75th ANNUAL REPORT

We Excel

We Grow

We Lead

Supreme®
People who know plastics best

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WE EXCEL GROW LEAD

Customer-centric thinking is what Supreme's leadership is all about. No matter what segment they come from, we watch and understand the requirements of our customers. We foresee how these needs can be met with better and improved products. Not thinking of short-term gains, we focus on developing products that go on to serve the long-term needs of our customers.

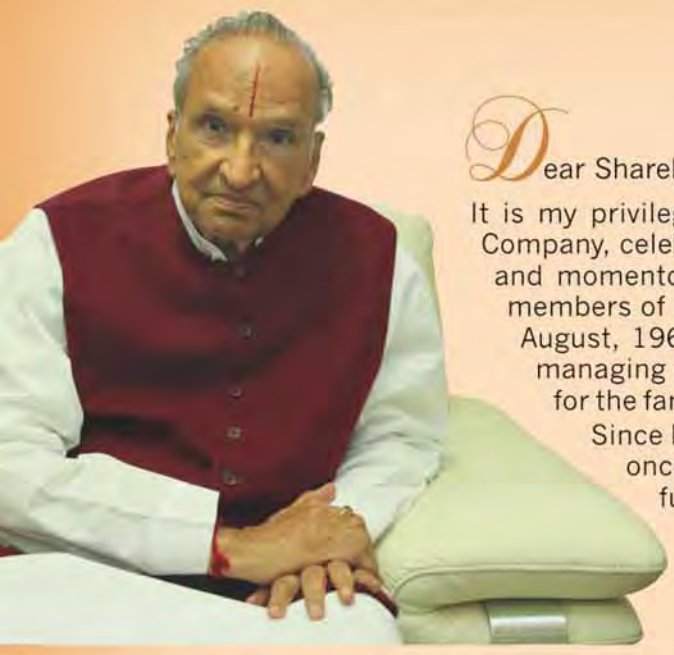
Customer satisfaction is the foundation on which we have build the edifice of Supreme's leadership. In this pursuit of constantly seeking to exceed customers' expectations, we have developed a tradition of innovative thinking and supplementing it with dedicated Research & Development. Thus, we pioneer new products, create new niche avenues and continue on our path of growth & excellence.

At the Supreme Group, we have continued on our path of excellence and growth with dynamic initiatives like creating better products, replacing conventional material with superior specialized options, imbibing the world's finest technologies and following the best-quality practices. We continue to expand our footprints both in manufacturing facilities and distribution network spread across the country. Today, our products roll out from 25 manufacturing facilities, spanning across 11 States and Union Territories. Further we plan to add three more facilities in the current year. Our zeal to grow has no boundaries and we will continue to spread our wings.

Supreme is not just a well-known brand, but one that has come to be a name synonymous with new-age design innovation, world-class quality & proven durability-earning us the trust of millions, not just in India, but across the world. We treasure this trust and stand resolved to continuously strengthen it with our network of plants, offices & distribution network across the country for timely delivery of products and faster after-sales-services to customers.

The Company's key focus was and will always remain to
ADD VALUE TO ITS CUSTOMERS.

Our performance landmarks are our greatest source of inspiration to work with even more dedication and customer-centric devotion. In fact, our achievements and milestones propel us to excel, grow and lead.



Chairman's Message

Dear Shareholders,

It is my privilege to present before you the 75th Annual Report of your Company, celebrating the Platinum Jubilee. The Company has had a long and momentous journey. The present Management comprising of the members of Shri Surajmal Taparia Family had taken over the control in August, 1966; they have also completed their journey of 50 years in managing the company affairs. It is, therefore, a celebratory moment for the family as well.

Since being taken over by the present Management, the Company once having an annual turnover of around Rs. 19 lacs and functioning from two rented small tin shed establishments at Wadala & Naigaun in Mumbai, with Shareholders' Funds of Rs. 17 Lacs, has grown to achieve net turnover of Rs. 4470 crores from 25 manufacturing plants in 11 States & Union Territories, with an increase in Shareholders' Funds to Rs. 1553 crores, as on 31st March, 2017, thus registering a CAGR of 22% and 20% respectively. Your Company, since 1966, has been committed to Plastics & Plastics Processing as its core business which continues as on date.

Your Company's Mission and Vision are to conduct business with ethical practice and WALK OUR TALK. Your Company offers consistent products and services with uncompromising quality, supported by continuous improvements and innovations, thereby exceeding customers' expectations.

Your Company follows with uncompromising zeal, its strong beliefs in integrity and honesty when it comes to dealing with all its stakeholders. With focused energy, insight, creativity and astute business sense, our initiatives have shown tangible results in shape of a constant ascent in our performance graphs.

The pride & glory of Supreme gains a whole new meaning as we look back on our trail-blazing saga of growth. It radiates with our path-breaking innovations in the shape of products and systems that have truly redefined the plastics industry and its markets. Always in pursuit of better quality products and new age designs, every single product rolling out of our state-of-the-art manufacturing facilities, is a glorious example of the highest standards of quality excellence.

In tune with its Quality Philosophy, your Company stands committed to seeing this excellence permeate in every aspect of its operations at every level in the organization. The larger quality consciousness helps us make superior products, exceed the expectations of our existing clients and win new customers with confidence.

The Company has always been a customer-focused enterprise and is a pioneer in introducing many products in India. Your Company has set-up many manufacturing facilities, introduced several new products thereby increasing the application usage of existing products, and also exited from products, which were not beneficial to the stakeholders' interest. The avowed objective of all business decisions has always been to enhance Shareholders' wealth.

Without resting on past laurels, your Company will continue to build on its strengths through effective steps. I am grateful to our stakeholders-customers for their belief in our product quality and services, our suppliers for their unqualified support to supply quality raw material & components and adhere to delivery commitment, our bankers for lending funds & providing services at the finest rate, colleagues whom we recognize as our core asset for their enthusiasm, unstinted devotion and commitment towards the quest of excellence & efficiently steering the company's resources, our Board Members for their wisdom and continuous support; and you, our shareholders for your trust and confidence.

As we all embark on the journey towards the future, we foresee greater challenges and even greater opportunities. Let's collectively dedicate ourselves to the Supreme vision to be :

A) An innovative product manufacturer. b) One of the best employers in the manufacturing segment.

I am confident that the team of your Company with its focused efforts and spirit to excel, shall achieve this vision.

With best wishes,

B. L. Taparia
Chairman
Mumbai

BOARD OF DIRECTORS

Shri R. Kannan
Independent Director

Shri R.M. Pandia
Independent Director

Shri M.P. Taparia
Managing Director

Shri S.J. Taparia
Executive Director

Shri N.N. Khandwala
Independent Director

Smt. Rashna Khan
Independent Director

Shri V.K. Taparia
Executive Director

Shri B.V. Bhargava
Independent Director

Shri B.L. Taparia
Chairman

Shri Y.P. Trivedi
Independent Director

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75 YEARS OF EXCELLENCE

SUPREME, GROWING FROM STRENGTH TO STRENGTH

Supreme Industries Limited is **India's** leading processor of plastics, offering a wide and comprehensive range of plastic products in India.

1942

- THE SUPREME INDUSTRIES LIMITED (Supreme) was founded by the Modi Family, primarily to manufacture and market various products such as tricycles for babies and rubber components, supported by its own rubber plantation in Kerala.
- The Company diversified to make various items such as plastic-moulded goods, cast polyethylene film, and defense components. It further added polyethylene powder coating, pencil sharpeners, poster colours, hessian laminated with tar, and polythene films - to its product portfolio.
- The manufacturing activities were carried out in the two rented premises at Wadala & Naigaun in the city of Mumbai.
- The Company's turnover reached Rs. 18.77 lacs in 1965-66. The rubber plantation was sold. Capital structure of the Company was Equity Capital of Rs. 9.32 lacs consisting of 9323 shares of Rs. 100/- each, Preference share Capital of Rs. 4.62 lacs consisting of 4620 number of 6.25% cumulative preference shares of Rs. 100/- each, and total reserves of Rs. 1.54 lacs.

1966

- The Management of Supreme was taken over by Taparias in August, 1966. They clearly identified the field of plastics and plastic processing as the Company's core business. They closed all other manufacturing activities.

1973-74

- Set-up Company-Owned Andheri Unit to manufacture Injection Moulded Products (Houseware & Industrial Products).

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1978-79

- Set-up the Taloja Unit to manufacture Co-extruded films, HMHDPE film & bags.
- Launched 'Satranj' - P.P. Mats for the first time in India.
- Commenced manufacturing of PVC pipes.

1981-82

- Commenced manufacturing of Polyethylene Foam at the Taloja unit.
- Set-up SILTAP CHEMICALS LTD., a group company, in collaboration with Rasmussen Polymer Development AG of Switzerland to manufacture Cross - Laminated Films.

1982-83

- Set-up the Jalgaon Unit to manufacture P.V.C. Pipes, Fittings, Multilayer Films and Multilayer sheets.

1986-87

- Set-up the Noida Unit to manufacture Industrial Moulded Products and Multilayer films.
- SILTAP commenced production of Cross Laminated Films at Halol in Gujarat.

1989-90

- Set-up a Technology Centre with sophisticated moulds production facilities at Goregaon (Mumbai).
- The sales turnover of Supreme Industries crossed the Rs. 100 crore mark.

1991-92

- Set-up the Daman unit to manufacture Multilayer Sheets and PVC pipes.
- Set-up the Puducherry unit to manufacture Industrial Components, Material Handling and Consumer Products.

1992-93

- Acquired A K Structural Foams Ltd., the manufacturer of Injection Moulded Products, at Talegaon near Pune in Maharashtra.
- Acquired assets of M/s Futuristic Packaging Ltd., a company that specialized in manufacturing multilayer films at Khopoli (Maharashtra). Supreme added Wide-Width Films at the same unit.
- Set-up unit at Malanpur (M.P.) for Protective Packaging Products.
- Set-up the Calcutta Unit to manufacture Industrial Moulded Products and Material Handling Crates.
- Andheri unit became the first Plastics Processing unit in the country to get an IS 14002/ISO 9002 Certificate.

1993-94

- Set-up Klockner Supreme Pentaplast Ltd., a joint - venture with world leaders Klockner Pentaplast GmbH of Germany at Malanpur in M.P. to manufacture the "Penta" - Series of Speciality - Rigid PVC films for pharmaceutical blister packaging, food packaging and display packaging.
- Acquired Mupnar films Ltd. manufacturer of BOPP film & rechristened it as Supreme Oriented Films Ltd.
- Promoted Huntsman Supreme Limited in collaboration with Huntsman Conti (Hongkong) Company Ltd., to manufacture Foam Polystyrene products in Goa.

1994-95

- Technology Centre at Goregaon (Mumbai) became the first Tool Room in the country to acquire the ISO 9001 Certificate.
- Acquired assets of Litelon Pvt Ltd., engaged in manufacturing of non - cross linked PE foam products at Hosur.

1995-96

- Abandoned the project to manufacture Foam Polystyrene products in Goa.
- SUPREME PETROCHEM LTD., a joint - venture between Supreme and the Rajan Raheja Group entered into the polystyrene market with a capacity of 66,000 M.T. per annum in Oct. 1995, set-up on a 332 acre complex at Amdoshi in Maharashtra.

1996-97

- Acquired control of Klockner Supreme Pentaplast Ltd. from Klockner Pentaplast GmbH who was initially a 50% equity partner.
- Rechristened Huntsman Supreme Ltd., to Supreme Industries (Goa) Limited to manufacture Industrial - Moulded Products. (As Huntsman did not want to pursue the business).
- Converted Multilayer Sheet production capacity at Daman to produce Thermoformed Food Service - Ware products.

1997-98

- Acquired the "Profeel Sentinel" division at Nandesari (near Baroda in Gujarat) of Camphor & Allied Industries Ltd., which was manufacturing Protective Packaging Products.
- Set-up another Injection Moulding unit at Puducherry to manufacture Plastics Moulded Furniture, Crates and Industrial Products.
- Relocated the entire Flexible Packaging Division to Khopoli.
- Set-up new unit at Silvassa for Cross Laminated Film products.
- Closed down manufacturing operations at the Andheri (Mumbai) and Taloja (Maharashtra) units.
- Rechristened Klockner Supreme Pentaplast Ltd. to Supreme Vinyl Films Ltd.

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1999-00

- Divested the immovable properties of Technology Centre at Goregaon (Mumbai).
- Discontinued Wide - Width Film business of Packaging Division at Khopoli and sold equipment thereof.

2000-01

- Closed down the operations of Supreme Industries (Goa) Limited and divested the assets.

2001-02

- Added four new Injection Moulding facilities in Punjab, UP, Rajasthan & West Bengal to manufacture Furniture & Crates.
- Merged Supreme Vinyl Films Ltd & Supreme Oriented Films Ltd with Supreme.

2002-03

- Merged Siltap Chemicals Ltd with Supreme.
- Closed down manufacturing operations at Puducherry Unit - 1.

2003-04

- Set-up Guwahati Unit for manufacturing Furniture and Crates.
- Divested the business and assets of BOPP Film Division at Pitampur (M.P.).

2005-06

- Set-up the Wholly-Owned subsidiary, Supreme Industries Overseas (FZE) at SAIF Zone in Sharjah to improve its share of export of plastic piping system.
- Closed down furniture business at Kanpur Unit and revamped it to produce PVC Pipes.

2006-07

- Restructured and revamped the Khushkhera Unit to manufacture Industrial Products.
- Divested immovable properties at the Salt lake Unit (Calcutta).
- Closed down business of Food Service - Ware division at Daman and divested its assets.
- Closed manufacturing operations of Rigid PVC Film at Malanpur (M.P.) and divested its manufacturing equipment.

2007-08

- Commenced commercial production at Gadegaon complex set-up on 132 acres of land to manufacture PVC, HDPE, CPVC, PPR pipes, Handmade Fittings, Furniture & Crates.

2008-09

- Supreme became the first Indian Company to launch Injection-Moulded Pallets in the country.
- Completed share buy-back program by buying back & extinguishing 22,16,300 nos. Equity Shares of Rs. 10/- each (F.V.) at an average price of Rs. 110.86 per share for an aggregate amount of Rs. 24.57 crores.
- Divested immovable properties at Puducherry Unit-I.

2009-10

- Commenced commercial production at the Urse Plant near Pune (Maharashtra) for Protective Packaging products.
- Introduced Gas injection moulded chairs for the first time in the country.
- Relocated its manufacturing equipment from Nandesari to Hosur and divested its immovable properties at Nandesari in Gujarat.
- Monetized the encroached plot of land at Sewri (Mumbai).

2010-11

- Set-up state-of-the-art Knowledge Centre at Gadegaon (Maharashtra) with an investment of over Rs. 10 crores to educate & train users to instal plastic pipe system for various applications in an efficient manner.
- In Mumbai "Supreme Chambers" became Platinum-Rated Green Building built over, about 10,500 sq. yards of land at Andheri, where the first Company-Owned Plant had gone into operation in 1973.
- Set-up two new units at Chennai & Noida for Industrial Products.

2011-12

- Closed down the PP MAT Division.

2012-13

- Set-up a new unit at Hosur for Protective Packaging Products and at Get Muvala in Gujarat for manufacturing Cross Laminated Film products.
- Revamped the Malanpur II Plant to manufacture Plastic Piping System and commenced production.

2013-14

- Installed facility to manufacture varieties of Solvent at the Gadegaon Plant in Maharashtra.

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2014-15

- Acquired world-wide exclusive rights to manufacture & sell Cross-Laminated Film Products from its collaborator.
- Commenced the commercial production of Composite Cylinder Unit at Halol.
- Set-up Composite Pipe Plant at Halol.

2015-16

- Set-up Roto-Moulding Unit at Malanpur to manufacture Water Tanks, Septic Tanks and other Roto-Moulded products.
- Set-up another Plastic Product Complex at Kharagpur in 59 acres of land to manufacture PVC, HD, PPR Pipes, Roto-Moulded Products, Protective Packaging Products and Blow-Moulded Furniture.
- Abandoned the project of Composite Pipes for Oil & Gas exploration.

2016-17

- Commenced manufacture of Roto-Moulded Products at Kanpur.
- Commenced manufacture of Blow-Moulded Furniture at Kharagpur.
- SUPREME PETROCHEM LTD. (SPL) - Over the period of 21 years since it went into production, the Company has expanded its capacities and added the following verticals:

Polystyrene	:	2,55,000 Tons per annum
Expandable Polystyrene (Normal & Food Grade)	:	72,000 Tons Per annum
Extruded Polystyrene Foam	:	1,00,000 M^3 per annum
Styrene Methyl Methacralate (SMMA) (within the polystyrene capacity of 2,55,000 Tons)	:	42,000 Tons per annum
Speciality Polymer Compound	:	30,000 Tons per annum

- Over the years, SPL acquired one Unit at Manali near Chennai. All these investments were made within the original Equity Capital. The Company bought back & extinguished 18,74,562 Equity Shares of Rs. 10/- each in aggregate through its two buy back programs in 2008-09 and 2013-14 and reduced its paid Share Capital by Rs. 1.87 crores. Since 2015-16 the Company has become Debt-Free.
- THE SUPREME INDUSTRIES LIMITED now has 25 manufacturing plants located in 11 States & Union Territories of India. The net turnover of the Company in the year ended 31st March, 2017 was Rs. 4,470 Crores. The Company's Capital Structure as on 31st March, 2017 is Equity Share Capital of Rs. 25.41 crores consisting of 12,70,26,870 equity shares of Rs. 2/- each (which includes 9,44,36,045 nos. Equity Shares issued as Fully Paid Bonus Shares out of Reserves) and Total Reserves of Rs. 1528.04 Crores.