



## 2012 - 13 Annual Report



**PRIMA<sup>®</sup>**

**MOULDED FURNITURE**



**PRIMA**<sup>®</sup>  
MOULDED FURNITURE

# Rocking Chair



- ☒ Extra Strong
- ☒ Sturdy
- ☒ Comfortable
- ☒ Easy to Install

# PRIMA PLASTICS LIMITED

## BOARD OF DIRECTORS

Shri Bhaskar M. Parekh (Executive Chairman)  
Shri Mulchand S. Chheda (Independent Director)  
Shri Krishnakant V. Chitalia (Independent Director)  
Shri Rasiklal M. Doshi (Independent Director)  
Shri Dilip M. Parekh (Managing Director)

## BANKERS

Corporation Bank  
Bank of India

## AUDITORS

M/s. G. P. Kapadia & Co.  
Chartered Accountants

## REGISTRAR & SHARE TRANSFER AGENTS

M/s. Bigshare Services Pvt. Ltd.  
E-2/3, Ansa Indl. Estate, Saki Vihar Road, Andheri (E),  
Mumbai - 400 072.

## REGISTERED OFFICE

98/4 Prima House, Daman Industrial Estate,  
Kadaiya, Nani Daman, Daman (U.T.), Pin - 396 210

## CORPORATE OFFICE

41, National House, Saki-Vihar Road,  
Andheri (East), Mumbai - 400 072.

## WORKS

Moulded Furniture Division:

- 98/4, Prima House, Daman Industrial Estate,  
Kadaiya, Nani Daman, Daman (U.T.), Pin - 396 210.
- Door No.X/588-Q, Kinfra SIP, Survey No.508 (Part),  
Block No.32, Nellad P.O., Mazhuvannur Village,  
Ernakulam District, Kerala - 686 721.

Aluminium Composite Panel Division:

- 85/1, Prima House, Daman Industrial Estate,  
Kadaiya, Nani Daman, Daman (U.T.), Pin - 396 210.

## MARKETING DEPOTS

Coimbatore, Delhi, Hubli, Jammu, Jaipur, Kanpur, Rohtak,  
Secunderabad, Vapi & Zirakpur (Punjab)

## MARKETING OFFICE

New Delhi

## 19<sup>TH</sup> ANNUAL GENERAL MEETING

Date : September 14, 2013

Time : 11.00 a.m.

Venue : Hotel Sandy Resorts,  
Devka Beach,  
Nani Daman,  
Daman (U.T.), Pin - 396 210

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## NOTICE

Notice is hereby given that the Nineteenth Annual General Meeting of the Members of **PRIMA PLASTICS LIMITED** will be held on Saturday, September 14, 2013 at 11.00 a.m. at Hotel Sandy Resorts, Devka Beach, Nani Daman, Daman (U.T.), Pin - 396 210 to transact the following businesses:

### ORDINARY BUSINESS:

1. To consider and adopt the Balance Sheet as at March 31, 2013, the Statement of Profit & Loss for the year ended on that date and the Reports of the Board of Directors and the Auditors thereon.
2. To declare dividend on Equity Shares.
3. To appoint a Director in place of Shri Mulchand S. Chheda, who retires by rotation and being eligible, offers him for reappointment.
4. To appoint Auditors and fix their remuneration and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as an Ordinary Resolution:

“RESOLVED THAT Subject to the provisions of section 224, 225 and other applicable provisions, if any, of the Companies Act, 1956, M/s. G P Kapadia & Co, Chartered Accountants (ICAI Registration No. 104768W) be and are hereby appointed as Auditors of the Company, to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting of the Company on such remuneration as shall be fixed by the Board of Directors.”

### SPECIAL BUSINESS:

5. To reappoint Shri Bhaskar M. Parekh as a Whole time Director designated as Executive Chairman and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution.

“RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309 and 317 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, approval of the Members be and is hereby accorded to the reappointment of Shri Bhaskar M. Parekh, as Executive Chairman of the Company, for a period of 3 (three) years with effect from July 01, 2013, on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors to alter and vary the terms and conditions and / or remuneration, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

6. To reappoint Shri Dilip M. Parekh as a Whole time Director designated as Managing Director and in this regard to consider and if thought fit, to pass, with or without modification(s), the following resolution as a Special Resolution.

“RESOLVED THAT in accordance with the provisions of Sections 198, 269, 309 and 317 read with Schedule XIII and all other applicable provisions, if any, of the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof, approval of the Members be and is hereby accorded to the reappointment of Shri Dilip M. Parekh, as Managing Director of the Company, for a period of 3 (three) years with effect from July 01, 2013, on the terms and conditions including remuneration as set out in the Explanatory Statement annexed to the Notice convening this Meeting, with liberty to the Board of Directors to alter and vary the terms and conditions and / or remuneration, subject to the same not exceeding the limits specified under Schedule XIII to the Companies Act, 1956 or any statutory modification(s) or re-enactment thereof.

**RESOLVED FURTHER THAT** the Board be and is hereby authorized to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this Resolution.”

By Order of the Board of Directors

Mumbai  
May 29, 2013

**Bhaskar M. Parekh**  
Chairman

**NOTES:**

1. A member entitled to attend and vote at the Annual General Meeting is entitled to appoint a proxy to attend and vote on a poll instead of himself and the proxy need not be a member of the Company. The instrument appointing the proxy should, however, be deposited at the registered office of the Company not less than forty-eight hours before the commencement of the Meeting.
2. The Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the business under item 5 & 6 of the Notice is annexed hereto.
3. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board resolution authorizing their representative to attend and vote at the meeting.
4. Brief resume of all Directors including those proposed to be re-appointed, nature of their expertise in specific functional areas, names of companies in which they hold directorships and memberships / chairmanships of Board Committees, shareholding and relationships between directors inter-se as stipulated under Clause 49 of the Listing Agreement with the Stock Exchanges in India, are provided in the Report on Corporate Governance forming part of the Annual Report.
5. The Register of Members and the Share Transfer Book of the Company will remain closed from Saturday, September 07, 2013 to Saturday, September 14, 2013 (both days inclusive) for the purpose of determining the eligibility of the Members to attend the Annual General Meeting and payment of Dividend.
6. The Board of Directors in their Meeting held on May 29, 2013 have recommended a dividend of Rupee 1/- per share on equity share of Rs.10/- each, which if approved at the Annual General Meeting, will be credited / dispatched on or after September 19, 2013, to those members whose names shall appear on the Company's Register of members on September 06, 2013; in respect of the shares held in dematerialized form, the dividend will be paid to members whose names are furnished by National Securities Depository Limited and Central Depository Services (India) Limited as beneficial owners as on that date. Members are requested to register their latest Bank Account details (Core Banking Solutions enabled Account Number, 9 digit MICR and 11 digit IFS code) with their Depository Participant.
7. Relevant documents referred to in the accompanying Notice are open for inspection at the Registered Office of the Company on all working days, except Saturdays and holidays, between 11.00 a.m. to 1.00 p.m. up to the date of the Annual General Meeting.
8. The Annual Report 2012-2013 of the Company, circulated to the members of the Company, will be made available on the Company's website at <http://www.primaplastics.com>.
9. The members are requested to bring their attendance slips along with their copy of Annual Report to the Meeting.
10. Members desiring any information as regards the accounts are requested to write to the Company at least 10 days prior to the date of meeting to enable the Management to keep the information ready at the meeting.
11. Members wishing to claim dividends, which remain unclaimed for the Financial Years 2009-2010 onwards, are requested to write to the Company's Registrar and Transfer Agents. It may be noted that once such unclaimed dividends are transferred on expiry of seven years to the Investor Education and Protection Fund pursuant to section 205C of the Companies Act, 1956, no claim shall lie in respect thereof.
12. Members holding shares in physical form are requested to provide their latest Bank Account details (Core Banking Solutions enabled Account Number, 9 digit MICR and 11 digit IFS code) along with their Folio Number to the Company's Registrar and Transfer Agents, M/s. Bigshare Services Private Limited.
13. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN details to the Company/Registrar and Transfer Agent.
14. Members holding shares in single name and physical form are advised to make nomination in respect of their shareholding in the Company.
15. Members who hold shares in physical form in multiple folios in identical names or joint holding in the same order of names are requested to send the share certificates to Registrar and Transfer Agent for consolidation into a single folio.
16. Non-Resident Indian Members are requested to inform Registrar and Transfer Agent immediately of:
  - (a) Change in their residential status on return to India for permanent settlement.
  - (b) Particulars of their bank account maintained in India with complete name, branch, account type, account number and address of the bank with pin code number, if not furnished earlier.
17. The Ministry of Corporation Affairs (vide circular nos.17/2011 and 18/2011, dated April 21 and April 29, 2011 respectively) has taken a "Green Initiative in the Corporate Governance" by allowing paperless compliances by the companies and has issued

circulars stating that service of notice/documents including Annual Report can be sent by e-mail to its members. To support this green initiative of the Government in full measure, members who have not registered their e-mail addresses, so far, are requested to register their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participants. Members who hold share in physical form are requested to send the email id along with their Folio No. at investor@primaplastics.com or investor@bigshareonline.com.

18. Additional information on Director seeking re-appointment at the forthcoming Annual General Meeting.

**DETAILS OF DIRECTOR SEEKING REAPPOINTMENT AT THE FORTHCOMING ANNUAL GENERAL MEETING  
(Pursuant to Clause 49 of the Listing Agreement)**

Name of Director	Shri Bhaskar M. Parekh	Shri Dilip M. Parekh	Shri Mulchand S. Chheda
Age	57 years	45 Years	74 years
Date of appointment	17-11-1993	17-11-1993	05-12-1994
Qualification	B.Com	B.Com	B.Com
Expertise in specific area	Shri Bhaskar M. Parekh joined the Company's Board since incorporation and is presently holding position of Executive Chairman. He has experience of more than thirty-three years in plastic injection moulding, blow moulding and extrusion industry. He introduced numbers of innovative furniture items in attractive colours. He is taking care of production and general administration of the Company. He is also committed to explore new profitable business avenues and diversified activities to add shareholders' value.	Shri Dilip M. Parekh joined the Company's Board since inception as a Director and looking after marketing and administration of the Company. His strong management skill, marketing ability and previous experience in moulded furniture industry for more then twenty-three years has benefited to the Company. He is the person behind putting Prima on global chart by setting up a Joint Venture Company at Cameroon and putting efforts to tap more regions.	Shri Mulchand S. Chheda is a Promoter of Prince Group. He joined family business from Grocery shop and expanded in to a well known business house in Plastics furniture, Household goods, Crates, Real Estate. He is an Industrialist having more than 50 years experience in Plastic Business.
Other Directorships in Public Limited Co.	Nil	Nil	Nil
Number of Shares held	25,51,610 Equity Shares	26,15,420 Equity Shares	Nil

**Past remuneration to Executive Directors**

Shri Bhaskar M. Parekh and Shri Dilip M. Parekh are promoter directors of the Company and were appointed in executive capacity since commencement of business. Their remuneration is governed by the Companies Act, 1956 and decided by Remuneration Committee of the Board. The details of their immediate past remunerations were given under the head of Corporate Governance in this report.

**Comparative remuneration in the Industry**

The remuneration to executive directors in the present market scenario is much higher then the proposed by the Remuneration Committee of the Board to its Executive Directors.

**General Information:**

**i. Nature of Industry**

The Company is presently engaged in manufacturing moulded furniture articles (MFA) and aluminium composite panel board (ACP) in India. The core activity of the Company is moulded furniture articles and majority of turnover and exports are from this segment.

**ii. Commencement of business and performance**

The moulded furniture articles business of the Company is established since last 18 years and Aluminium composite panel business was commenced since last 6 years. However in its ACP business, due to slow down of commercial real estate business in India, the Company is doing business with selected clients and it is expected to pick up in the years to come and will give decent return on investment of the Company.

At present Company is sustaining its ACP business with certain losses and once this business will picked up its pace, it will add to the profitability's of the Company. The Company is taking necessary corrective steps to improve the working of ACP business or decide other course of action available to the Company.

**iii. Projected Financial Performance**

The Company expects a turnover growth of MFA business at 20% on annual basis and ACP on to peaking its business may grow at 100% in years to come. The turnover for Financial year 2014-15 is projected at Rs.120.00 crores with net profit before tax @ 6% amounting to Rs. 7.20 Crores.

**iv. Exports performance**

The MFA exports business is performing at a growth of more than 20% and secured top export awards in almost all years in past 15 years from PLEX Council of India. It is expected to perform on similar line in coming years.

**v. Foreign Investments**

The Company had set up a joint venture in Cameroon (Africa) in the year 2005 to manufacture MFA business and performing as per our expectation and encouraged by the performance, it had diversified to manufacture Woven sacks Bags in the year 2012. It is expected that the JV Company will give 20% returns on its investment and may declare dividends for our Company in years to come.

**ANNEXURE TO NOTICE:****EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT, 1956.**

As required by Section 173(2) of the Companies Act, 1956, the following explanatory statement sets out the material facts relating to the business under Item No.5 and 6 of the accompanying Notice.

**ITEM NO. 5 and 6.**

The Board of Directors of the Company (the 'Board'), at its meeting held on May 29, 2013 has, subject to the approval of Members, re-appointed Shri Bhaskar M. Parekh as an Executive Chairman and Shri Dilip M. Parekh as Managing Director, for a further period of 3 (three) years from the expiry of their present term, which will expire on June 30, 2013, on the remuneration determined by the Remuneration Committee of the Board and approved by the Board.

It is proposed to seek Members' approval for the re-appointment of and remuneration payable to, Shri Bhaskar M. Parekh as an Executive Chairman and Shri Dilip M. Parekh as Managing Director, in terms of the applicable provisions of the Companies Act, 1956 ("the Act").

Broad particulars of the terms of re-appointment of and remuneration payable to Shri Bhaskar M. Parekh and Shri Dilip M. Parekh are as under:

1. Shri Bhaskar M. Parekh, the Executive Chairman and Shri Dilip M. Parekh, Managing Director shall, subject to the supervision and control of the Board of Directors, manage the business and affairs of the Company.
2. They will be permanent Directors and not liable to retire by rotation.
3. Period of Agreement :  
Three years with effect from July 01, 2013.
4. **Remuneration payable:**  
Salary, Perquisites and Allowances per month.

(Rs.)

Name	Salary	Perquisites & Allowances
Shri Bhaskar M. Parekh	65,000	1,85,000
Shri Dilip M. Parekh	65,000	1,85,000

They shall be entitled to perquisites & allowances including accommodation (furnished or otherwise) or house rent allowance in lieu thereof, house maintenance allowance, medical reimbursement and leave travel concession for self and family, club

fees, medical and personal accident insurance and such other perquisites and / or allowances in accordance with the rules of the Company. The aforesaid perquisites may be in the form of reimbursement or allowance.

For the purpose of calculating the above, perquisites shall be evaluated as per Income Tax Rules wherever applicable.

They shall be entitled to Company's contribution to Provident Fund up to the tax exemption limit, benefits of Gratuity and Pension Scheme, as per the rules of the Company.

Reimbursement of expenses incurred for traveling, boarding and lodging including for spouse and attendant(s) during business trip, Car for use on Company's business, telephone/cellular phones and other communication facilities at residence will not be considered as perquisites.

In the event of loss or inadequacy of profits, in any financial year, they shall be paid remuneration by way of salary and perquisites as specified above.

5. **Nature of Duties:**

They shall devote their whole time and attention to the business of the Company, perform their duties truly and faithfully and comply with the directives given to them from time to time by the Board and further not to disclose to any person, firm or company any confidential information.

6. **Other Conditions:**

They shall not during their tenure as Executive Directors, become interested or otherwise concerned directly or through any of their family members, in any selling agency of the Company without the prior approval of such authorities, if any, as may be required under the Companies Act, 1956.

7. **Termination:**

(a) The Board is entitled to terminate the Agreement forthwith by notice in writing on their vacation of office of Director by virtue of Sections 283, 284, and other applicable provisions of the Companies Act, 1956.

(b) 6 months' notice in writing by either party.

8. **Arbitration:**

Disputes to be settled by arbitration.

9. Shri Bhaskar M. Parekh and Shri Dilip M. Parekh satisfy all the conditions set out in Schedule XIII to the Act for being eligible for the reappointment. They are not disqualified from being appointed as Directors in terms of Section 274(1)(g) of the Act.

10. A copy of the Agreement will be available for inspection by the Members at the Registered Office of the Company on any working day from Monday to Friday and will be available at the Meeting.

11. The above may be treated as an abstract of the terms of reappointment of Shri Bhaskar M. Parekh and Shri Dilip M. Parekh under Section 302 of the Act.

12. Shri Bhaskar M. Parekh and Shri Dilip M. Parekh are interested in the resolution as set out at item No.5 and 6 of the Notice which pertain to their respective reappointments and remuneration payable to them.

**Registered Office:**

98/4, Prima House,  
Daman Industrial Estate,  
Kadaiya, Nani Daman  
Daman (U.T.), Pin - 396 210.

By Order of the Board of Directors

Mumbai  
May 29, 2013

**Bhaskar M. Parekh**  
Chairman



**DIRECTORS' REPORT, MANAGEMENT DISCUSSION & ANALYSIS REPORT**

Dear Shareholders,

Your Directors submit the 19th Annual Report along with the Audited Statement of Accounts of the Company for the year ended March 31, 2013.

(Rs. In Lacs)

<b>FINANCIAL RESULTS</b>	<b>2012-2013</b>	<b>2011-2012</b>
Gross Income	<b>7,569.21</b>	6,110.02
Profit before Depreciation, Finance Cost and Tax	<b>596.91</b>	520.38
Less : Depreciation	<b>160.70</b>	150.91
Less : Finance Cost	<b>96.78</b>	93.70
Profit/(Loss) before Taxation	<b>339.43</b>	275.77
Less : Current Tax	<b>76.00</b>	56.84
Profit /(Loss) after Tax	<b>263.43</b>	218.93
Add : Balance b/f from previous year	<b>1,837.23</b>	1,796.15
Balance available for appropriation	<b>2,100.66</b>	2,015.08
Appropriation :		
Balance c/f	<b>2,100.66</b>	2,015.08
Less : Proposed Dividend	<b>110.00</b>	110.00
Less: Dividend Tax	<b>17.85</b>	17.85
Less : General Reserve	<b>50.00</b>	50.00
Balance c/f to Balance Sheet	<b>1,922.81</b>	1,837.23

**DIVIDEND**

Based on the Company's performance, the Directors are pleased to recommend a dividend of Rs.1/- per Equity Share (last year Rs. 1/- per Equity Share) for the financial year ended March 31, 2013 amounting to Rs.127.85 lacs (inclusive of tax of Rs.17.85 lacs). The dividend pay out ratio for the current year, inclusive of corporate tax on dividend distribution, is at 48.53%. This Management had balance the dual objectives of rewarding shareholders by dividends and retaining equally for future growth.

**TRANSFER TO RESERVES**

The Company proposes to transfer Rs.50 lacs to the General Reserve out of the amount available for appropriations and an amount of Rs.1922.81lacs is proposed to be retained in the Profit and Loss Account.

**OPERATIONAL PERFORMANCE**

It was a challenging year for the Indian Economy due to higher inflation, steady interest rate and allegation of corruptions in higher places resulting into policy impediments to investment. The Global environment too was not encouraging due to several European economies experienced recession due to high unemployment, banking fragility, fiscal tightening and sluggish growth. Amongst Asian economies, China going through a political transition experienced considerably slow growth etc. Despite these constraints and the challenging environment, your Company performed reasonably well and delivered positive growth in sales, however there is marginal decline in operating margins.

Your Company achieved higher net sales in moulded furniture segment of Rs. 6,679.69 lacs as against Rs. 5,572.35 lacs in the last year. The growth in sales is healthy at 20% in percentage terms. The exports were higher at Rs.1,526.15 lacs as compared to Rs. 1,070.05 lacs in last year. The growth in export too is very impressive at 43% in percentage term. The moulded furniture division has earned its operating profit of Rs. 137.10 lacs as against Rs. 397.83 lacs in last year due to fluctuations in material prices and one time write off of Bad Debts of Rs. 75.00 Lacs.

However the performance of ACP business has adversely impacted due to continuous sluggish commercial real estate sector resulting into under utilization of installed capacity. The sales of ACP division was at Rs. 436.56 lacs as compared to Rs. 464.71 lacs in last year and resulted into a loss of Rs. 153.85 lacs before interest as compared to loss of Rs. 101.32 lacs in last year. The Loss for the year partially attributed to one time write off of Bad Debts of Rs. 115.00 lacs.

The main raw material for ACP division is Coated Aluminum Coil and prices of the Aluminum are driven by global market and at present the prices are within the reasonable range. The Company mainly sources, its raw materials from China & other leading countries.

The far sighted vision of the Promoters of the Company paid rich returns in the year under review and the Company had received a sum of Rs. 475.00 lacs as maturities proceeds of Keyman Insurance policies. These Policies were taken in the past and policy premium were spread over initial 10 years.

Overall the Company's performance is satisfactory and registered a profit before tax of Rs. 339.43 lacs.

## **RECOGNITIONS**

The Company has been awarded the 2nd Runner-up for the category "Best Focus Product Exporter" at the ECGC-D&B Indian Exporters' Excellence Awards 2012.

## **SUBSIDIARY COMPANY**

Due to sluggish world economies and overall weak global economic sentiments, the Company has defer in plans to set up trading and manufacturing base at UAE and decided to surrender license of its subsidiary "Prima Global (FZE)", to the Licensing Authorities of RAK SEZ Ras Al khaimah, UAE. The Company is under process to take necessary approvals / compliance from Indian and UAE Authorities for de-registrations.

## **PERFORMANCE OF JOINT VENTURE**

Prima Dee-lite Plastics Pvt. Ltd., Cameroon, a Joint Venture Company manufacturing Moulded Articles and HDPE Woven Sack Bags. The total turnover of JV Company for the calendar year 2012 was INR 3,267.20 lacs as compared to previous calendar year of INR 1,855.70 lacs. The profit for the year after depreciation and tax was INR 491.86 lacs as compared to INR 357.31 lacs in the previous year.

## **CONSOLIDATED FINANCIAL STATEMENTS**

The Consolidated Financial Accounts form part of this Annual Report.

Pursuant to the provision of Section 212(8) of the Act, the Ministry of Corporate Affairs vide its circular dated February 8, 2011 has granted general exemption from attaching the Balance Sheet, Profit and Loss Account and other documents of the Subsidiary Companies with Balance Sheet of the Company. The annual accounts of these subsidiaries / Joint Venture Companies and the related detailed information are available for inspection by any member at the registered office of the Company. The Company shall furnish a copy of details of annual accounts of subsidiary /Joint Venture Company to any member on demand.

## **MANAGEMENT'S DISCUSSION & ANALYSIS REPORT**

### **OVERVIEW**

Financial Year 2012-13 proved to be a challenging year amidst global economic uncertainties and disturbances in many parts of the World. The Global economy in Financial Year 2012-13 improved at minimal pace, European countries continued to struggle one after another, US is showing little sign of improvement and scenario is not different in Asian economies. Indian economy too has been facing continuous problem of high inflation, policy indecisiveness, high imports and slower exports etc. To overcome these persistent problems, the Reserve Bank of India took tight monetary policy measures leading to higher interest rates. These measures have impacted GDP growth of India in the year under review. However the measures taken by RBI were best in the given situations.

### **MOULDED FURNITURE**

The Moulded Furniture is a highly competitive market and newer and innovative products are always welcome and ruling the market. Prima has continued its trend to give something different to the market and launched two new products in plastics to replace the conventional wooden products and expect good response to these products in the period to come. The Company has achieved growth of 20% in sales; the exports were even higher by more then 40% in the year under review. The Company is putting efforts on increasing its existing distribution network to ensure consolidation of its market and now more focused on this segment. We believe that the Indian consumer product's growth story will stay and unfold a reasonable opportunities for growth plans barring fluctuation of raw material prices. The Company may look forward for an appropriate time to expand its manufacturing base in India or abroad in near future.

### **ALUMINIUM COMPOSITE PANEL**

The Commercial segment of Indian Real Estate has been in over supply position since past 4-5 years and still showing no sign of improvement. However the Residential Segment demands were on raise due to overall shortage of affordable housing and metro cities have seen demand for premium housing projects.

### **BUSINESS OUTLOOK**

#### **MOULDED FURNITURE**

Consumer sector story in India remains intact and the demographic factors combined with rising per capita disposable income is expected to fuel consumption growth in India for a long period of time. As income levels are rising there is also a clear trend of increase in share of non-food expenditure in both rural and urban India. Your Company is well placed to take advantage of the sustained growth of our economy.