(654)
	210718	196724

Nature & Purpose of the Reserve:

Capital Reserves: Capital reserve represents the capital subsidy received by the Company. The reserve will be utilised in accordance with the provisions of the Act.

Securities premium: Securities premium reserve is credited when shares are issued at premium. The reserve will be utilised in accordance with the provisions of the Act.

Capital Redemption Reserves: Capital redemption reserve is being created by transfer from Retained earnings at the time of buy back of equity shares in accordance with the Act. The reserve will be utilised in accordance with the provisions of the Act.

General reserve: The General reserve is created by way of transfer of profits from retained earnings for appropriation purposes. This reserve is utilised in accordance with the provisions of the Act.

Retained earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.

17 BORROWINGS

	Non-Current		Current	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
SECURED				
Working Capital Loans:				
From Banks:				
Cash credit accounts	—	—	2186	2296
Working Capital Demand Loans	—	—	6908	—
Foreign currency loans - Buyer's credit	—	—	—	3014
	—	—	9094	5310
UNSECURED				
Deferred payment liabilities (under sales tax deferral scheme)	88	112	—	—
From Banks:				
Cash credit accounts	—	—	1993	—
Working Capital Demand Loans	—	—	20180	—
Foreign Currency loans - Buyer's credit	—	—	9739	10784
	88	112	31912	10784
TOTAL BORROWINGS	88	112	41006	16094

(Refer Note 33, 34, 42 and 44)

Notes to the financial statements for the year ended 31st March, 2020

₹ in Lakhs

18 DEPOSITS

	Non-Current		Current	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Trade / security deposits	284	187	58	284
TOTAL DEPOSITS	284	187	58	284

19 PROVISIONS

	Non-Current		Current	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Provision for employee benefits:				
Compensated absences	2001	1617	555	445
Gratuity (Refer Note 35)	—	—	571	339
TOTAL PROVISIONS	2001	1617	1126	784

20 TRADE PAYABLES

	As at 31-Mar-20	As at 31-Mar-19
Due to:		
Micro, small and medium enterprises	1659	1544
Others	53184	54321
TOTAL TRADE PAYABLES	54843	55865

Notes:

- Refer note 40 for related party balances.
- The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act, to the extent information available to the Company are as follows:

	As at 31-Mar-2020	As at 31-Mar-2019
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	1659	1544
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	—	—
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	—
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	—
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	—
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	—	—
Further interest remaining due and payable for earlier years	—	—

Notes to the financial statements for the year ended 31st March, 2020

₹ in Lakhs

21 OTHER FINANCIAL LIABILITIES

	As at 31-Mar-20	As at 31-Mar-19
Current maturities of long-term debt	35	35
Interest accrued but not due on borrowings	53	214
Payables towards property, plant & equipment	8787	7199
Unclaimed dividend*	564	455
Unpaid matured deposits & interest accrued thereon	2	3
Derivative financial liabilities	—	331
Finance lease liabilities	1041	—
Others	102	103
TOTAL OTHER FINANCIALS LIABILITIES	10584	8340

*Investor Education and Protection Fund (IEPF) credited when due. As at March 31st 2020, no balances were due to be transferred to IEPF except ₹ 11 Lakhs.

22 OTHER CURRENT LIABILITIES

	As at 31-Mar-20	As at 31-Mar-19
Advances from customers	5822	4298
Advances towards sale of land	121	121
Statutory dues	3428	7657
Other payables	262	262
TOTAL OTHER CURRENT LIABILITIES	9633	12338

23 INCOME TAX ASSETS (NET)

	As at 31-Mar-20	As at 31-Mar-19
Income tax assets (net of income tax provision)	3789	3606
TOTAL INCOME TAX ASSETS (NET)	3789	3606

24 REVENUE FROM OPERATIONS

	2019 - 2020	2018 - 2019
Sale of Goods		
Plastic Products	537968	537727
Commercial Premises	2560	8085
Traded Goods		
Plastic Products	2247	5320
Others	3252	4636
	546027	555768
Sale of services		
Income from processing	530	610
Others	20	31
	550	641
Other operating income		
Government grants/subsidy	2087	2397
Export incentives	642	549
Sale of empty bags and other scrap etc.	1474	1427
Insurance and other claims	59	49
Liabilities no longer required written back	288	336
	4550	4758
TOTAL REVENUE FROM OPERATIONS	551127	561167

Notes to the financial statements for the year ended 31st March, 2020

₹ in Lakhs

25 OTHER INCOME

	2019 - 2020	2018 - 2019
Dividend received on investments in associates carried at cost	1736	1302
Profit on sale/discard of fixed assets (net)	51	342
Lease rent	87	18
Share of profit in partnership firm	5	—
Foreign currency exchange fluctuation (net)	—	418
TOTAL OTHER INCOME	1879	2080

26 COST OF MATERIALS CONSUMED

	2019 - 2020	2018 - 2019
Cost of raw materials consumed	360021	362591
Cost of packing materials consumed	9909	9677
Cost of commercial premises sold	670	2199
TOTAL COST OF MATERIALS	370600	374467

27 CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI FINISHED GOODS & STOCK-IN-TRADE

	2019 - 2020	2018 - 2019
Inventories at the beginning of the year		
Finished goods / Semi finished goods	34881	33840
Traded goods	667	930
	35548	34770
Inventories at the end of the year		
Finished goods / Semi finished goods	52254	34881
Traded goods	808	667
	53062	35548
Change in inventories	(17514)	(778)
Transfer of Finished goods of Khushkhera unit to Kumi Supreme India Pvt Ltd (Associate), Refer Note 48	—	(136)
TOTAL CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS & STOCK-IN-TRADE	(17514)	(914)

28 EMPLOYEE BENEFITS EXPENSES

	2019 - 2020	2018 - 2019
Salaries and wages	22178	20074
Contribution to provident & other fund	1153	1126
Managerial remuneration	3021	2661
Staff welfare expenses	1512	1493
TOTAL EMPLOYEE BENEFITS EXPENSES	27864	25354

29 FINANCE COSTS

	2019 - 2020	2018 - 2019
Interest expenses	2408	3109
Interest on lease liabilities	405	—
Unwinding of discount on deferred sales tax	10	13
Other borrowing costs	143	233
	2966	3355
Less:		
Interest received	691	485
Unwinding of discount on security deposits	56	54
Profit on redemption of liquid mutual funds on current investments designated at FVTPL	201	216
	948	755
TOTAL FINANCE COSTS	2018	2600

Notes to the financial statements for the year ended 31st March, 2020

₹ in Lakhs

30 OTHER EXPENSES

	2019 - 2020	2018 - 2019
Stores & spare parts consumed	3760	3762
Labour charges	17182	16147
Power & fuel	21608	20547
Water charges	111	117
Repairs & maintenance of building	634	470
Repairs & maintenance of plant & machinery	1400	1300
Repairs & maintenance (others)	893	799
Directors' fees	66	57
Rent, rates & taxes	1524	1842
Insurance	422	266
Corporate social responsibility and donations (Refer note 46)	1611	1059
Legal & professional fees	1821	1808
Travelling & conveyance	3064	2764
Vehicle expenses	255	513
Advertisement, publicity & business promotion	7202	7698
Freight and forwarding charges	10820	10775
Printing, stationery & communication	861	870
Commission and Royalty	2159	2188
Sales tax	66	28
Bad debts (net of bad debts recovered)	917	1
Provision for doubtful debts	265	62
Plant security services	1192	1085
Inspection, testing, registration and marking fees	731	654
Foreign currency exchange fluctuation (net)	2386	—
Fair value loss on investments through profit or loss	2	2
Loss on Sale of Investments in an associate	77	—
Miscellaneous expenses (Refer note 47)	927	646
TOTAL OTHER EXPENSES	81956	75460

31 INCOME TAXES

A. Tax expense recognised in the statement of Profit and Loss:

Particulars	2019 - 2020	2018 - 2019
Current tax	16030	20751
Deferred income tax expense/(credit)	(3026)	697
Total income tax expense/(credit)	13004	21448

B. A reconciliation of the income tax amount between the enacted income tax rate and the effective income tax of the Company is as follows :

Particulars	2019 - 2020	2018 - 2019
Enacted income tax rate in India	25.17%	34.99%
Profit before tax	62220	67315
Income tax as per above rate	15661	23556
Adjustments:		
Income exempt from Income taxes	(437)	(456)
Amounts not allowable under income tax act	414	198
Change in tax rate	(3363)	—
Others	729	(873)
Tax on LTCG / Slump sale	—	(977)
Income tax as per profit and loss statement	13004	21448

Notes to the financial statements for the year ended 31st March, 2020

₹ in Lakhs

C. The movement in deferred tax assets and liabilities during the year ended March 31, 2020:

Deferred tax (assets)/liabilities	As at 1st April, 2018	(Credit)/charge in statement of Profit and Loss	As at 31st March, 2019	(Credit)/charge in statement of Profit and Loss	As at 31st March, 2020
Depreciation	11901	2115	14016	(2963)	11053
Amount allowable on payment basis & others	(561)	(1418)	(1979)	(63)	(2042)
Total	11340	697	12036	(3026)	9011

The Company elected to exercise the option of lower tax rate permitted under section 115BAA of the Income-tax Act, 1961. The Company, accordingly has recognized Provision for Income Tax and re-measured its Deferred Tax Liabilities basis the rate prescribed in the said section. The impact of this change has been recognized in the Statement of Profit & Loss for year ended including write back of deferred tax liabilities relating to earlier years of ₹ 3363 lakhs.

32 FINANCIAL INSTRUMENTS

The Management assessed that cash and cash equivalents, trade receivables, trade payables and other current liabilities approximate their carrying amounts largely due to the short term maturities of these instruments. The fair value of the financial assets and financial liabilities is included at the amount at which the instrument could be exchanged in a current transaction between willing parties, other than in a forced or liquidation sale.

The Company uses the following hierarchy for determining and disclosing the fair value of financial instruments by valuation technique:

Level 1: Quoted (unadjusted) prices in active markets for identical assets or liabilities.

Level 2: Other techniques for which all inputs which have a significant effect on the recorded fair value are observable, either directly or indirectly.

Level 3: Techniques which use inputs that have a significant effect on the recorded fair value that are not based on observable market data.

The carrying amounts and fair values of financial instruments by category are as follows:

a. Financial assets

	Note	Instruments carried at			Total carrying amount
		Fair value		Amortized cost	
		At Cost	FVTPL	Carrying amount	
As at 31st March, 2020					
Investment in associates and subsidiaries	6	3,356	–	–	3356
Other investments	6	–	526	–	526
Deposits	7	–	–	2218	2218
Loans	8	–	–	278	278
Trade receivables	12	–	–	31260	31260
Cash & cash equivalents	13	–	7004	14846	21850
Other bank balances	14	–	–	1147	1147
Other financial assets	9	–	–	48	48
Derivative financial assets	9	–	470	–	470
Total		3356	8000	49798	61153
As at 31st March, 2019					
Investment in associates and subsidiaries	6	5859	–	–	5859
Other investments	6	–	521	–	521
Deposits	7	–	–	2154	2153
Loans	8	–	–	297	298
Trade receivables	12	–	–	38741	38741
Cash & cash equivalents	13	–	–	3061	3061
Other bank balances	14	–	–	523	523
Other financial assets	9	–	–	58	58
Total		5859	521	44834	51214

Notes to the financial statements for the year ended 31st March, 2020

₹ in Lakhs

b. Financial liabilities

	Note	Instruments carried at		
		Fair value	Amortized cost	Total carrying amount
		FVTPL	Carrying amount	
As at 31st March, 2020				
Borrowings	17	9739	31355	41094
Finance lease liabilities		–	2948	2948
Deposits	18	–	343	343
Trade payables	20	25213	29630	54843
Other financial liabilities	21	–	10584	10584
Total		34952	74860	109812
As at 31st March, 2019				
Borrowings	17	13798	2409	16207
Deposits	18	–	471	471
Trade payables	20	23111	32754	55865
Other financial liabilities	21	–	8009	8009
Derivative financial liabilities	21	331	331	331
Total		37241	43973	80883

Fair value estimation

For financial instruments measured at fair value in the Balance Sheet, a three level fair value hierarchy is used that reflects the significance of inputs used in the measurements. The hierarchy gives the highest priority to unadjusted quoted prices in active markets for identical assets or liabilities (Level 1 measurements) and lowest priority to unobservable inputs (Level 3 measurements).

The categories used are as follows:

- Level 1: quoted prices for identical instruments
- Level 2: directly or indirectly observable market inputs, other than Level 1 inputs; and
- Level 3: inputs which are not based on observable market data.

	Level 1	Level 2	Level 3
As at 31st March, 2020			
Assets at fair value			
Investments	6	–	520
Investment in liquid fund	7004	–	–
Derivative financial instruments	–	470	–
As at 31st March, 2019			
Assets at fair value			
Investments	2	–	519
Liabilities at fair value			
Derivative financial instruments	–	331	–

The fair value of investments in equity is based on the price quotation at the reporting date derived from quoted market prices in active market. The Company enters into derivative financial instruments with various counterparties, principally financial institutions. Foreign exchange forward contracts are valued using valuation techniques, which employs the use of market observable inputs. The most frequently applied valuation techniques include forward pricing using present value calculations.

33 RISK MANAGEMENT

Financial risk management objectives and policies

The Company's financial risk management is an integral part of how to plan and execute its business strategies. The Company's activity expose it to market risk, liquidity risk, commodity 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, foreign currency and interest rate swaps are entered to hedge certain foreign currency risk exposures to hedge variable interest rate exposures. Derivatives



Notes to the financial statements for the year ended 31st March, 2020

₹ in Lakhs

are used exclusively for hedging purposes and not as trading or speculative instruments. The Company's financial risk management policy is set by the Managing Director and governed by overall direction of Board of Directors of the Company.

Market risk is the risk of loss of future earnings, fair values or future cash flows that may result from a change in the price of a financial instrument. The value of a financial instrument may change as a result of changes in the interest rates, foreign currency exchange rates, equity prices and other market changes that affect market risk sensitive instruments. Market risk is attributable to all market risk sensitive financial instruments including investments and deposits, foreign currency receivables, payables and loans and borrowings.

S.No.	Risk	Exposure arising from	Measurement	Risk Management
A	Credit risk	Cash and cash equivalents, trade receivables, derivative financial instruments, financial assets measured at amortised cost.	"Ageing analysis Credit ratings"	Credit limits and letters of credit and Performance guarantees.
B	Liquidity risk	Borrowings and other liabilities	Rolling cash flow forecasts	Availability of committed credit lines and borrowing facilities
C	Market risk – interest rate	Long-term borrowings at variable rates	Sensitivity analysis	Interest rate swaps
D	Market risk – foreign exchange	Future commercial transactions recognised financial assets and liabilities not denominated in INR.	Cash flow forecasting Sensitivity analysis	Forward foreign exchange contracts
E	Commodity risk	Purchase of Raw Material	Fluctuation of Crude Price and Currency rates	Procurement and inventory strategy

A. CREDIT RISK

Credit risk arises from the possibility that the counter party may not be able to settle their obligations as agreed. To manage this, the Company periodically assess financial reliability of customers, taking into account the financial condition, current economic trends, and analysis of historical bad debts and ageing of accounts receivable. Individual risk limits are set accordingly.

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

- Actual or expected significant adverse changes in business
- Actual or expected significant changes in the operating results of the counterparty
- Financial or economic conditions that are expected to cause a significant change to the counterparty's ability to meet its obligations
- Significant increase in credit risk on other financial instruments of the same counterparty

The company categorises financial assets based on the assumptions, inputs and factors specific to the class of financial assets into High-quality assets, negligible credit risk; Quality assets, low credit risk; Standard assets, moderate credit risk; Substandard assets, relatively high credit risk; Low quality assets, very high credit risk; Doubtful assets, credit-impaired.

Financial assets are written off when there is no reasonable expectations of recovery, such as a debtor failing to engage in a repayment plan with the Company. The Company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than one year past due. Where loans or receivables have been written off, the Company continues engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognized in profit or loss.

Provision for expected credit losses:

		Basis for recognition of expected credit loss provision		
Description of category	Category	Investments	Loans and deposits	Trade Receivables
Assets where the counter-party has strong capacity to meet the obligations and where the risk of default is negligible or nil	High-quality assets, negligible credit risk	12 month expected credit losses	12 month expected credit losses	Life time expected credit losses (simplified approach)
Assets where there is low risk of default and where the counter-party has sufficient capacity to meet the obligations and where there has been low frequency of defaults in the past	Quality assets, low credit risk			
Assets where the probability of default is considered moderate, counter-party where the capacity to meet the obligations is not strong	Standard assets, moderate credit risk			

Notes to the financial statements for the year ended 31st March, 2020

₹ in Lakhs

		Basis for recognition of expected credit loss provision		
Description of category	Category	Investments	Loans and deposits	Trade Receivables
Assets where there has been a significant increase in credit risk since initial recognition. Assets where the payments are more than 180 days past due	Substandard assets, relatively high credit risk	Life-time expected credit losses	Life-time expected credit losses	Life time expected credit losses (simplified approach)
Assets where there is a high probability of default. In general, assets where contractual payments are more than 180 days past due are categorised as low quality assets. Also includes assets where the credit risk of counter-party has increased significantly though payments may not be more than 180 days past due	Low quality assets, very high credit risk			
Assets are written off when there is no reasonable expectation of recovery, such as a debtor declaring bankruptcy or failing to engage in a repayment plan with the company. The company categorises a loan or receivable for write off when a debtor fails to make contractual payments greater than 365 days past due. Where loans or receivables have been written off, the company continues to engage in enforcement activity to attempt to recover the receivable due. Where recoveries are made, these are recognised in profit or loss.	Doubtful assets, credit-impaired	Asset is written off		

Expected credit loss for loans, security deposits and investments:

As at 31st March' 2020

Particulars		Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Loans	278	—	—	278
		Security deposits	2218	—	—	2218
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-impaired or credit impaired	NA	—	—	—	—

As at 31st March' 2019

Particulars		Asset group	Estimated gross carrying amount at default	Expected probability of default	Expected credit losses	Carrying amount net of impairment provision
Loss allowance measured at 12 month expected credit losses	Financial assets for which credit risk has not increased significantly since initial recognition	Loans	297	—	—	297
		Security deposits	2154	—	—	2154
Loss allowance measured at life-time expected credit losses	Financial assets for which credit risk has increased significantly and not credit-impaired or credit impaired	NA	—	—	—	—

Notes to the financial statements for the year ended 31st March, 2020

₹ in Lakhs

a. Expected credit loss for trade receivables under simplified approach

Due from the date of invoice	As at 31st March '20	As at 31st March '19
0-3 months	29566	36060
3-6 months	932	1645
6 months to 12 months	569	315
beyond 12 months	193	721
Total	31260	38741

b. Reconciliation of loss allowance provision - Trade receivables

	As at 31st March '20	As at 31st March '19
Opening provision	388	325
Additional provision made	265	63
Utilisation during the year	(41)	–
Closing provisions	612	388

B. LIQUIDITY RISK

Liquidity risk is defined as the risk that the Company will not be able to settle or meet its obligations on time, or at a reasonable price. The Company's treasury department is responsible for liquidity, funding as well as settlement management. In addition, processes and policies related such risk are overseen by senior management. Management monitors the Company's net liquidity position through rolling forecasts on the basis of expected cash flows.

Financing arrangements

The Company had access to following undrawn Borrowing facilities at end of reporting period:

	As at 31st March '20	As at 31st March '19
Borrowings including working capital	23297	50930

Contractual maturity patterns of borrowings

	As at 31st March '20		
	0-1 years	1-5 years	Total
Long term borrowings (Including current maturity of long term debt)	35	88	123
Short term borrowings	41006	–	41006
Total	41041	88	41129

	As at 31st March '19		
	0-1 years	1-5 years	Total
Long term borrowings (Including current maturity of long term debt)	35	112	147
Short term borrowings	16094	–	16094
Total	16129	112	16241

Refer Note 36 for contractual maturity pattern of lease liabilities.

Contractual maturity patterns of Financial Liabilities

	As at 31st March '20	As at 31st March '19
	0-12 Months	0-12 Months
Trade Payable	54843	55865
Payable related to Capital goods	8787	7199
Other Financial liabilities including derivative financial liabilities	1762	1106
Total	65392	64170

Notes to the financial statements for the year ended 31st March, 2020

₹ in Lakhs

C. MARKET RISK - INTEREST RATE RISK

Interest rate risk is the risk that the fair value of future cash flows of the financial instruments will fluctuate because of changes in market interest rates. In order to optimize the Company's position with regards to interest income and interest expenses and to manage the interest rate risk, treasury performs a comprehensive corporate interest rate risk management by balancing the proportion of fixed rate and floating rate financial instruments in its total portfolio.

Exposure to interest rate risk.

The Company is not exposed to significant interest rate risk as at the respective reporting date.

D. 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 and services in overseas and purchases from overseas suppliers in various foreign currencies. Exports of the company are significantly lower in comparison to its imports. Foreign currency exchange rate exposure is partly balanced by exports of goods and prudent hedging policy.

Foreign Currency Exposure

Name of the Instrument	2019 - 2020		2018 - 2019	
	In Million US\$	₹ in Lakhs	In Million US\$	₹ in Lakhs
Open Foreign Exchange Exposures - Receivable	2.23	1687	2.61	1805
Open Foreign Exchange Exposures - Payable	26.75	20240	23.42	16196

Foreign Currency Risk Sensitivity

A change of 1% in Foreign currency would have following Impact on profit before tax:

Particulars	2019 - 2020		2018 - 2019	
	1% appreciation in US\$	1% depreciation in US\$	1% appreciation in US\$	1% depreciation in US\$
Increase / (decrease) in profit or loss	(186)	186	(144)	144

Derivative financial instruments

The Company holds derivative financial instruments such as foreign currency forward to mitigate the risk of changes in exchange rates on foreign currency exposures. The counterparty for these contracts is generally are banks. These derivative financial instruments are valued based on quoted prices for similar assets and liabilities in active markets or inputs that are directly or indirectly observable in the market place.

Name of the Instrument	2019 - 2020		2018 - 2019	
	In Million US\$	₹ in Lakhs	In Million US\$	₹ in Lakhs
Forward Purchase	28	20572	52	36909

The Company enjoys natural hedge to the extent of: a) Exports effected and b) Inventory held (being sensitive to exchange rate fluctuations). Although the Company believes that these derivatives constitute hedges from a economic prospective, they might not qualify for hedge accounting under Ind AS 109.

E. COMMODITY RISK

Principal Raw Material for Company's products is variety of plastic polymers which are primarily Derivatives of Crude Oil. Company sources its raw material requirement from across the globe. Domestic market prices are also generally remains in sync with international market price scenario.

Volatility in Crude Oil prices, Currency fluctuation of Rupee vis-à-vis other prominent currencies coupled with demand-supply scenario in the world market affect the effective price and availability of polymers for the Company. Company effectively manages deals with availability of material as well as price volatility through:

1. Widening its sourcing base
2. Appropriate contracts and commitments
3. Well planned procurement & inventory strategy and
4. Prudent hedging policy on foreign currency exposure

Risk committee of the Company comprising members from Board of Directors and operations has developed and enacted a risk management strategy regarding commodity Price risk and its mitigation.

Notes to the financial statements for the year ended 31st March, 2020

₹ in Lakhs

F. IMPACT OF COVID-19

In March 2020, the WHO declared the COVID-19 outbreak as a pandemic which continues to spread across the country. On 25th March, 2020, the Government of India has declared this pandemic a health emergency, ordered temporarily closure of all non-essential businesses, imposed restrictions on movement of goods/material, travel, etc. As the nature of business performed by the Company majorly fell under non-essential category, these restrictions had substantially reduced its operations at various plants for 25 to 35 days. The Company has since, after receiving applicable permissions, partially commenced operations including despatch of goods to its' customers at all of its manufacturing facilities and scaling up the same gradually.

In assessing the recoverability of trade receivables measured at amortised cost of ₹ 31260 lakhs and realisation of inventories of ₹ 89057 lakhs, apart from considering the internal and external information up to the date of approval of these standalone financial statements, the Company has also performed sensitivity analysis on the assumptions used and based on current indicators of future economic conditions, the Company expects to recover the carrying amount of these assets. Refer Note 1 of the Financial statements for accounting policy followed by the company for subsequent measurement of these assets.

The impact of the global health pandemic may be different from that estimated as at the date of approval of these standalone financial statements. Considering the continuing uncertainties, the Company will continue to closely monitor any material changes to future economic conditions.

34 CAPITAL RISK MANAGEMENT

A. The Company's objectives when managing capital are to

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

The Company monitors capital on the basis of the following debt equity ratio:

	31 March, 2020	31 March, 2019
Net Debt	41129	16241
Total Equity	213259	199265
Net Debt to Total Equity	0.19	0.08

Company believes in conservative leverage policy. Company's capex plan over the medium term shall be largely funded through internal accruals and suppliers credit.

B. The Company follows the policy of Dividend for every financial year as may be decided by Board considering financial performance of the company and other internal and external factors enumerated in the Company dividend policy. As per the dividend policy, generally the Company maintains a dividend pay-out ratio (including Dividend Distribution tax) in the range of 35 % to 55% of net profit (PAT).

35 DISCLOSURE PURSUANT TO IND AS - 19 "EMPLOYEE BENEFITS"

i) **Gratuity:** In accordance with the applicable laws, the Company provides for gratuity, a defined benefit retirement plan ("The Gratuity Plan") covering eligible employees. The Gratuity Plan provides for a lump sum payment to vested employees on retirement (subject to completion of five years of continuous employment), death, incapacitation or termination of employment that are based on last drawn salary and tenure of employment. Liabilities with regard to the Gratuity Plan are determined by actuarial valuation on the reporting date and the Company makes annual contribution to the gratuity fund administered by life Insurance Companies under their respective Group Gratuity Schemes.

The disclosure in respect of the defined Gratuity Plan are given below:

A. Balance Sheet

	Defined benefit plans	
	As at 31st March, 2020	As at 31st March, 2019
Present value of plan liabilities	5321	4302
Fair value of plan assets	4750	3963
Asset/(Liability) recognised	(571)	(339)

Notes to the financial statements for the year ended 31st March, 2020

₹ in Lakhs

B. Movements in plan assets and plan liabilities

	Present value of obligations	Fair Value of Plan assets
As at 1st April 2019	4302	3963
Current service cost	278	—
Interest Cost	335	—
Interest Income	—	309
Return on plan assets excluding amounts included in net finance income/cost	—	(18)
Actuarial (gain)/loss arising from changes in demographic assumptions	—	—
Liability/Assets transferred out/Divestments	—	—
Actuarial (gain)/loss arising from changes in financial assumptions	371	—
Actuarial (gain)/loss arising from experience adjustments	178	—
Employer contributions	—	639
Benefit payments	(143)	(143)
As at 31st March 2020	5321	4750
As at 1st April 2018	3689	3344
Current service cost	248	—
Interest Cost	287	—
Interest Income	—	262
Return on plan assets excluding amounts included in net finance income/cost	—	(8)
Actuarial (gain)/loss arising from changes in demographic assumptions	—	—
Liability/Assets transferred out/Divestments	(41)	(41)
Actuarial (gain)/loss arising from changes in financial assumptions	20	—
Actuarial (gain)/loss arising from experience adjustments	335	—
Employer contributions	—	641
Benefit payments	(235)	(235)
As at 31st March 2019	4302	3963

The liabilities are split between different categories of plan participants as follows:

- active members - 100% (2018-19: 100%)

The Company expects to contribute ₹ 750 Lakhs to the funded plans in financial year 2020-21.

The Plan assets have been invested in Insurance managed funds.

C. Statement of Profit and Loss

	2019 - 2020	2018 - 2019
Employee Benefit Expenses:		
Current service cost	278	248
Interest cost/(income)	26	24
Total amount recognised in Statement of profit & loss	304	272
Remeasurement of the net defined benefit liability:		
Return on plan assets excluding amounts included in net finance income/(cost)	(18)	(8)
Experience gains/(losses)	(548)	(355)
Total amount recognised in Other Comprehensive Income	(566)	(363)

Notes to the financial statements for the year ended 31st March, 2020

₹ in Lakhs

D. Assumptions

With the objective of presenting the plan assets and plan liabilities of the defined benefits plans at their fair value on the balance sheet, assumptions under Ind AS 19 are set by reference to market conditions at the valuation date.

The significant actuarial assumptions were as follows:

	As at 31st March, 2020	As at 31st March, 2019
Financial Assumptions		
Discount rate	6.86%	7.79%
Expected Rate of Return on plan assets	6.86%	7.79%
Salary Escalation Rate	6.00%	6.00%
Attrition Rate	2.00%	2.00%

Demographic Assumptions

Mortality in Service : Indian Assured Lives Mortality (2006-08)

E. Sensitivity

The sensitivity of the overall plan liabilities to changes in the weighted key assumptions are:

	As at 31st March, 2020	As at 31st March, 2019
Impact on defined benefit obligation	Increase/Decrease in liability	Increase/Decrease in liability
+0.50% Change in rate of discounting	(206)	(162)
-0.50% Change in rate of discounting	222	175
+1.00% Change in rate of Salary increase	461	366
-1.00% Change in rate of Salary increase	(403)	(321)
+0.50% Change in Attrition Rate	13	25
-0.50% Change in Attrition Rate	(14)	(26)

The sensitivity analyses above have been determined based on reasonably possible changes of the respective assumptions occurring at the end of the reporting year and may not be representative of the actual change. It is based on a change in the key assumption while holding all other assumptions constant. When calculating the sensitivity to the assumption, the same method used to calculate the liability recognised in the balance sheet has been applied. The methods and types of assumptions used in preparing the sensitivity analysis did not change compared with the previous year.

F. The major categories of plan asset are as follows:

	As at 31st March, 2020	As at 31st March, 2019
Equities	—	—
Bonds	—	—
Gilts	—	—
Pooled assets with an insurance company	100%	100%
Other	—	—
	100%	100%

G. The defined benefit obligations shall mature as follows:

Particulars	As at 31st March, 2020	As at 31st March, 2019
Within 1 year	748	534
1-2 year	255	233
2-3 year	361	341
3-4 year	383	324
4-5 year	446	354
5-10 year	2193	1966
More than 10 year	6435	5909

Notes to the financial statements for the year ended 31st March, 2020

₹ in Lakhs

ii) Compensated Absences: Compensated Absences: The Company permits encashment of compensated absence accumulated by their employees on retirement, separation and during the course of service. The liability in respect of the Company, for outstanding balance of leave at the balance sheet date is determined and provided on the basis of actuarial valuation as at the balance sheet date performed by an independent actuary. The Company doesn't maintain any plan assets to fund its obligation towards compensated absences.

iii) Notes:

Liability for post employment benefits, other long term benefits, termination benefits and certain short term benefits such as compensated absences is provided on an actuarial basis for the Company as a whole. Accordingly the amount for above pertaining to key management personnel is not ascertainable and, therefore, not included above.

36 LEASES

Ministry of Corporate Affairs ("MCA") through Companies (Indian Accounting Standards) Amendment Rules, 2019 and Companies (Indian Accounting Standards) Second Amendment Rules, has notified Ind AS 116 Leases which replaces the existing lease standard, Ind AS 17 Leases and other interpretations. Ind AS 116 sets out the principles for the recognition, measurement, presentation and disclosure of leases for both lessees and lessors. It introduces a single, on-balance sheet lease accounting model for lessees.

Effective April 1, 2019, the Company has adopted Ind AS 116 "Leases" using modified retrospective approach. The Company's lease asset classes primarily consist of leases for buildings and vehicles. These leases were classified as "Operating Leases" under Ind AS 17. On transition to Ind AS 116 "Leases", for these leases, lease liabilities were measured at the present value of remaining lease payments, discounted at the Company's incremental borrowing rate as at April 01, 2019. Right to Use if measured either at an amount equal to the lease liability adjusted by the amount of any prepaid or accrued lease payments.

Due to transition, the nature of expenses in respect of operating leases has changed from "lease rent" to "depreciation cost" and "finance cost" for the right-to-use assets and for interest accrued on lease liability respectively, and therefore, these expenses for the current year are not comparable to the previous years, to that extent.

The Company has used following practical expedient, when applying Ind AS 116 to leases previously classified as operating leases under Ind AS 17.

- The company didn't recognized Right to Use and Lease liabilities for lease for which the lease terms ends within 12 months on the date of initial transition and low value assets
- The Company excluded initial direct cost from measurement of the Right to Use assets at the date of initial application.
- The Company uses hindsight in determining the lease term where the contract contains options to extend or terminate the lease.

The weighted average lessee's incremental borrowing rate applied to the lease liabilities is 9%.

On transition to the Ind AS-116, Impact thereof is as follows:

Particulars	Amount
Right-to-use assets	4230
Lease liabilities	4230

The difference between the lease obligation under Ind AS 17 disclosed under Note no. 37 of the annual standalone financial statements for the year ended March 31, 2019 and the value of the lease liability as of April 1, 2019 is primarily on account of inclusion of extension and termination options reasonably certain to be exercised in measuring the lease liability in accordance with Ind AS 116 and discounting the lease liabilities to the present value under Ind AS 116.

Following are the changes in the carrying value of right of use assets for the year ended March 31, 2020:

Particulars	Type of Right to Use assets			Total
	Building	Vehicles	Land	
Balance as at 1st April 2019	3698	587	—	4285
Reclassified on account of adoption of Ind As 116	—	—	1891	1891
Additions	898	70	—	968
Deletions	—	—	—	—
Depreciation and amortisation expenses (Refer Note 5)	1069	194	23	1286
Balance as at 31st March 2020	3527	463	1868	5858

Notes to the financial statements for the year ended 31st March, 2020

₹ in Lakhs

Following is the movement in lease liabilities during the year ended March 31, 2020:

Particulars	Amount
Balance as at 1st April 2019	4230
Additions	772
Interest accrued during the year	405
Deletions	—
Payment of lease liabilities	1417
Balance as at 31st March 2020	3989
- Current lease liabilities	1041
- Non-current lease liabilities	2948

Break-up of the contractual maturities of lease liabilities as at March 31, 2020 on an undiscounted basis:

Particulars	Amount
Less than one year	1041
One to five years	2816
More than 5 years	132

Short-term leases expenses incurred for the year ended 31st March, 2020:

Particulars	Amount
Rental expense	202
Vehicle expenses	255

37 EARNINGS PER SHARE (EPS)

	2019 - 2020	2018 - 2019
Profit after tax(PAT) before exceptional items	49639	39881
Profit after tax(PAT) after exceptional items	49639	46103
Weighted average number of equity Shares (In Nos.)	127026870	127026870
Nominal value of equity Shares (In nos.)	2.00	2.00
Basic & diluted earning per share before exceptional items	39.08	31.40
Basic & diluted earning per share after exceptional items	39.08	36.29

38 CONTINGENT LIABILITIES

	2019 - 2020	2018 - 2019
Bills/Cheque's discounted	1199	232
Diputed Excise and Service Tax demands	4183	4484
Disputed Income Tax demands	1359	885
Disputed Sales Tax / Entry Tax demands	876	1422
Other claims against the Company not acknowledged as debts	872	893

Notes:

- Most of the issues of litigation pertaining to Central Excise/Service Tax/Income Tax are based on interpretation of the respective Law & Rules thereunder. Management has been opined by its counsel that many of the issues raised by revenue will not be sustainable in law as they are covered by judgments of respective judicial authorities which supports its contention. As such no material impact on the financials of the Company is envisaged.
- Sales Tax and Entry Tax related litigation/demand primarily pertains to non-receipt of declaration forms from customers and mismatch of input tax credit or some interpretation related issues w.r.t. applicability of schemes. Counsel of the Company opined positive outcome based on merits of the cases under litigation. In most of the cases, required documents are being filed and minor impact if any, shall be given in the year of final outcome of respective matter in appeal.
- Other issues are either in ordinary course of business or not of substantial nature and management is reasonably confident of their positive outcome. Management shall deal with them judiciously and provide for appropriately, if any such need arises.
- There is uncertainty and ambiguity in interpreting and giving effect to the guidelines of Hon. Supreme Court vide its ruling in February 2019, in relation to the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in the financial statements.

Notes to the financial statements for the year ended 31st March, 2020

₹ in Lakhs

39 COMMITMENTS

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) is ₹ 15308 lakhs (Previous year ₹ 11152 lakhs).

40 DISCLOSURE ON RELATED PARTY TRANSACTIONS

Names of related parties and description of relationship and Nature of Transactions:

Parties where controls exists :

The Supreme Industries Overseas FZE, Dubai - Subsidiary

Nature of Transactions	2019 - 2020	2018 - 2019
Sale of goods	160	96
Receiving of services - excluding taxes	171	307
Outstanding at year-end - Receivable	(5)	0
Outstanding at year-end - Payable	172	200

Associate and other related parties with whom transaction have been entered during the course of business:

Supreme Petrochem Limited (associate), Kumi Supreme India Pvt Ltd (associate upto 31st March' 2020), Kumi (Thailand) Co. Ltd.

	Supreme Petrochem Limited		Kumi Supreme India Pvt Ltd	
Nature of Transactions	2019 - 2020	2018 - 2019	2019 - 2020	2018 - 2019
Purchase of goods	4797	4878	21	—
Sale of goods	264	74	59	56
Rendering of services - excluding taxes	—	—	7	14
Reimbursement of expenses	—	—	7	—
Dividend Received	1736	1302	—	—
Investment in Equity Shares	—	—	—	2503
Sale of Khuskhera unit	—	—	—	9718
Outstanding at year-end - Receivable	0	4	5	4
Outstanding at year-end - Payable	723	146	—	—

	Kumi (Thailand) Co. Ltd	
Nature of Transactions	2019 - 2020	2018 - 2019
Sale of Equity Shares in associate	2432	—

Key Managerial Personnel:

Mr. M P Taparia, Managing Director ; Mr. S J Taparia, Executive Director ; Mr. V K Taparia, Executive Director ; Mr. P.C. Somani, Chief Financial Officer ; Mr. R.J. Saboo, VP (Corporate Affairs) & Company Secretary.

	Mr. M P Taparia, Managing Director		Mr. S J Taparia, Executive Director	
Nature of Transactions	2019 - 2020	2018 - 2019	2019 - 2020	2018 - 2019
Managerial Remuneration paid	987	871	982	869
Outstanding at year-end - Payable	666	628	664	628
	Mr. V K Taparia, Executive Director		Others	
Nature of Transactions	2019 - 2020	2018 - 2019	2019 - 2020	2018 - 2019
Managerial Remuneration paid	975	869	218	203
Outstanding at year-end - Payable	664	623	22	52

As the liabilities for gratuity and compensated absences are provided on actuarial basis for the Company as a whole, the amounts pertaining to individual Key Management Personnel are not separately available.

Enterprises in which Directors have significant influence:

Devrat Impex Private Limited, Supreme Foundation, Shri Surajmal Taparia Memorial Trust, Smt. Moharidevi Taparia Memorial Trust, Smt. Moharidevi Taparia Kanya Mahavidyalay Trust, Shri Jeetmal Taparia Memorial Trust, Shri Jagannath Taparia Memorial Trust

Notes to the financial statements for the year ended 31st March, 2020

₹ in Lakhs

Nature of Transactions	Devrat Impex Private Limited		Others - Trusts	
	2019 - 2020	2018 - 2019	2019 - 2020	2018 - 2019
Sale of goods	3183	3562	—	—
Purchase of goods	1	—	—	—
Donations	—	—	991	859
Receiving of services - excluding taxes	25	12	—	—
Outstanding at year-end - Receivable	221	42	—	—
Outstanding at year-end - Payable	—	0	—	—

Other Related Parties:

Non Executive Directors

Mr. B. L. Taparia, Chairman ; Director ; Mr. B. V. Bhargava, Director ; Mr. Y. P. Trivedi, Director ; Mr. R. Kannan, Director ; Mr. R. M. Pandia, Director ; Mr. Sarthak Behuria, Director (from 7th May, 2019) ; Ms. Ameeta Parpia, Director (from 7th May, 2019) ; Mr. N. N. Khandwala (upto 17th September, 2019) ; Smt. Rashna Khan, Director (upto 17th September, 2019).

Mr. Vivek Taparia, Business Development Manager (Relative of Director)

Nature of Transactions	2019 - 2020	2018 - 2019
Remuneration paid	61	43
Sitting Fees & Commission to Non Executive Directors	139	109
Outstanding at year-end - Payable	130	99

Notes:

- Related party relationship is as identified by the management and relied upon by the auditors.
- No amounts in respect of related parties have been written off/ written back during the year or has not made any provision for doubtful debts/ receivable.
- Related party transactions have been disclosed on basis of value of transactions in terms of the respective contracts.
- Terms and conditions of sales and purchases: the sales and purchases transactions among the related parties are in the ordinary course of business based on normal commercial terms, conditions, market rates and memorandum of understanding signed with the related parties. For the year ended 31st March, 2020, the Company has not recorded any loss allowances for transactions between the related parties.

- 41 In terms of para 4 of Ind As 108 "Operating Segments", segment information has been provided in the notes to Consolidated Financial Statements.

42 ASSETS PROVIDED AS SECURITY

The carrying amounts of assets provided as security for current and non-current borrowings are:

	As at 31 March, 2020	As at 31 March, 2019
Current Assets		
Financial Assets		
Trade receivables	31260	38741
Non Financial Assets		
Inventories (excluding commercial premises)	89057	74371
Total Current assets provided as security	120317	113112
Non Current Assets		
Plant and Equipment	80299	78816
Moulds & Dies	12255	12801
Total non-current assets provided as security	92554	91617
Total assets provided as security	212871	204729

Notes:

- Term Loans from banks (if any) are secured as first pari passu charge basis on movable properties of the Company viz. plant and equipment & moulds, both present and future, situated at all the locations of the Company.
 - Working Capital Loans from banks are secured against:
 - First pari passu charge by way of hypothecation of stocks and book debts, both present and future
 - Second / subservient charge on all movable properties of the Company viz. plant and equipment & moulds, both present and future, situated at all the locations of the Company.
- 43 Post GST, pending notification from the West Bengal Government, the Company has not recognized (Amount not ascertainable) benefit of Industrial Promotion Assistance Scheme pertaining to its Kharagpur Unit since July' 2017. The Company is hopeful of continuance of the Scheme and benefits accruing therefrom.

Notes to the financial statements for the year ended 31st March, 2020

₹ in Lakhs

44 NET - DEBT RECONCILIATION

Particulars	As at March 31, 2020		As at March 31, 2019	
	Term Loans	Working Capital Loans	Term Loans	Working Capital Loans
Opening Net Debt	147	16307	1673	23156
Proceeds from Borrowings	–	65847	–	42500
Repayment of Borrowings (Net)	(35)	(41507)	(1538)	(49785)
Interest Expenses	–	2408	–	3109
Interest Paid	–	(2569)	–	(2950)
Foreign Exchange (Gain)/loss	–	572	–	278
Unwinding of discount on deferred sales tax	10	–	13	–
Closing Net Debt	122	41059	147	16307

45 PAYMENT TO AUDITORS

(Including Branch auditors excluding GST)	2019 - 2020	2018 - 2019
Audit fees	60	60
Tax audit fees	18	18
Limited review and certification fees	11	11
Reimbursement of expenses	4	4
TOTAL PAYMENT TO AUDITORS	93	93

46 CORPORATE SOCIAL RESPONSIBILITY

	2019 - 2020	2018 - 2019
Amount required to be spent as per Section 135 of Companies Act, 2013	1172	1006
Amount Spent during the year		
(a) Construction/Acquisition of assets	–	–
(b) On purpose other than above*	1579	1050

* it include ₹ 505 lakhs committed and spent subsequent to 31st March, 2020.

47 Miscellaneous expenses (Refer note 30) includes contribution to an electoral trust of ₹ 275 Lakhs (Previous year NIL).

48 a) On March 31, 2020, the company has divested its 20.67% stake in Kumi Supreme India Pvt Ltd, an associate, to Kumi (Thailand) Co. Ltd for a consideration of ₹ 2432 Lakhs and recognised loss on sale of invesement of ₹ 77 Lakhs (Refer note no 30). Consequently, Kumi Supreme India Private Ltd now ceases to be an associate of the Company.

b) In previous year, consequent to the approval received from Shareholders and in pursuance to Business Transfer Agreement, the Company had transferred its Khushkhera Unit, engaged in manufacture of Plastic Automotive Components, on a slump sale basis to a Kumi Supreme India Pvt Ltd, a newly formed Joint Venture Company. Accordingly, gain on sale of the said undertaking amounting to ₹ 7044 lakhs had been recognised and disclosed as Exceptional Item.

49 a) The previous year figures have been re-grouped / re-classified wherever required to conform to current year classification. All figures of financials has been rounded off to nearest lakhs rupees.

b) Previous years figures are not comparable, to the extent, on account of adoption of Ind AS 116 using modified retrospective approach. (Refer Note 36)

Signature to Notes 1-49
For and on behalf of the board

B. L. Taparia
Chairman
(DIN No. 00112438)

M. P. Taparia
Managing Director
(DIN No. 00112461)

S. J. Taparia
Executive Director
(DIN No. 00112513)

V. K. Taparia
Executive Director
(DIN No. 00112567)

B. V. Bhargava
Director
(DIN No. 00001823)

Y. P. Trivedi
Director
(DIN No. 00001879)

R. M. Pandia
Director
(DIN No. 00021730)

Ameeta Parpia
Director
(DIN No. 02654277)

P. C. Somani
Chief Financial Officer

R. J. Saboo
VP (Corporate Affairs) & Company Secretary
Mumbai, 22nd May 2020



Independent Auditors' Report on Consolidated Financial Statements

To the Members of
The Supreme Industries Limited

Report on the Audit of Consolidated Financial Statements

Opinion

We have audited the accompanying consolidated financial statements of The Supreme Industries Limited ("the Parent Company"), its foreign subsidiary and its associates (hereinafter to be referred as "the Group") which comprises of consolidated Balance Sheet as at March 31, 2020, the consolidated statement of Profit & Loss (including other comprehensive income), the consolidated Statement of changes in equity and the consolidated Statement of cash flow for the year than ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information in which are included the financial statements for the year ended on that date audited by the branch auditors of the parent company's 24 manufacturing units located in the India.

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 Companies Act, 2013 (the Act) in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the consolidated state of affairs of the Group as at 31st March 2020, the consolidated profits (including other comprehensive income), consolidated changes in equity and its consolidated cash flows for the year ended on that date.

Basis for Opinion

We conducted our audit of the consolidated financial statements in accordance with the Standards on Auditing (SAs) specified under section 143(10) of the Act. 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 Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India (ICAI) together with the ethical requirements that are relevant to our audit of the consolidated financial statements under the provisions of the Act and the Rules made 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 obtained by us and the audit evidence obtained by the other auditors in terms of their reports referred to in Other Matter paragraph below, is sufficient and appropriate to provide a basis for our audit opinion on the consolidated financial statements.

Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Sr. No	Key Audit Matters	Auditor's response
1.	<p>Inventory – existence and valuation</p> <p>As at March 31, 2020, the Group held inventories of ₹ 89,057 Lakhs. [Refer Note no. 1.9 and 11 to the Consolidated Financial statements]</p> <p>Inventories existence and valuation was an audit focus area because of nationwide lockdown imposed by the Government of India in view of pandemic coronavirus (COVID 19).</p> <p>As explained by the Management, due to COVID 19 related restriction on account of nationwide lockdown, physical verification of inventories, lying at various locations as on the Balance sheet date and subsequently also till the date of this report, couldn't be carried out.</p> <p>We have accordingly designated this as a focus area of the audit.</p>	<p>Audit Procedure performed:</p> <p>We have performed following alternative audit procedures over inventory existence and valuations.</p> <ul style="list-style-type: none"> (a) Ensuring the effectiveness of the design, implementation and maintenance of controls over changes in inventory to determine whether the conduct of physical inventory verification at a date other than the date of the financial statement is appropriate and testing of those controls whether those have operated effectively. (b) Performing procedures to ensure that the changes in inventory between the last verification date and date of the Balance sheet are properly recorded (Roll forward procedures) (c) Performing substantive analytical procedures to test the correctness of inventory existence and valuation (d) Testing of accuracy of inventory reconciliations with the general ledgers at period end, including test of reconciling items <p>The procedures performed gave us a sufficient evidence to conclude about the inventory existence and valuation.</p>

Sr. No	Key Audit Matters	Auditor's response
2.	<p>Industrial Promotion Scheme (IPS) receivables</p> <p>Other current assets include government grant in the form of refund of Sales tax/GST under IPS Scheme of ₹ 7,929 lakhs as at March 31, 2020 (₹ 6,242 lakhs as at March 31, 2019) from the states of Maharashtra, Madhya Pradesh, West Bengal and Rajasthan as the respective scheme notifications were issued by the aforesaid State Governments.</p> <p>Post GST, the state of west Bengal is yet to notify the IPS scheme and accordingly, the Company has not recognized grant, since July 2017 the amount whereof is presently not ascertainable.</p> <p>Management judgement is involved in assessing the accounting for grants and particularly in considering the probability of a grant being released and we have accordingly designated this as a focus area of the audit.</p>	<p>Audit Procedure performed:</p> <p>In response to the risk of completeness of the accruals in the standalone financial statements:</p> <p>We have examined the eligibility certificates and obtained a list of year wise break- up of the IPS receivables by the Company for all the financial years.</p> <p>We had discussed the status of the assessment of grants receivable for all the financial years and the Management view on the expected time frame by which the grants will be released.</p> <p>Additionally, we have considered the status of the previous assessments and the adjustments, if any, done by the respective concerned authorities.</p> <p>The procedures performed gave us a sufficient evidence to conclude that the grants have been accounted in terms of the schemes announced by various state governments.</p>

Information Other than the Consolidated Financial Statements and auditor's report thereon

The Parent Company's Board of Directors is responsible for the preparation of other information. The Other information comprises the information included in the Management Discussion and Analysis, Board's Report including Annexures to the Board report, Business responsibility Report, Corporate Governance report and Shareholder's information, but does not include the consolidated financial statement 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 required to report that fact. We have nothing to report in this regard.

Responsibilities of Management for the Consolidated Financial Statements

The Parent Company's Board of Directors is responsible for the matters stated in section 134(5) of the Act with respect to the preparation of these consolidated financial statements that give a true and fair view of the consolidated financial position, consolidated financial performance (including other comprehensive income), consolidated changes in equity and consolidated cash flows of the Group in accordance with the accounting principles generally accepted in India, including the accounting Standards specified 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 of the assets of the Group 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 consolidated 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 consolidated financial statements, the respective Board of Directors of the Companies included in the Group are responsible for assessing the ability of the companies 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.

The respective Board of Directors of the Companies included in the Group are also responsible for overseeing the financial reporting process of the Group.



Auditor's Responsibilities 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 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 consolidated 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 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 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 has adequate internal financial control 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 the 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 entity'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 entity 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 of which we are independent auditors. For the other entities included in the consolidated financial statements, which have been audited by other auditors, such other auditors remain responsible for the direction, supervision and performance of the audits carried out by them. We remain solely responsible for our audit opinion.

Materiality is the magnitude of misstatements in the consolidated financial statements that individually or in aggregate makes it probable that the economic decisions of a reasonably knowledgeable user of the consolidated 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 consolidated financial statements.

We communicate with those charged with governance of the Holding Company of which we are the independent auditors 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 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:

- We did not audit the financial statements of 24 branches included in the consolidated financial statements of the group whose financial statements reflects total assets of ₹ 283,044 lakhs as at March 31, 2020 (₹ 283,816 lakhs as at March 31, 2019) and total

revenue of ₹ 544,220 lakhs for the year ended on that date (₹ 551,657 lakhs for the year ended March 31, 2019), as considered in the consolidated financial statements. The financial statements of these branches have been audited by the 9 branch auditors whose reports have been furnished to us, and our opinion in so far as it relates to the amounts and disclosures included in respect of these branches, is based solely on the report of such branch auditors.

- (b) We did not audit the financial statements of a subsidiary included in the consolidated financial statements of the Group whose financial statements reflects total assets of ₹ 334 lakhs as at March 31, 2020 (as at 31 March, 2019 ₹ 351 lakhs); total revenue of ₹ 360 lakhs, net loss of ₹ 41 lakhs and net cash outflow of ₹ 6 lakhs for the year ended 31 March, 2020 (revenue of ₹ 420 lakhs, net profit of ₹ 80 lakhs and net cash inflows of ₹ 153 lakhs for the year ended March 31, 2019), as considered in the consolidated financial statements. The consolidated financial statements also include the Group's share of net profit of ₹ 3,062 lakhs for the year ended 31 March, 2020 (₹ 1,438 lakhs for the year ended 31 March, 2019), as considered in the consolidated financial statements, in respect of an associate, whose financial statements / financial information have not been audited by us.

These financial statements have been audited by other auditors whose reports have been furnished to us by the Management and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the subsidiary and associates, and our report in terms of sub-section (3) and (11) of Section 143 of the Act, in so far as it relates to the aforesaid subsidiary and associate, is based solely on the report of other auditors.

- (c) We did not audit the financial statements of an associate included in the consolidated financial statements, whose financial statements reflects group's share in net profit and total comprehensive income of ₹ 49 lakhs for the year ended March 31, 2020 (net loss of ₹ 26 lakhs for the year ended March 31, 2019), respectively, as considered in the consolidated financial statement. The financial statement of the associate have been certified by the Management and furnished to us and our opinion on the consolidated financial statements, in so far as it relates to the amounts and disclosures included in respect of the said associate, is based solely on the management certified unaudited financial statements. In our opinion and according to the explanations given to us by the Management, these financial statements are not material to the Group.

Our opinion on the consolidated financial statements is not modified in respect of the above matters with respect to our reliance on the work done and the reports of the other auditors.

Report on Other Legal and Regulatory Requirements

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

- (a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- (b) In our opinion, proper books of account as required by law maintained by the Group have been kept so far as it appears from our examination of those books and records.
- (c) The reports on the financial statements of branches of the Company audited under section 143(8) of the Act by nine firms of independent auditors have been sent to us and properly dealt with by us in preparing this report.
- (d) The Consolidated Balance sheet, the Consolidated Statement of Profit & Loss (including other comprehensive income), Consolidated Statement of Changes in Equity and the Consolidated Cash Flow Statement dealt with by this Report are in agreement with the books of account.
- (e) In our opinion, the aforesaid consolidated financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Account) Rules, 2014.
- (f) On the basis of the written representations received from the directors of the Holding Company as on 31st March, 2020 taken on record by the Board of Directors of the Holding Company and the reports of the statutory auditors of associate companies incorporated in India, none of the directors of the Group companies and its associate companies incorporated in India is disqualified as on 31st March, 2020 from being appointed as a Director in terms of Section 164 (2) of the Act.
- (g) With respect to the adequacy of the internal financial controls over financial reporting of the Holding Company and the operating effectiveness of such controls, please refer Annexure B of the standalone audit report attached with the standalone financial statements included in this annual report.
- (h) With respect to the other matters to be included in the Auditor's Report in accordance with the requirements of Sec 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 Group to its directors during the year is in accordance with the provisions of section 197 of the Act.

- (i) 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 Group has disclosed the impact of pending litigations on its financial performance in its consolidated financial statements. [Refer note no. 35 to the standalone financial statements]
- ii. The Group did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- iii. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company, except ₹ 11 Lakhs.

For **LODHA & COMPANY**
Chartered Accountants
Firm registration No. – 301051E

R. P. Baradiya
Partner
Membership No. 44101
UDIN: 20044101AAAACX4795

Place : Mumbai
Date: May 22,2020



Consolidated Balance Sheet as on 31st March, 2020

		₹ in lakhs	
PARTICULARS	Note	As at 31-Mar-20	As at 31-Mar-19
ASSETS			
(1) NON - CURRENT ASSETS			
(a) Property, plant & equipment	2	153314	150138
(b) Capital work-in-progress	3	9292	9004
(c) Intangible assets	4	1602	1959
(d) Right to use - Lease	5	5858	—
(e) Investment in associates	6	20202	21713
(f) Financial assets			
(i) Other investments	6	526	521
(ii) Deposits	7	1858	1676
(iv) Loans	8	83	114
(v) Other financial assets	9	—	11
(f) Other non-current assets	10	8348	4015
TOTAL NON - CURRENT ASSETS		201083	189151
(2) CURRENT ASSETS			
(a) Inventories	11	89057	75044
(b) Financial assets			
(i) Trade receivables	12	31284	38742
(ii) Cash & cash equivalents	13	21989	3207
(iii) Other bank balances	14	1150	523
(iv) Deposits	7	360	481
(v) Loans	8	195	183
(vi) Other financial assets	9	519	47
(c) Income tax assets (net)	23	3789	3606
(d) Other current assets	10	12355	11870
(e) Assets held for disposal		73	73
TOTAL CURRENT ASSETS		160771	133776
TOTAL ASSETS		361854	322927
EQUITY AND LIABILITIES			
EQUITY			
Equity share capital	15	2541	2541
Other equity	16	223578	212856
TOTAL EQUITY		226119	215397
LIABILITIES			
(1) NON - CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	17	88	112
(ii) Deposits	18	284	187
(iii) Finance lease liabilities		2948	—
(b) Provisions	19	2001	1617
(c) Deferred tax liabilities (net)	31	13256	12036
TOTAL NON - CURRENT LIABILITIES		18577	13952
(2) CURRENT LIABILITIES			
(a) Financial liabilities			
(i) Borrowings	17	41006	16094
(ii) Trade payables	20	1659	1544
Micro, Small and Medium Enterprises		53091	54195
Others		58	284
(iii) Deposits	18	10584	8340
(iv) Other financial liabilities	21	106398	80457
(b) Other current liabilities	22	9634	12337
(c) Provisions	19	1126	784
TOTAL CURRENT LIABILITIES		117158	93578
TOTAL EQUITY AND LIABILITIES		361854	322927

Significant Accounting Policies

The accompanying notes are an integral part of the Consolidated financial statements

As per our attached report of even date

For and on behalf of the board

For **LODHA & COMPANY**

FRN – 301051E

Chartered Accountants

R. P. Baradiya
Partner

Mumbai, 22nd May, 2020

B. L. Taparia
Chairman
(DIN No. 00112438)

B. V. Bhargava
Director
(DIN No. 00001823)

P. C. Somani
Chief Financial Officer

M. P. Taparia
Managing Director
(DIN No. 00112461)

Y. P. Trivedi
Director
(DIN No. 00001879)

R. J. Saboo
VP (Corporate Affairs) &
Company Secretary

S. J. Taparia
Executive Director
(DIN No. 00112513)

R. M. Pandia
Director
(DIN No. 00021730)

V. K. Taparia
Executive Director
(DIN No. 00112567)

Ameeta Parpia
Director
(DIN No. 02654277)



Statement of Consolidated Profit and Loss for the year ended on 31st March, 2020

	Note	2019 - 2020		₹ in lakhs 2018 - 2019	
INCOME					
Revenue from operations	24	551154		561199	
Other income	25	143	551297	778	561977
EXPENDITURE					
Cost of materials consumed	26	370600		374467	
Purchase of traded Goods		4742		8434	
Changes in inventories of finished goods, Semi finished goods and traded goods	27	(17514)		(914)	
Employee benefits expenses	28	27977		25463	
Finance costs	29	2019		2600	
Depreciation and amortisation expense	2, 4, 5	20568		18354	
Other expenses	30	81894	490286	75292	503696
PROFIT BEFORE SHARE OF PROFIT/(LOSS) OF AN ASSOCIATE & EXCEPTIONAL ITEMS			61011		58281
Share of profit of associates			3121		1438
PROFIT BEFORE EXCEPTIONAL ITEMS & TAX			64132		59719
Exceptional Items			—		6719
PROFIT BEFORE TAX			64132		66438
TAX EXPENSES			31		
Current tax		16173		20878	
Deferred tax		1219	17392	697	21575
PROFIT AFTER TAX			46740		44863
OTHER COMPREHENSIVE INCOME					
Items that will not be reclassified to profit or loss					
Remeasurements of net defined benefit plans		(583)		(363)	
Income tax relating to net defined benefit plans		143	(440)	127	(236)
TOTAL COMPREHENSIVE INCOME			46300		44627
EARNINGS PER SHARE					
34					
Basic & diluted earning per share before exceptional items			36.80		31.57
Basic & diluted earning per share after exceptional items (Face value of ₹ 2 each)			36.80		35.32

Significant Accounting Policies

1

The accompanying notes are an integral part of the Consolidated financial statements

As per our attached report of even date

For **LODHA & COMPANY**
FRN – 301051E
Chartered Accountants

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Partner

Mumbai, 22nd May, 2020

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Director
(DIN No. 02654277)

Consolidated Cash Flow Statement for the year ended on 31st March, 2020

	2019 – 2020		2018 – 2020	
			₹ in Lakhs	
A. CASH FLOW FROM OPERATING ACTIVITIES				
Net profit before tax and exceptional items	64132		59719	
Adjustments to reconcile profit before tax to cashflows :				
Add : Depreciation	20568		18354	
Interest expenses	2956		3342	
Unwinding of discount on deferred sales tax	10		13	
Fair value loss on investments through profit or loss	2		2	
Bad debts	917		3	
Provision for doubtful debts	265		62	
Foreign currency exchange fluctuation	1849		–	
Loss on Sale of Investment in associates	73		–	
Leasehold amortisation	23	26663	19	21795
		90795		81514
Less : Share of net profit/(loss) of associates	3121		1438	
Interest income	691		485	
Unwinding of discount on security deposits	56		54	
Share of profit in partnership firm	5		–	
Excess liabilities written back	288		336	
Profit /(Loss) on sale of investments	201		216	
Foreign currency exchange fluctuation	–		676	
Profit /(Loss) on sale of assets	51	4413	342	3547
Operating profit before working capital changes		86382		77967
Adjustments for :				
Change in working capital				
(Increase)/decrease in inventories	(14013)		(5345)	
(Increase)/decrease in trade receivable	6276		(614)	
(Increase)/decrease in other assets	(3871)		667	
Increase/(decrease) in trade payables	(1941)		8216	
Increase/(decrease) in other liabilities	(2914)	(16463)	249	3173
Cash generated from operations		69919		81140
Direct taxes paid (net of refund)		(16213)		(25566)
NET CASH FLOW FROM OPERATING ACTIVITIES (A)		53706		55574
B. CASH FLOW FROM INVESTING ACTIVITIES				
Purchase of property, plant & equipments	(24165)		(34724)	
Sale of property, plant & equipments	200		2115	
Sale proceeds of investment in associate	2426		–	
Sale proceeds from Khushkhera unit (net of transaction cost)	–		9637	
Investment in Associate	–		(2503)	
Investment in Partnership firm	–		(513)	
Purchase of unquoted share	(3)		–	
Share of profit in partnership firm	(5)		–	
Purchase of liquid mutual funds	(177296)		(104400)	
Sale of liquid mutual funds	177497		104616	
Interest received	239		509	
Dividend received	1736		1302	
NET CASH USED IN INVESTING ACTIVITIES (B)		(19371)		(23961)
C. CASH FLOW FROM FINANCING ACTIVITIES				
Repayment of long term borrowings	(35)		(1538)	
Increase/(Decrease) in short term borrowings	23833		(7285)	
Interest paid	(2712)		(2873)	
Payment of lease liabilities	(1417)		–	
Dividend & corporate dividend tax paid	(35222)		(19907)	
NET CASH USED IN FINANCING ACTIVITIES (C)		(15553)		(31603)
NET INCREASE / (DECREASE) IN CASH & CASH EQUIVALENTS (A+B+C)		18782		9
Opening balance at beginning of the year		3207		3197
Closing balance at end of the year		21989		3207

Significant Accounting Policies

1

The accompanying notes are an integral part of the Consolidated financial statements

As per our attached report of even date

For and on behalf of the board

For **LODHA & COMPANY**
FRN – 301051E
Chartered Accountants

B. L. Taparia
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Director
(DIN No. 02654277)

Mumbai, 22nd May, 2020

P. C. Somani
Chief Financial Officer

R. J. Saboo
VP (Corporate Affairs) &
Company Secretary



Consolidated Statement of Changes in Equity for the year ended 31st March, 2020

₹ In lakhs

EQUITY SHARE CAPITAL :	Balance as at 1st April' 2018	Changes in equity share capital during the year	Balance as at 1st April' 2019	Changes in equity share capital during the year	Balance as at 31st March' 2020
Paid up capital (Refer Note 15)	2541	–	2541	–	2541

OTHER EQUITY :	Reserves and Surplus						Accumulated Other Comprehensive Income		
Particulars	Capital reserve	Capital reserve on acquisition	Securities premium	Capital redemption reserve	General reserve	Retained earnings	Foreign exchange translation reserve	Actuarial gains/(losses)	Total
Balance as at 1st April' 2018	249	–	4749	222	168384	13782	25	(462)	186949
Profit for the year						44863			44863
Added during the year in respect of Kumi Supreme India Pvt. Limited		1456							1456
Adjustment in respect of Share in equity related cost, Dividend distribution tax and Others		(27)			(263)				(290)
Recognised during the year							21		21
Remeasurements of net defined benefit plans (Net of Taxes)								(236)	(236)
Final dividend paid including corporate dividend tax for FY 2017-18						(13782)			(13782)
Interim dividend paid including corporate dividend tax for FY 2018-19						(6125)			(6125)
Transfer to general reserve						(24955)			(24955)
Transfer from Statement of profit & loss					24955				24955
Balance as at 31st March' 2019	249	1429	4749	222	193076	13783	46	(698)	212856
Profit for the year						46740			46740
Adjustment in respect of Share in equity related cost, Dividend distribution tax and Others		(1429)			1028				(401)
Recognised during the year							45		45
Remeasurements of net defined benefit plans (Net of Taxes)								(440)	(440)
Final dividend paid including corporate dividend tax for FY 2018-19						(13783)			(13783)
Interim dividend paid including corporate dividend tax for FY 2019-20						(21439)			(21439)
Transfer to general reserve						(25301)			(25301)
Transfer from Statement of profit & loss					25301				25301
Balance as at 31st March' 2020	249	–	4749	222	219405	–	91	(1138)	223578

Significant Accounting Policies

1

The accompanying notes are an integral part of the Consolidated financial statements

As per our attached report of even date

For and on behalf of the board

For **LODHA & COMPANY**
FRN – 301051E
Chartered Accountants

R. P. Baradiya
Partner

Mumbai, 22nd May, 2020

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(DIN No. 02654277)

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

1. BASIS OF PREPARATION, MEASUREMENT AND SIGNIFICANT ACCOUNTING POLICIES

1.1 Group Overview

The consolidated financial statements comprise financial statements of Supreme Industries Limited, Parent Company, its subsidiary and associates (hereinafter referred as “the Group”).

The Supreme Industries Limited (“the Parent Company”) is public limited company incorporated and domiciled in India and has registered office at 612, Raheja Chambers, Nariman Point, Mumbai 400 021. It is incorporated under the Indian Companies Act, 1913 and its shares are listed on the Bombay Stock Exchange Limited and National Stock Exchange in India.

The Group is one of the leading plastic products manufacturing company in India having 25 manufacturing facilities spread across the country, offering a wide and comprehensive range of plastic products in India. The company operates in various product categories viz. Plastic Piping System, Cross Laminated Films & Products, Protective Packaging Products, Industrial Moulded Components, Moulded Furniture, Storage & Material Handling Products, Performance Packaging Films and Composite LPG Cylinders.

Group Structure:

Name of Company	Country of incorporation	Shareholding as at	
		As at March 31, 2020	As at March 31, 2019
Subsidiary			
The Supreme industries Overseas (FZE)	UAE	100%	100%
Associate:			
Supreme Petrochem Limited	India	30.01%	29.99%
Kumi Supreme India Private Limited	India	–	20.67%

1.2 BASIS OF PREPARATION AND MEASUREMENT

These consolidated financial statements have been prepared in accordance with the Indian Accounting Standards (hereinafter referred to as the ‘Ind AS’) as notified under the Companies (Indian Accounting standards) Rules, 2015 and Companies (Indian Accounting Standards) Amendments Rules 2016 prescribed under section 133 of the Companies Act, 2013.

The consolidated financial statements of the Group are prepared and presented on accrual basis and under the historical cost convention, except for the following material items that have been measured at fair value as required by the relevant Ind AS:

- Certain financial assets and liabilities are measured at Fair value and Derivative Financial instruments
- Defined Benefit and other Long-term Employee Benefits

These consolidated financial statements are approved for issue by the Company’s Board of Directors on May 22, 2020.

1.3 USE OF ESTIMATES AND JUDGEMENTS

The preparation of the financial statements requires that the Management to make estimates and assumptions that affect the reported amounts of assets and liabilities, disclosure of contingent liabilities as at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. The recognition, measurement, classification or disclosure of an item or information in the financial statements is made relying on these estimates.

The estimates and judgements used in the preparation of the consolidated financial statements are continuously evaluated by the Group and are based on historical experience and various other assumptions and factors (including expectations of future events) that the Group believes to be reasonable under the existing circumstances. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively in current and future periods.

All the assets and liabilities have been classified as current or non-current as per the group’s normal operating cycle of twelve months and other criteria set out in Schedule III to the Companies Act, 2013.

Areas involving critical estimates and Judgements are:

- Estimation of employee defined benefit obligations
- Estimation of current tax expenses
- Estimation of provisions and contingent liabilities

1.4 BASIS OF PREPARATION OF CONSOLIDATION FINANCIAL STATEMENTS

The consolidated financial statements comprise the financial statements of the Company and its subsidiaries and associates as at 31 March 2020. The Parent Company prepares and report its consolidated financial statements in INR (₹).

Subsidiaries:



Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

Subsidiaries are all entities over which the group has control. Control is achieved when the Group is exposed, or has rights, to variable returns from its involvement with the investee and has the ability to affect those returns through its power over the investee. Specifically, the Group controls an investee if and only if the Group has:

- Power over the investee (i.e. existing rights that give it the current ability to direct the relevant activities of the investee)
- Exposure, or rights, to variable returns from its involvement with the investee, and
- The ability to use its power over the investee to affect its returns

The group re-assesses whether or not it controls an investee if facts and circumstances indicate that there are changes to one or more of the three elements of controls. Consolidation of a subsidiary begins when the group obtains control over the subsidiary and ceases when the group loses control of the subsidiary.

Consolidation procedure:

Subsidiaries:

- Combine, on line by line basis like items of assets, liabilities, equity, income, expenses and cash flows of the parent with those of its subsidiaries. For this purpose, income and expenses of the subsidiary are based on the amounts of the assets and liabilities recognised in the consolidated financial statements at the acquisition date.
- Offset (eliminate) the carrying amount of the parent's investment in each subsidiary and the parent's portion of equity of each subsidiary. Business combinations policy explains how to account for any related goodwill.
- Eliminate in full intragroup assets and liabilities, equity, income, expenses and cash flows relating to transactions between entities of the group (profits or losses resulting from intragroup transactions that are recognised in assets, such as inventory and fixed assets, are eliminated in full). Intragroup losses may indicate an impairment that requires recognition in the consolidated financial statements. Ind AS 12 Income Taxes applies to temporary differences that arise from the elimination of profits and losses resulting from intragroup transactions.

Profit or loss and each component of other comprehensive income are attributed to the owners of the Company and to the non-controlling interests. Total comprehensive income of subsidiaries is attributed to the owners of the Company and to the non-controlling interests even if this results in the non-controlling interests having a deficit balance.

Consolidated financial statements are prepared using uniform accounting policies for like transactions and other events in similar circumstances. If a member of the group uses accounting policies other than those adopted in the consolidated financial statements for like transactions and events in similar circumstances, appropriate adjustments are made to that group member's financial statements in preparing the consolidated financial statements to ensure conformity with the group's accounting policies.

The financial statements of all entities used for the purpose of consolidation are drawn up to same reporting date as that of the parent company, i.e., year ended on 31 March. When the end of the reporting period of the parent is different from that of a subsidiary, the subsidiary prepares, for consolidation purposes, additional financial information as of the same date as the financial statements of the parent to enable the parent to consolidate the financial information of the subsidiary, unless it is impracticable to do so.

1.5 GOODWILL

Goodwill arising on an acquisition of a business is initially recognized at cost at the date of acquisition. After initial recognition, goodwill is measured at cost less accumulated impairment losses, if any.

1.6 INVESTMENTS IN ASSOCIATES

Associates are all entities over which the group has significant influences but not control or joint control. This is generally the case where the group holds between 20% to 50% of the voting rights or the group has power to participate in the financial and operating policy decision of the investee. Investments in associate are accounted for using equity method accounting.

The results and assets and liabilities of associates are incorporated in these consolidated financial statements using the equity method of accounting, except when the investment, or a portion thereof, is classified as held for sale, in which case it is accounted for in accordance with Ind AS 105.

Under the equity method, an investment in an associate is initially recognised in the consolidated balance sheet at cost and adjusted thereafter to recognise the Group's share of the profit or loss and other comprehensive income of the associate.

On acquisition of the investment in an associate, any excess of the cost of the investment over the Group's share of the net fair value of the identifiable assets and liabilities of the investee is recognised as goodwill, which is included within the carrying amount of the investment. Any excess of the Group's share of the net fair value of the identifiable assets and liabilities over the cost of the investment, after reassessment, is recognised directly in equity as capital reserve in the period in which the investment is acquired.

Distributions received from an associate reduce the carrying amount of the investment. Unrealised gains on transactions between the group and its associates and joint ventures are eliminated to the extent of the group's interest in these entities. Unrealised losses are also eliminated unless the transactions provides evidence of an impairment of the assets transferred.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

When the Group's share of losses of an associate exceeds the Group's interest in that associate (which includes any long-term interests that, in substance, form part of the Group's net investment in the associate), the Group discontinues recognising its share of further losses. Additional losses are recognised only to the extent that the Group has incurred legal or constructive obligations or made payments on behalf of the associate.

Change in Ownership Interest:

When the Group ceases to consolidate or equity account for an investment because of a loss of control or significant influence, any retained interest in the entity is remeasured to its fair value with the change in carrying amount recognized in profit or loss. This fair value becomes the initial carrying amount for the purposes of subsequent accounting for the retained interest as an associate, joint venture or financial asset. In addition, any amounts previously recognized in other comprehensive income in respect of that entity are accounted for as if the Group had directly disposed of the related assets or liabilities. This may mean that amounts previously recognized in other comprehensive income are reclassified to profit or loss.

If the ownership interest in an associate is reduced but significant influence is retained, only a proportionate share of the amounts previously recognized in other comprehensive income are reclassified to profit or loss where appropriate.

1.7 FOREIGN CURRENCY TRANSACTIONS

In preparing the financial statements of each individual group entity, transactions in currencies other than the entity's functional currency (foreign currencies) are recognised at the rates of exchange prevailing at the dates of the transactions. At the end of each reporting period, monetary items denominated in foreign currencies are retranslated at the rates prevailing at that date. Non-monetary items carried at fair value that are denominated in foreign currencies are retranslated at the rates prevailing at the date when the fair value was determined. Non-monetary items that are measured in terms of historical cost in a foreign currency are not retranslated.

Exchange differences on monetary items are recognised in profit or loss in the period in which they arise except for:

- exchange differences on monetary items receivable from or payable to a foreign operation for which settlement is neither planned nor likely to occur (therefore forming part of the net investment in the foreign operation), which are recognised initially in other comprehensive income and reclassified from equity to profit or loss on repayment of the monetary items.

For the purposes of presenting these consolidated financial statements, the assets and liabilities of the Group's foreign operations are translated into Indian Rupees using exchange rates prevailing at the end of each reporting period. Income and expense items are translated at the average exchange rates for the period, unless exchange rates fluctuate significantly during that period, in which case the exchange rates at the dates of the transactions are used. Exchange differences arising, if any, are recognised in other comprehensive income and accumulated in equity (and attributed to non-controlling interests as appropriate).

On disposal of foreign operations (i.e. a disposal of the Group's entire interest in a foreign operation, a disposal involving loss of control over a subsidiary that includes a foreign operation, or a partial disposal of an interest in a joint arrangement or an associate that includes a foreign operation of which the retained interest becomes a financial asset), all of the exchange differences accumulated in equity in respect of that operation attributable to the owners of the Group are reclassified to profit or loss.

In addition, in relation to a partial disposal of a subsidiary that includes a foreign operation that does not result in the Group losing control over the subsidiary, the proportionate share of accumulated exchange differences are re-attributed to non-controlling interests and are not recognised in profit or loss. For all other partial disposals (i.e. partial disposals of associates or joint arrangements that do not result in the Group losing significant influence or joint control), the proportionate share of the accumulated exchange differences is reclassified to profit or loss.

1.8 SEGMENT REPORTING

Operating segments are reported in a manner consistent with the internal reporting provided to Chief Operating Decision Maker (CODM).

The Group has identified its Managing Director as CODM which assesses the operational performance and position of the Group and makes strategic decisions.

1.9 For other accounting policies - Refer significant accounting policies mentioned in the standalone financial statement.



Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

2 PROPERTY, PLANT AND EQUIPMENT

₹ In lakhs

	Land		Buildings	Plant and Equipment	Moulds and Dies	Furniture and Fixtures	Vehicles	Office Equipment	Total
	Freehold	Leasehold							
Gross carrying amount									
Balance as at 1st April 2019	6857	1891	62922	154862	42281	3258	686	3941	276698
Additions	71	–	6199	13181	3396	422	14	707	23990
Deductions/ Adjustment	–	–	13	1266	810	81	116	416	2702
Reclassified on account of adoption of Ind As 116	–	1891	–	–	–	–	–	–	–
Balance as at 31st March 2020	6928	–	69108	166777	44867	3599	584	4232	296095
Accumulated Depreciation									
Balance as at 1st April 2019	–	–	15640	76046	29480	2048	476	2870	126560
Additions	–	–	2331	11619	3938	210	43	634	18775
Deductions/ Adjustment	–	–	–	1187	806	77	105	379	2554
Balance as at 31st March 2020	–	–	17971	86478	32612	2181	414	3125	142781
Net carrying amount as at 1st April 2019	6857	1891	47282	78816	12801	1210	210	1071	150138
Net carrying amount as at 31st March 2020	6928	–	51137	80299	12255	1418	170	1107	153314
Gross carrying amount									
Balance as at 1st April 2018	6883	1594	56712	139480	39082	2902	808	3371	250832
Additions	2	455	8475	22025	4109	438	25	749	36278
Deductions/ Adjustment	28	–	916	1112	27	34	147	108	2372
Assets held for disposal	–	8	140	–	–	–	–	–	148
Transfer*	–	129	1209	5531	883	48	–	71	7871
Amortisation	–	21	–	–	–	–	–	–	21
Balance as at 31st March 2019	6857	1891	62922	154862	42281	3258	686	3941	276698
Accumulated Depreciation									
Balance as at 1st April 2018	–	–	14312	70383	26520	1946	571	2369	116101
Additions	–	–	2142	10701	3870	174	48	670	17605
Deductions/ Adjustment	–	–	404	1086	27	33	143	107	1800
Assets held for disposal	–	–	75	–	–	–	–	–	75
Transfer*	–	–	335	3952	883	39	–	62	5271
Balance as at 31st March 2019	–	–	15640	76046	29480	2048	476	2870	126560
Net carrying amount as at 1st April 2018	6883	1594	42400	69097	12562	956	237	1002	134731
Net carrying amount as at 31st March 2019	6857	1891	47282	78816	12801	1210	210	1071	150138

*Transfer of Assets of Khushkhara unit to Kumi Supreme India Pvt Ltd (Associate)

NOTES

- Leasehold land under varying lease arrangement for period ranging from 30-99 years.
- Land and Buildings include amount of ₹ 43 lakhs (Previous year ₹ 43 lakhs) in respect of which title deeds are yet to be registered in the name of the Company.

3 CAPITAL WORK-IN-PROGRESS

	31st March 2020	31st March 2019
Buildings	4420	4766
Plant and equipment	2856	2983
Moulds & dies and other assets	1037	779
Project expenses pending capitalisation (include depreciation and amortization of ₹ 87 Lakhs (Previous year ₹ NIL))	979	476
TOTAL CAPITAL WORK-IN-PROGRESS	9292	9004

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

₹ in Lakhs

4 INTANGIBLE ASSETS

	Computer software	Know how, Right to use & Patents	Total
Gross carrying amount			
Balance as at 1st April 2019	1735	2467	4202
Additions	89	102	191
Deductions/ Adjustment	—	—	—
Balance as at 31st March 2020	1824	2569	4393
Accumulated Depreciation			
Balance as at 1st April 2019	632	1611	2243
Additions	318	211	529
Deductions/ Adjustment	2	17	19
Balance as at 31st March 2020	952	1839	2791
Net carrying amount as at 1st April 2019	1103	856	1959
Net carrying amount as at 31st March 2020	872	730	1602
Gross carrying amount			
Balance as at 1st April 2018	1039	2190	3229
Additions	1238	863	2101
Deductions/ Adjustment	521	586	1107
Transfer*	21	—	21
Balance as at 31st March 2019	1735	2467	4202
Accumulated Depreciation			
Balance as at 1st April 2018	926	1695	2621
Additions	247	502	749
Deductions/ Adjustment	520	586	1106
Transfer*	21	—	21
Balance as at 31st March 2019	632	1611	2243
Net carrying amount as at 1st April 2018	113	495	608
Net carrying amount as at 31st March 2019	1103	856	1959

*Transfer of Assets of Khushkhera unit to Kumi Supreme India Pvt Ltd (Associate)

5 RIGHT TO USE - LEASE

Right to use

Gross carrying amount	
Balance as at 1st April 2019	—
Additions	5253
Reclassified on account of adoption of Ind As 116	1891
Deductions/ Adjustment	—
Amortisation	23
Balance as at 31st March 2020	7121
Accumulated Depreciation	
Balance as at 1st April 2019	—
Additions	1263
Deductions/ Adjustment	—
Balance as at 31st March 2020	1263
Net carrying amount as at 1st April 2019	—
Net carrying amount as at 31st March 2020	5858

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

₹ in Lakhs

6 NON CURRENT INVESTMENTS

	Quantity		Amount	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
EQUITY SHARES FULLY PAID UP				
A. IN ASSOCIATES				
QUOTED				
Supreme Petrochem Ltd. (an associate Company - 30.01% equity stake held) (Face value @ ₹ 10 each)	28936400	28936400	2835	2835
Goodwill on acquisition			503	503
Accumulated share in profit at the beginning of the year			15925	16020
Share in profit - current year			3078	1464
Share in other comprehensive income			(17)	—
Dividend received during the year including share of dividend distribution tax			(2093)	(1570)
Adjustments for unrealised profit on stock in hand			(6)	11
Others			(23)	—
			20202	19263
UNQUOTED				
Supreme Petrochem Ltd. (an associate Company - 30.01% equity stake held [Previous year 29.99%]) (Face value @ ₹ 10 each)	—	25025611	1047	1047
Goodwill on acquisition			1456	1456
Share in equity related cost			(27)	(27)
Accumulated share in profit at the beginning of the year			(26)	—
Share in profit / (loss) - current year			49	(26)
Sale of Equity Shares in associate			(2499)	—
			—	2450
TOTAL			20202	21713
B. OTHER INVESTMENTS				
QUOTED (Fair value through Profit & Loss Account)				
Bank of Baroda	1286	1286	1	2
Central Bank of India	5874	5874	1	2
UNQUOTED (Fair value through Profit & Loss Account)				
Windage Power Company Private Ltd.*	42150	17300	5	2
Nu Power Wind Farms Limited*	4769	4769	0	0
INVESTMENT IN PARTNERSHIP				
HPC Research s.r.o. (LLC)**			519	515
TOTAL OTHER INVESTMENTS			526	520
TOTAL NON CURRENT INVESTMENTS [A+B]			20728	22234
*Lying in escrow account				
Aggregate market value of quoted investments			37532	64836
Aggregate carrying value of unquoted investments			524	2966
Aggregate carrying value of quoted investments			20202	19267

** Name of Partners and shares

1. Special engineering s.r.o. (45%)
2. Andriy Zakharchuk (45%)
3. The Supreme Industries Limited (10%)

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

₹ in Lakhs

7 DEPOSITS

	Non-Current		Current	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Sundry deposits considered good - Unsecured	1858	1676	360	481
TOTAL DEPOSITS	1858	1676	360	481

8 LOANS

	Non-Current		Current	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Loans to employees considered good - Unsecured	83	114	195	183
TOTAL LOANS	83	114	195	183

9 OTHER FINANCIAL ASSETS

	Non-Current		Current	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Interest accrued and due on fixed deposits	–	11	48	47
Derivative financial assets	–	–	470	–
TOTAL OTHER FINANCIAL ASSETS	–	11	519	47

10 OTHER ASSETS

(Unsecured - Considered good)

	Non-Current		Current	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Capital advances	2946	1704	–	–
Advances to Supplier	–	–	2744	1873
Advances/claims recoverable	6	198	2371	1435
Prepaid expenses	107	161	1098	713
Refunds due/balances from/with government authorities	5289	1952	6142	7848
TOTAL OTHER ASSETS	8348	4015	12355	11870

11 INVENTORIES

(Cost or Net realisable value whichever is lower)

	As at 31-Mar-20	As at 31-Mar-19
Raw materials and components [(including goods in transit ₹ 4714 lakhs (As at 31st March' 2019 - ₹ 169 lakhs)]	33096	36268
Finished goods [(including goods in transit ₹ 4 lakhs (As at 31st March' 2019 - ₹ 35 lakhs)]	45089	31212
Semi-finished goods	7165	3670
Traded goods	808	667
Stores, spare parts, and consumables	1762	1599
Packing materials	1137	956
Commercial premises	–	672
TOTAL INVENTORIES	89057	75044

Note: Write down of Inventories to Net Realisable Value by ₹ 143 lakhs (Previous year ₹ 42 lakhs) based on management inventory policy - Non & slow moving inventory. The same has been recognised as an expense during the year and included in "Changes in value of Inventory of "semi finished goods" and "finished goods" in statement of Profit and Loss.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

₹ in Lakhs

12 TRADE RECEIVABLES

	As at 31-Mar-20	As at 31-Mar-19
Trade Receivables considered good - Unsecured	30785	37390
Trade Receivables which have significant increase in Credit Risk	706	1435
Trade Receivables - credit impaired	405	305
	<u>31896</u>	<u>39130</u>
Less: Provision for doubtful trade receivables	612	388
TOTAL TRADE RECEIVABLES	<u><u>31284</u></u>	<u><u>38742</u></u>

13 CASH AND CASH EQUIVALENTS

	As at 31-Mar-20	As at 31-Mar-19
Balance with banks in current and cash credit accounts	12499	3120
Cash on hand	42	34
Remittances in transit	2443	53
Cheques on hand	1	—
Investment in liquid mutual funds*	7004	—
TOTAL CASH AND CASH EQUIVALENTS	<u><u>21989</u></u>	<u><u>3207</u></u>

*Investment in Liquid Mutual funds includes:

Scheme Name	Units	₹ in Lakhs
HDFC Liquid Fund-Growth	89656	3503
SBI Liquid Fund-Growth	112616	3501
Total	202272	7004

14 OTHER BANK BALANCES

	As at 31-Mar-20	As at 31-Mar-19
Deposit with banks (Earmarked for electricity/sales tax/margin money)	585	65
Unclaimed dividend	565	458
TOTAL OTHER BANK BALANCES	<u><u>1150</u></u>	<u><u>523</u></u>

15 EQUITY SHARE CAPITAL

	As at 31-Mar-20	As at 31-Mar-19
AUTHORISED		
15,00,00,000 Nos. Equity Shares of ₹ 2 each	3000	3000
1,12,00,000 Nos. Preference Shares of ₹ 10 each	1120	1120
3,38,00,000 Nos. Unclassified Shares of ₹ 10 each	3380	3380
	<u>7500</u>	<u>7500</u>
ISSUED, SUBSCRIBED AND PAID UP		
12,70,26,870 Nos. Equity Shares of ₹ 2 each Fully Paid Up	2541	2541
TOTAL SHARE CAPITAL	<u><u>2541</u></u>	<u><u>2541</u></u>

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

₹ in Lakhs

The reconciliation of the number of equity shares outstanding	As at 31-Mar-20		As at 31-Mar-19	
	Numbers	Amount	Numbers	Amount
Equity Shares at the beginning of the year	127026870	2541	127026870	2541
Equity Shares at the end of the year	127026870	2541	127026870	2541

Terms/rights attached to Equity shares :

The Company has only one class of issued Equity Shares having a par value of ₹ 2 per share. Each Shareholder is eligible for one vote per share held.

In the event of liquidation, the equity shareholders are eligible to receive the residual assets of the Company after distribution of all preferential amounts, in proportion to their shareholding.

The details of Shareholders holding more than 5% shares:

Name of the Shareholders	31-Mar-20		31-Mar-19	
	No. of Equity Shares	% of Holding	No. of Equity Shares	% of Holding
Boon Investment and Trading Company Pvt Ltd	20357956	16.03%	20206592	15.91%
Jovial Investment and Trading Company Pvt Ltd	20108268	15.83%	19912082	15.68%
Venkatesh Investment and Trading Company Pvt Ltd	19693081	15.50%	19693081	15.50%

In the Period of five years immediately preceding March, 2020:

The Company has not allotted any equity shares as fully paid up without payment being received in cash or as Bonus Shares or Bought back any equity shares.

16 OTHER EQUITY

	As at 31-Mar-20	As at 31-Mar-19
Capital reserve	249	249
Capital reserve on acquisition	–	1429
Securities premium	4749	4749
Capital redemption reserve	222	222
Foreign exchange translation reserve	91	46
General reserve	219405	193076
Retained earnings	–	13783
Accumulated other comprehensive income	(1138)	(698)
	223578	212856

Nature & Purpose of the Reserve:

Capital Reserve: Capital reserve represents the capital subsidy received by the Company. The reserve will be utilised in accordance with the provisions of the Act.

Securities premium: Securities premium reserve is credited when shares are issued at premium. The reserve will be utilised in accordance with the provisions of the Act.

Capital Redemption Reserves: Capital redemption reserve is being created by transfer from Retained earnings at the time of buy back of equity shares in accordance with the Act. The reserve will be utilised in accordance with the provisions of the Act.

General reserve: The General reserve is created by way of transfer of profits from retained earnings for appropriation purposes. This reserve is utilised in accordance with the provisions of the Act.

Retained earnings: Retained earnings are the profits that the Company has earned till date, less any transfers to general reserve, dividends or other distributions paid to shareholders.



Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

₹ in Lakhs

17 BORROWINGS

	Non-Current		Current	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
SECURED				
Working Capital Loans:				
From Banks:				
Cash credit accounts	—	—	2186	2296
Working Capital Demand Loans	—	—	6908	—
Foreign currency loans - Buyer's credit	—	—	—	3014
	<u>—</u>	<u>—</u>	<u>9094</u>	<u>5310</u>
UNSECURED				
Deferred payment liabilities (under sales tax deferral scheme)	88	112	—	—
From Banks:				
Cash credit accounts	—	—	1993	—
Working Capital Demand Loans	—	—	20180	—
Foreign Currency loans - Buyer's credit	—	—	9739	10784
	<u>88</u>	<u>112</u>	<u>31912</u>	<u>10784</u>
TOTAL BORROWINGS	<u>88</u>	<u>112</u>	<u>41006</u>	<u>16094</u>

18 DEPOSITS

	Non-Current		Current	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Trade / security deposits	284	187	58	284
TOTAL DEPOSITS	<u>284</u>	<u>187</u>	<u>58</u>	<u>284</u>

19 PROVISIONS

	Non-Current		Current	
	31-Mar-20	31-Mar-19	31-Mar-20	31-Mar-19
Provision for employee benefits:				
Compensated absences	2001	1617	555	445
Gratuity	—	—	571	339
TOTAL PROVISIONS	<u>2001</u>	<u>1617</u>	<u>1126</u>	<u>784</u>

20 TRADE PAYABLES

	As at 31-Mar-19	As at 31-Mar-18
Due to:		
Micro, small and medium enterprises	1659	1544
Others	53091	54195
TOTAL TRADE PAYABLES	<u>54750</u>	<u>55739</u>

Note:

The Company has certain dues to suppliers registered under Micro, Small and Medium Enterprises Development Act, 2006 ('MSMED Act'). The disclosure pursuant to the said MSMED Act, to the extent information available to the Company are as follows :

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

₹ in Lakhs

	As at 31-Mar-2020	As at 31-Mar-2019
Principal amount due to suppliers registered under the MSMED Act and remaining unpaid as at year end	1659	1544
Interest due to suppliers registered under the MSMED Act and remaining unpaid as at year end	—	—
Principal amounts paid to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	—
Interest paid, other than under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	—
Interest paid, under Section 16 of MSMED Act, to suppliers registered under the MSMED Act, beyond the appointed day during the year	—	—
Interest due and payable towards suppliers registered under MSMED Act, for payments already made	—	—
Further interest remaining due and payable for earlier years	—	—

21 OTHER FINANCIAL LIABILITIES

	As at 31-Mar-20	As at 31-Mar-19
Current maturities of long-term debt	35	35
Interest accrued but not due on borrowings	53	214
Payables towards property, plant & equipment	8787	7199
Unclaimed dividend*	564	455
Unpaid matured deposits & interest accrued thereon	2	3
Derivative financial liabilities	—	331
Finance lease liabilities	1041	—
Others	102	103
TOTAL OTHER FINANCIALS LIABILITIES	10584	8340

*Investor Education and Protection Fund (IEPF) credited when due. As at March 31st 2020, no balances were due to be transferred to IEPF except ₹ 11 Lakhs.

22 OTHER CURRENT LIABILITIES

	As at 31-Mar-20	As at 31-Mar-19
Advances from customers	5822	4298
Advances towards sale of land	121	121
Statutory dues	3428	7657
Other payables	263	261
TOTAL OTHER CURRENT LIABILITIES	9634	12337

23 INCOME TAX ASSETS (NET)

	As at 31-Mar-20	As at 31-Mar-19
Income tax assets (net of income tax provision)	3789	3606
TOTAL INCOME TAX ASSETS (NET)	3789	3606



Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

₹ in Lakhs

24 REVENUE FROM OPERATIONS

	2019 - 2020	2018 - 2019
Sale of Goods		
Plastic Products	537968	537727
Commercial Premises	2560	8085
Traded Goods		
Plastic Products	2274	5350
Others	3252	4636
	546054	555798
Sale of services		
Income from processing	530	610
Others	20	31
	550	641
Other operating income		
Government grants/subsidy	2087	2397
Export incentives	642	549
Sale of empty bags and other scrap etc.	1474	1429
Insurance and other claims	59	49
Liabilities no longer required written back	288	336
	4550	4760
TOTAL REVENUE FROM OPERATIONS	551154	561199

25 OTHER INCOME

	2019 - 2020	2018 - 2019
Profit on sale/discard of fixed assets (net)	51	342
Lease rent	87	18
Share of profit in partnership firm	5	—
Foreign currency exchange fluctuation (net)	—	418
TOTAL OTHER INCOME	143	778

26 COST OF MATERIALS CONSUMED

	2019 - 2020	2018 - 2019
Cost of raw materials consumed	360021	362591
Cost of packing materials consumed	9909	9677
Cost of commercial premises sold	670	2199
TOTAL COST OF MATERIALS	370600	374467

27 CHANGES IN INVENTORIES OF FINISHED GOODS, SEMI FINISHED GOODS & STOCK-IN-TRADE

	2019 - 2020	2018 - 2019
Inventories at the beginning of the year		
Finished goods / Semi finished goods	34881	33840
Traded goods	667	930
	35548	34770
Inventories at the end of the year		
Finished goods / Semi finished goods	52254	34881
Traded goods	808	667
	53062	35548
Change in inventories	(17514)	(778)
Transfer of Finished goods of Khushkhera unit to Kumi Supreme India Pvt Ltd (Associate)	—	(136)
TOTAL CHANGES IN INVENTORIES OF FINISHED GOODS, STOCK-IN-PROCESS & STOCK-IN-TRADE	(17514)	(914)

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

₹ in Lakhs

28 EMPLOYEE BENEFITS EXPENSES

	2019 - 2020	2018 - 2019
Salaries and wages	22292	20183
Contribution to provident and other funds	1153	1126
Managerial remuneration	3021	2661
Staff welfare expenses	1512	1493
TOTAL EMPLOYEE BENEFITS EXPENSES	27977	25463

29 FINANCE COSTS

	2019 - 2020	2018 - 2019
Interest expenses	2409	3109
Interest on lease liabilities	405	—
Unwinding of discount on deferred sales tax	10	13
Other borrowing costs	143	233
Less:		
Interest received	691	485
Unwinding of discount on security deposits	56	54
Profit on redemption of liquid mutual funds on current investments designated at FVTPL	201	216
TOTAL FINANCE COSTS	2019	2600

30 OTHER EXPENSES

	2019 - 2020	2018 - 2019
Stores & spare parts consumed	3760	3762
Labour charges	17182	16147
Power & fuel	21608	20547
Water charges	111	117
Repairs & maintenance of building	634	470
Repairs & maintenance of plant & machinery	1400	1300
Repairs & maintenance (others)	893	799
Directors' fees	66	57
Rent, rates & taxes	1534	1851
Insurance	422	266
Corporate social responsibility and donations	1611	1059
Legal & professional fees	1825	1812
Travelling & conveyance	3073	2779
Vehicle expenses	259	518
Advertisement, publicity & business promotion	7256	7748
Freight and forwarding charges	10820	10775
Printing, stationery & communication	884	885
Commission and Royalty	1996	1909
Sales tax	66	28
Bad debts (net of bad debts recovered)	917	3
Provision for doubtful debts	265	62
Plant security services	1192	1085
Inspection, testing, registration and marking fees	731	654
Foreign currency exchange fluctuation (net)	2387	—
Fair value loss on investments through profit or loss	2	2
Loss on Sale of Investments in an associate	73	—
Miscellaneous expenses	927	657
TOTAL OTHER EXPENSES	81894	75292

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

₹ in Lakhs

31 INCOME TAXES

A. Tax expense recognised in the statement of Consolidated Profit and Loss:

Particulars	2019 - 2020	2018 - 2019
Current tax	16030	20751
Deferred income tax expense/(credit)	1219	697
Total income tax expense/(credit)	17250	21448

B. A reconciliation of the income tax amount between the enacted income tax rate and the effective income tax of the Company is as follows :

Particulars	2019 - 2020	2018 - 2019
Enacted income tax rate in India	25.17%	34.99%
Profit before tax	62220	67315
Income tax as per above rate	15661	23556
Adjustments:		
Income exempt from Income taxes	(437)	(456)
Amounts not allowable under income tax act	414	198
Change in tax rate	(3363)	—
Undistributed profit of associate	4245	—
Others	730	(873)
Tax on LTCG / Slump sale	—	(977)
Income tax as per profit and loss statement	17250	21448

C. The movement in Consolidated deferred tax assets and liabilities during the year ended March 31, 2020:

Deferred tax (assets)/liabilities	As at 1st April, 2018	(Credit)/charge in statement of Profit and Loss	As at 31st March, 2019	(Credit)/charge in statement of Profit and Loss	As at 31st March, 2020
Depreciation	11901	2115	14016	(2963)	11053
Amount allowable on payment basis & others	(561)	(1418)	(1979)	(63)	(2042)
Undistributed profit of associate	—	—	—	4245	4245
Total	11340	697	12036	1219	13256

The Company elected to exercise the option of lower tax rate permitted under section 115BAA of the Income-tax Act, 1961. The Company, accordingly has recognized Provision for Income Tax and re-measured its Deferred Tax Liabilities basis the rate prescribed in the said section. The impact of this change has been recognized in the Statment of Profit & Loss for year ended including write back of deferred tax liabilities relating to earlier years of ₹ 3363 lakhs.

32 INVESTMENT IN ASSOCIATES :

Details and material financial information of Associates:

Summarised financial information in respect of each of the Group's material associates is set out below. The summarised financial information below represents amounts shown in the associate's financial statements prepared in accordance with Ind AS adjusted by the Group for equity accounting purposes.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

₹ in Lakhs

a) Supreme Petrochem Limited

Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest / voting rights held by the Group	
		As at 31-Mar-2020	As at 31-Mar-2019
Business of Styrenics and Manufactures of Polystyrene and Masterbatches	India	30.01%	29.99%

The above associate is accounted for using the equity method in these consolidated financial statements.

Summarised financial information of Associate:

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
Non-current assets	38776	36791
Current assets	86729	85295
Non-current liabilities	6087	5820
Current liabilities	52090	52023
Contingent liabilities	2179	7752
Commitments	204	196

Particulars	2019 - 2020	2018 - 2019
Revenue	273618	320380
Profit/(loss) for the year	10265	4921
Other comprehensive income for the year (net of taxes)	(56)	(1)
Total comprehensive income for the year	10209	4919
Dividends received from the associate during the year	1736	1302

b) Kumi Supreme India Pvt Ltd

Principal activity	Place of incorporation and principal place of business	Proportion of ownership interest / voting rights held by the Group	
		As at 31-Mar-2020	As at 31-Mar-2019
Business of Manufactures of Auto components plastics products	India	–	20.67%

The above associate is accounted for using the equity method in these consolidated financial statements.

Summarised financial information of Associate:

Particulars	As at 31-Mar-2020	As at 31-Mar-2019
Non-current assets	–	10333
Current assets	–	3655
Non-current liabilities	–	113
Current liabilities	–	2023
Contingent liabilities	–	–
Commitments	–	7

Particulars	2019 - 2020	2018 - 2019
Revenue	13057	9074
Profit/(loss) for the year	250	(125)
Other comprehensive income for the year (net of taxes)	(11)	(0)
Total comprehensive income for the year	238	(126)

On March 31, 2020, the group has divested its 20.67% stake in Kumi Supreme India Pvt Ltd, an associate, to Kumi (Thailand) Co. Ltd for a consideration of ₹ 2432 Lakhs and recognised loss on sale of investment of ₹ 73 Lakhs (Refer note no 30). Consequently, Kumi Supreme India Private Ltd now ceases to be an associate of the Company.

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

₹ in Lakhs

33 SEGMENT REPORTING :

Particulars	2019 - 2020	2018- 2019
1) Segment revenue		
Plastics piping products	344487	317276
Industrial products	67319	88502
Packaging products	95927	104181
Consumer products	38320	39939
Others	5101	11302
Net Revenue from operations	551154	561199
2) Segment results		
Plastics piping products	46052	31283
Industrial products	3258	6357
Packaging products	10151	12783
Consumer products	5760	5595
Others	497	5368
Total segment profit before interest and tax	65718	61385
Add: Share of profit/(loss) of associate	3121	1438
Add: Exceptional Income	–	6719
Less: Finance cost	2019	2600
Less: Other unallocable expenditure (net of unallocable income)	2688	504
Profit before tax	64132	66439
Less: Provision for tax	17392	21575
Add: Other comprehensive income (net of tax)	(440)	(237)
Profit after tax	46300	44627

Business segments

Based on the “management approach” as defined in Ind-AS 108 - Operating Segments, the Managing Director/Decision Maker evaluates the Group's performance and allocates resources based on an analysis of various performance indicators by business segments. Accordingly, information has been presented along with these business segments. The accounting principles used in the preparation of the financial statements are consistently applied to record revenue and expenditure in individual segments.

Segment assets and liabilities

The Group is engaged mainly in production of plastic products. Most of the assets, liabilities and depreciation/amortisation of the aforesaid reportable segments are interchangeable or not practically allocable. Accordingly, segment assets, liabilities and depreciation/amortisation have not been presented.

34 EARNINGS PER SHARE (EPS)

	2019 - 2020	2018 - 2019
Profit after tax(PAT) before exceptional items	46740	40097
Profit after tax(PAT) after exceptional items	46740	44863
Weighted average number of equity Shares (In Nos.)	127026870	127026870
Nominal value of equity Shares (In nos.)	2	2
Basic & diluted earning per share before exceptional items	36.80	31.57
Basic & diluted earning per share after exceptional items	36.80	35.32

Notes to the Consolidated Financial Statements for the year ended 31st March, 2020

₹ in Lakhs

35 CONTINGENT LIABILITIES

	2019 - 2020	2018 - 2019
Bills/Cheque's discounted	1199	232
Disputed Excise and Service Tax demands	4183	4484
Disputed Income Tax demands	1359	885
Disputed Sales Tax / Entry Tax demands	876	1422
Other claims against the Group not acknowledged as debts	872	893

Notes:

- Most of the issues of litigation pertaining to Central Excise/Service Tax/Income Tax are based on interpretation of the respective Law & Rules thereunder. Management has been opined by its counsel that many of the issues raised by revenue will not be sustainable in law as they are covered by judgments of respective judicial authorities which supports its contention. As such no material impact on the financials of the Group is envisaged.
- Sales Tax and Entry Tax related litigation/demand primarily pertains to non- receipt of declaration forms from customers and mismatch of input tax credit or some interpretation related issues w.r.t. applicability of schemes. Counsel of the Company opined positive outcome based on merits of the cases under litigation. In most of the cases, required documents are being filed and minor impact if any, shall be given in the year of final outcome of respective matter in appeal.
- Other issues are either in ordinary course of business or not of substantial nature and management is reasonably confident of their positive outcome. Management shall deal with them judiciously and provide for appropriately, if any such need arises.
- There is uncertainty and ambiguity in interpreting and giving effect to the guidelines of Hon. Supreme Court vide its ruling in February 2019, in relation to the scope of compensation on which the organisation and its employees are to contribute towards Provident Fund. In the assessment of the management, the aforesaid matter is not likely to have a significant impact and accordingly, no provision has been made in the financial statements.

36 COMMITMENTS

Estimated amount of contracts remaining to be executed on Capital Account and not provided for (net of advances) is ₹ 15308 lakhs (Previous year ₹ 11152 lakhs).

- Post GST, pending notification from the West Bengal Government, the Company has not recognized (Amount not ascertainable) benefit of Industrial Promotion Assistance Scheme pertaining to its Kharagpur Unit since July 2017. The Company is hopeful of continuance of the Scheme and benefits accruing therefrom.
- There is only one foreign subsidiary company with insignificant transactions. The accounting policies and notes to accounts being similar to that of the holding company as stated in standalone financial statements are not appended hereto.
- The previous year figures have been re-grouped / re-classified wherever required to conform to current year classification. All figures of financials has been rounded off to nearest lakhs rupees.
 - Previous years figures are not comparable, to the extent, on account of adoption of Ind AS 116 using modified retrospective approach.

Signature to Notes 1-39
For and on behalf of the board

B. L. Taparia
Chairman
(DIN No. 00112438)

V. K. Taparia
Executive Director
(DIN No. 00112567)

R. M. Pandia
Director
(DIN No. 00021730)

R. J. Saboo
VP (Corporate Affairs) & Company Secretary

Mumbai, 22nd May 2020

M. P. Taparia
Managing Director
(DIN No. 00112461)

B. V. Bhargava
Director
(DIN No. 00001823)

Ameeta Parpia
Director
(DIN No. 02654277)

S. J. Taparia
Executive Director
(DIN No. 00112513)

Y. P. Trivedi
Director
(DIN No. 00001879)

P. C. Somani
Chief Financial Officer



Works Locations

S. No.	Locations	States	Works Locations Address	GST Nos.
1	Derabassi	Punjab	The Supreme Industries Limited Village Sersani, Near Lalru, Ambala Chandigarh Highway, Dist. SAS Nagar, Punjab-140501, India	03AAACT1344F1ZY
2	Durgapur	West Bengal	The Supreme Industries Limited Export Promotion Indl. Park (E.P.I.P), No. 3017-19, 3183-87,29-35,39,40,42,43,49-54,56 Banskopa, Bidhan Nagar, Durgapur, Dist.Burdwan, West Bengal-713212, India	19AAACT1344F1ZL
3	Gadegaon	Maharashtra	The Supreme Industries Limited Factory at Unit no. III, Plot No. 47,47/2, 48-50,55-66,69,70,72,73,77 to 83/1, 83/2, 84 & 85, Gadegaon, Jalgaon to Aurangabad Road, Taluka - Jamner, Dist.- Jalgaon-425114, Maharashtra, India	27AAACT1344F1ZO
4	Ghiloth	Rajasthan	The Supreme Industries Limited Plot No.: A-211, Ghiloth Industrial Area, Rajasthan-301705, India	08AAACT1344F1ZO
5	Guwahati	Assam	DAG No. 275 & 306, EPIP Zone, Post Amingaon, Village Numalijolahko Mouza, Silasundari Gopa, North Guwahati Dist. Kamrup, Assam-781031, India	18AAACT1344F1ZN
6	Halol Unit-I	Gujarat	The Supreme Industries Limited Factory at Plot No. 1307 & Plot No. 216, GIDC Industrial Estate Halol Dist. Panchmahals, Gujarat- 389 350, India	24AAACT1344F1ZU
7	Halol Unit-II	Gujarat	The Supreme Industries Limited Survey No. 123/1 & 123/2 PAIKY -1 Village - Muvala, Khakharia Madhvas Raod, Get Muvala, Taluka : Halol Dist. GODHRA (PMS)-389350 Gujrat, India	24AAACT1344F1ZU
8	Halol Unit-III	Gujarat	The Supreme Industries Limited Survey No. 188/1 & 189 (part) Chandrapura Dist. PANCHMAHAL, Halol-389350 Gujrat, India	24AAACT1344F1ZU
9	Halol Unit-IV	Gujarat	The Supreme Industries Limited 703 GIDC Halol – Dist. Panchmahals-389350, Gujrat, India	24AAACT1344F1ZU
10	Hosur	Tamilnadu	The Supreme Industries Limited S.F. No. 22/3, 22/2B, 23/1B, 24/1A, & 593/1B1 Biramangalam village Denkanikotta Taluka, Dist. Krishnagiri, Hosur-635109, India	33AAACT1344F1ZV
11	Jalgaon Unit-I	Maharashtra	The Supreme Industries Limited Factory at D101/102, MIDC & Survey(ghat) No 242/ 1 & 2, 245/03 and Survey No 244/2,3,4 & 5, Jalgaon-425003 Maharashtra, India	27AAACT1344F1ZO
12	Jalgaon Unit-II	Maharashtra	The Supreme Industries Limited Unit No 2,Plot No H-20 MIDC,Ajanta Road Jalgaon-425003 Maharashtra, India	27AAACT1344F1ZO
13	Jadcherla	Telangana	The Supreme Industries Limited Plot No. 24, 26 to 40, 43 to 45, 41P, 42P, 47P, 48P, Green Industrial Park, Jadcherla Mandal, Polpally, Mahabubnagar, Telangana-509301	36AAACT1344F1ZP
14	Kanhe	Maharashtra	The Supreme Industries Limited Factory at Post Kanhe, Tal Maval,Talegaon, Pune-412106, Maharashtra, India	27AAACT1344F1ZO
15	Kanpur	Uttar Pradesh	The Supreme Industries Limited H1-H8, H1/A, H9/1 and Khasra No. 135,136,137 & 141 UPSIDC Ind. Area Jainpur, Kanpur Dehat- UP 209311, India	09AAACT1344F1ZM
16	Kharagpur	West Bengal	The Supreme Industries Limited Vill.-Bagabhera & Imampatna, Katai Khal P.O.-Loha Baran Chak, P.S.-Narayan Garh, Near NarayanGarh Power Station Dist.-Paschim Midnapur, Pin-721437 West Bengal, India	19AAACT1344F1ZL
17	Khopoli	Maharashtra	The Supreme Industries Limited Factory at Takai Adoshi Road Village Honad, Khopoli-410203, Maharashtra India	27AAACT1344F1ZO
18	Malanpur Unit-I	Madhya Pradesh	The Supreme Industries Limited Factory at Plot no.N 1 to N 12 Ghirongi Indl Area, Malanpur, Madhya Pradesh-477116, India	23AAACT1344F4ZT
19	Malanpur Unit-II	Madhya Pradesh	The Supreme Industries Limited Factory at Plot no. K-1 to K-4 K-8 K-9 Ghirongi Indl Area, Malanpur, Madhya Pradesh-477116, India	23AAACT1344F3ZU
20	Malanpur Unit-III	Madhya Pradesh	The Supreme Industries Limited Roto Moulding Division GAG-14 Ghironghi Industrial Area, Malanpur, Dist. Bhind- Madhya Pradesh-477116 India	23AAACT1344F6ZR
21	Noida	UttarPradesh	The Supreme Industries Limited Factory at C 30 to 31 Phase II Noida District, Gautam Budh Nagar, Uttar Pradesh-201305, India	09AAACT1344F1ZM
22	Puducherry	Puducherry	The Supreme Industries Limited R.S.No.90 & 91 Sanyasikuppam Village, Thirubhuvani Post, Pondy-605107, India	34AAACT1344F1ZT
23	Silvassa	Silvassa	The Supreme Industries Limited Factory at Survey No.175/1 and 175/2, Via Athal Tin Rasta Near Luhari Phatal, Village Kharadpada, Dadra & Nagar Haveli, Silvassa-396230, India	26AAACT1344F1ZQ
24	Sriperumbudur	Tamilnadu	The Supreme Industries Ltd. Plot G -14 & 15 SIPCOT Indl. Park, Sripermbudur, Dist. Kancheepuram, Chennai-602105, India	33AAACT1344F1ZV
25	Urse	Maharashtra	The Supreme Industries Limited Gut No. 420 to 424, Urse Maval Talegaon Dabhade, Pune-410506, Maharashtra, India	27AAACT1344F1ZO

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1161 & 1162 Solitaire Corporate Park, 167 Guru Hargovindji Marg,
Andheri-Ghatkopar Link Road, Chakala, Andheri (East), Mumbai 400 093, India
Tel.: (022) 68690000, 40430000 Fax : (91-22) 68690099, 40430099
Website : www.supreme.co.in E-mail : supreme@supreme.co.in
Regd. Office : 612 Raheja Chambers, Nariman Point, Mumbai 400 021, India
Tel.: (022) 22851656, 22820072 Fax : (91-22) 22851657