

UNION QUALITY PLASTICS LIMITED

33rd *Annual Report*

2016 - 2017



UNION QUALITY PLASTICS LIMITED

2016 – 17

CORPORATE INFORMATION

BOARD OF DIRECTORS	:	Mr. Zuzar A. Kathawala Chairman & Managing Director Mrs. Durriya Z. Kathawala Women Director Mrs. Naseem Arsiwala Independent Director Mr. Rameshchandra K. Mishra Independent Director
BANKERS	:	The City Co-operative Bank Limited
AUDITORS	:	M/S. Parekh Shah & Lodha, Mumbai Chartered Accountants, M/s. K. V. Rao & Co. Company Secretaries, Navi Mumbai
SHARE REGISTRAR & TRANSFER AGENT	:	Bigshare Services Private Limited 1 st Floor, Bharat Tin Works Building, Opp. Vasant Oasis, Makwana Road, Marol, Andheri East, Mumbai 400059, Maharashtra, India. Tel. No. 28523474, 28650652/53, 56936291 Fax No.-28525207. Email: bigshare@bom7.vsnl.net.in
REGISTERED OFFICE	:	UNION QUALITY PLASTICS LIMITED Plot No. 42, 4 th Floor, Cambatta Building, East Wing, Sir Jamshedji Road, Churchgate, Mumbai- 400020.
FACTORIES	:	UNION QUALITY PLASTICS LIMITED Plot No. 204 & 205, G.I.D.C. Industrial Estate, Umbergaon-396171, Dist. Bulsar, Gujarat.

**NOTICE**

NOTICE IS HEREBY GIVEN THAT THE THIRTY THIRD ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD ON SATURDAY, 30TH SEPTEMBER, 2017 AT 11.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT PLOT NO. 42, 4TH FLOOR, CABBATTA BUILDING, EAST WING, SIR JAMSHEDJI TATA ROAD, CHURCHGATE, MUMBAI- 400 009, TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

- 1 To receive, consider and adopt the Audited Statement of Profit & Loss Account for the year ended 31st March, 2017 and the Balance Sheet as at that date together with the Reports of Board of Directors and the Auditors Report thereon.
- 2 To appoint a Director in place of Mr. Zuzar Ahmedali Kathawala (DIN- 00101783) who retires by rotation in terms of section 152(6) of the Companies Act, 2013 and being eligible, offers himself for re-appointment
- 3 Appointment of Statutory Auditor

To consider and if thought fit, to pass with or without modification (s), the following resolution as an Ordinary Resolution:

RESOLVED THAT pursuant to the provisions of section 139, 142 and other applicable provisions, if any, of the Companies Act, 2013 (the Act), and the Companies (Audit and Auditors) Rules, 2014 (including any statutory modification(s) or re-enactment thereof, for the time being in force) and pursuant to recommendation of the Audit Committee and the Board of Directors, NSVR & Associates LLP, Chartered Accountants, Hyderabad (Firm Registration No. 008801S/S200060) be and are hereby appointed as Statutory Auditors of the Company in place of M/s. Parekh Shah & Lodha, Chartered Accountants (Firm Registration No.107487W), Mumbai, who shall hold office for a period of five years, from the conclusion of this annual general meeting until the conclusion of the annual general meeting of the Company to be held for the F.Y. 2021-2022 subject to ratification by shareholders at each annual general meeting to be held hereafter, on a remuneration as may be determined by Board of Directors.

'RESOLVED FURTHER THAT the Board of Directors of the Company (including its Committee thereof), be and is hereby authorised to do all such acts, deeds, matters and things as may be considered necessary, desirable or expedient to give effect to this resolution.'

Registered Office:

Plot No. 42, 4th Floor, Cabbatta Build.,
East Wing, Sir Jamshedji Tata Road,
Churchgate, Mumbai- 400020.

**By order of the Board of Directors of
Union Quality Plastics Limited**

Place: Mumbai
Date: 28th August, 2017

**Zuzar Kathawala
Managing Director
(Din No.: 00101783)**

**Durriya Kathawala
Director
(DIN No.: 00338824)**



NOTES

1. A MEMBER ENTITLED TO ATTEND THE VOTE AT THE ANNUAL GENERAL MEETING (“THE MEETING”) IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF/HERSELF AND THE PROXY NEED NOT BE MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING THE PROXY SHOULD, HOWEVER, BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A PERSON CAN ACT AS A PROXY ON BEHALF OF MEMBER NOT EXCEEDING FIFTY AN DHOLDING IN THE AGGREGATE NOT MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS. A MEMBER HOLDING MORE THAN TEN PERCENT OF THE TOTAL SHARE CAPITAL OF THE COMPANY CARRYING VOTING RIGHTS MAY APPOINT A SINGLE PERSON AS PROXY AND SUCH PERSON SHALL NOT ACT AS A PROXY FOR ANY OTHER PERSON OR SHAREHOLDER.
2. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, members would be entitled to inspect the proxies lodged, at any time during the business hours of the Company, provided not less than 3 days’ written notice is given to the Company.
3. Pursuant to the provisions of section 91 of the Companies Act, 2013, the register of members and share transfer books of the Company will remain closed from **Friday 22nd September, 2017** to **Saturday 30th September, 2017** both days inclusive.
4. Subject to the provisions of section 126 of the Companies Act, 2013, dividend on equity shares, if declared at the annual general meeting, will be credited/dispatched between **Tuesday 03 October 2017** and/or **Friday 06 October 2017** as under:
 - a) to all those beneficial owners holding shares in electronic form, as per the beneficial ownership data made available to the Company by National Securities Depository Ltd. (NSDL) and/or the Central Depository Services (India) Ltd. (CDSL) as of the close of business hours on **Thursday 21st September 2017**; and
 - b) to all those shareholders holding shares in physical form, after giving effect to all the valid share transfers lodged with the company / share transfer agent (i.e., Bigshare Services Private Limited) on or before the closing hours on **Thursday 21st September 2017**.
5. As per the SEBI Listing Regulations, 2015, the Company shall use any electronic mode of payment approved by the Reserve Bank of India for making payment to the members. Where the dividend cannot be paid through electronic mode, the same will be paid by warrants with bank account details printed thereon. In case of non-availability of bank account details, address of the members will be printed on the warrants.
6. To ensure timely credit of dividend through the electronic mode or dividend warrants/payment instruments, members are requested to notify change of address, or particulars of their bank account, if changed, along with the 9 digit MICR/relevant details along with a photocopy of a ‘cancelled’ cheque of the bank account and self-attested copy of Permanent Account Number (PAN) card, to the respective depository participant, in case of shares held in demat mode/share transfer agent of the Company, in case of shares held in physical mode, on or before **Thursday 21st September 2017**.
7. To avoid fraudulent transactions, the identity/signature of the members holding shares in electronic/demat form is verified with the specimen signatures furnished by NSDL/CDSL and that of members holding shares in physical form is verified as per the records of the share transfer agent of the Company. Members are requested to keep the same updated.
8. The Securities and Exchange Board of India (SEBI) has mandated the submission of PAN by every person dealing in the securities market. Members holding shares in electronic form are, therefore, requested to submit the 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 or Bigshare Services Private Limited.
9. In terms of section 101 and 136 of the Companies Act, 2013 read together with the Rules made thereunder, the listed companies may send the notice of annual general meeting and the annual report, including Financial Statements, Board Report, etc. by electronic mode. The Company is accordingly forwarding soft copies of the above referred documents to all those members, who have registered their email ids with their respective depository participants or with the share transfer agent of the Company.
10. To receive shareholders’ communications through electronic means, including Annual Reports and Notices, members are requested to kindly register/update their email address with their respective depository participant, where shares are held in electronic form. If, however, shares are held in physical form, members are advised to register their email address with Bigshare Services Private Limited. Ltd. on bigshare@bom7.vsnl.net.in .
11. With a view to help us serve the members better, members who hold shares in identical names and in the same order of names in more than one folio are requested to write to the Company to consolidate their holdings in one folio.



12. Members, who still hold share certificates in physical form are advised to dematerialise their shareholding to avail of the numerous benefits of dematerialisation, which include easy liquidity, ease of trading and transfer, savings in stamp duty and elimination of any possibility of loss of documents and bad deliveries.
13. Documents referred to in the Notice and the explanatory statement shall be open for inspection by the members at the registered office of the Company on all working days (Monday to Friday) from 10.00 a.m. to 1.00 p.m. except holidays, up to the date of the meeting.
14. The Company has been maintaining, inter alia, the following statutory registers at its registered office, which are open for inspection in terms of the applicable provisions of Companies Act, 2013 by members and others as specified below:
 - i. Register of contracts or arrangements in which directors are interested under section 189 of the Companies Act, 2013, on all working days during business hours. The said Register shall also be produced at the commencement of the annual general meeting of the Company and shall remain open and accessible during the continuance of the meeting to any person having the right to attend the meeting.
 - ii. Register of Directors and Key Managerial Personnel and their shareholding under section 170 of the Companies Act, 2013, on all working days during business hours. The said Register shall be kept open for inspection at the annual general meeting of the Company and shall be made accessible to any person attending the meeting.
15. Pursuant to section 72 of the Companies Act, 2013, members holding shares in physical form are advised to file nomination in the prescribed Form SH-13 with the Company's share transfer agent. In respect of shares held in electronic/demat form, the members may please contact their respective depository participant.
16. In terms of section 124(5) of the Companies Act, 2013, dividend amount if any for the year ended 31st March 2010 remaining unclaimed for a period of seven years has become due for transfer in September 2017 to the Investor Education and Protection Fund (IEPF) established by the Central Government.

Further, in terms of section 124(6) of the Act, in case of such shareholders whose dividends are unpaid for a continuous period of seven years, the corresponding shares shall be transferred to the IEPF demat account. Members who have not claimed dividends in respect of the financial years from 2009-10 onwards are requested to approach the Company/Bigshare Services Private Limited for claiming the same as early as possible, to avoid transfer of the relevant shares to the IEPF demat account.
17. Corporate members are requested to send in advance, a duly certified copy of the Board Resolution/Power of Attorney authorising their representative to attend the annual general meeting.
18. Members/Proxies are requested to bring the attendance slip/proxy form duly filled and signed for attending the meeting. Proxies are requested to bring their identity proof to the meeting for the purpose of identification.
19. Please note that for security reasons, no article/baggage will be allowed at the venue of the meeting.
20. For more details on shareholders' matters, please refer to the chapter on General Shareholder Information, included in the Annual Report.
21. **Voting through electronic means –**

In terms of the provisions of section 108 of the Companies Act, 2013 (the Act), read with rule 20 of the Companies (Management and Administration) Rules, 2014 as amended (hereinafter called 'the Rules' for the purpose of this section of the Notice) and regulation 44 of the SEBI Listing Regulations, 2015, the Company is providing remote e-voting facility to exercise votes on the items of business given in the Notice through electronic voting system, to members holding shares as on **Saturday 23rd September 2017** (End of Day), being the Cut-off date for the purpose of Rule 20(4)(vii) of the Rules fixed for determining voting rights of members, entitled to participate in the remote e-voting process, through the e-voting platform provided by Bigshare Services Private Limited or to vote at the annual general meeting. Person who is not a member as on the cut-off date should treat this Notice for information purposes only.

The instructions for remote e-voting are as under:

A. For members who receive Notice of annual general meeting through email:

- i. Log on to the e-voting website www.evotingindia.com
- ii. Click on "Shareholders" tab.
- iii. Now, select the "COMPANY NAME" from the drop-down menu and click on "SUBMIT"
- iv. Now Enter your User ID



- a. For CDSL: **16 digits beneficiary ID,**
 - b. For NSDL : **8 Character DPID followed by 8 Digits ClientID,**
 - c. Members holding shares in Physical Form should **enter Folio Number registered with the Company.**
- v. Next enter the Image Verification as displayed and Click on Login.
- vi. If you are holding shares in de-mat form and have log down www.evotingindia.com and voted on an earlier voting of any company, then your existing password is to be used.
- vii. If you are a first-time user follow the steps given below:

For Members holding shares in Demat Form and Physical Form	
PAN	Enter your 10 digital alpha-numeric*PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)
	<ul style="list-style-type: none"> Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number (refer serial no. printed on the name and address sticker/Postal Ballot Form/mail) in the PAN field.
	<ul style="list-style-type: none"> In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with serial number 1 then enter RA00000001 in the PAN Field.
DOB	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.

- viii. After entering these details appropriately, click on "SUBMIT" tab.
- ix. Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

B. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

- i. Click on the EVSN for the relevant <Company Name> on which you choose to vote.
- ii. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- iii. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.
- iv. After selecting the resolution, you have decided to vote on, click on "SUBMIT". A confirmation box will be display. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.
- v. Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.
- vi. You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.
- vii. If Demat account holder has forgotten the changed password, then Enter the User ID and the image verification code and click on Forgot Password & entering the details as prompted by the system.
 - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to logon to <https://www.evotingindia.com> and register themselves as corporate.
 - They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.



- After receiving the login details, they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to **helpdeskevoting@cdslindia.com** and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, in PDF format in the system for the scrutinizer to verify the same.

C. In case of members receiving the physical copy:

- i. Members holding shares either in demat or physical mode, who are in receipt of Notice in physical form, may cast their votes using the e-voting facility, for which the User Id and Initial password are provided on the attendance slip. Please follow steps as provided under heading 'A' above to vote through e-voting platform.
- a. The voting period begins on **Wednesday, 27th September, 2017** (10.00 A.M.) and ends on **Friday 29th September, 2017** (5.00 P.M.) During this period shareholders of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date **Saturday 23rd September, 2017** may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.
- b. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at **www.evotingindia.com** under help section or write an email to **helpdesk.evoting@cdslindia.com**.

Registered Office:
Plot No. 42, 4th Floor, Cambatta Build.,
East Wing, Sir Jamshedji Tata Road,
Churchgate, Mumbai- 400020.

**By order of the Board of Directors of
Union Quality Plastics Limited**

Place: Mumbai
Date: 28th August, 2017

Zuzar Kathawala
Managing Director
(Din No.: 00101783)

Durriya Kathawala
Director
(DIN No.: 00338824)

**Explanatory statement under Section 102 of the Companies Act, 2013****1. BRIEF RESUME OF DIRECTORS SEEKING RE-APPOINTMENT AT THE ANNUAL GENERAL MEETING PURSUANT TO REGULATION 36(3) OF THE SEBI LISTING REGULATIONS, 2015**

As regards re-appointment of Zuzar A. Kathawala, (DIN No. 00101783) referred to in Item No. 2 of the Notice under Ordinary business, the following disclosures are made for the information of the shareholders:

Mr. Zuzar A. Kathawala, (DIN No. 00101783) retire by rotation at the ensuing 33rd Annual General Meeting and being eligible, offers himself for reappointment. Mr. Zuzar A. Kathawala represents the Promoter Group and holds 798900 Equity Shares of the Company aggregating to 16.52 % of the total paid up share capital of the company.

Name of Director	Mr. Zuzar A. Kathawala
Age (years)	64
Qualifications	B.Com, LLB
Expertise	Kathawala has been running business in India for over 35 years with concerns manufacturing, real estate, media and education.

Mr. Zuzar A. Kathawala- Other Directorships:

Sr. No.	Name of the Company	Board Position Held
01	Sara Jahan Initiatives Private Limited	Director
02	General Machinery and Technical Services Limited	Director
03	M' cons Media Marketing Private Limited	Director
04	Shimiz Private Limited	Director

Mr. Zuzar A. Kathawala- Committee Position Held:

Sr. No.	Name of the Company	Name of the Committee	Position Held
01	Union Quality Plastics Limited	Audit Committee Risk and Management Committee	Member Member

2. Appointment of Statutory Auditor

As regards appointment of statutory auditors referred to in Item No. 3 under Ordinary business of the Notice, the following disclosures are made for the information of the shareholders

As per the provisions of section 139 of the Companies Act, 2013, no listed company shall appoint an audit firm as auditors for more than two terms of five consecutive years. The Act also provided for an additional transition period of three years from the commencement of the Act i.e. 01st April 2014. the term of the current auditors viz M/s. Parekh Shah & Lodha, Chartered Accountants (Firm Registration No.107487W), Mumbai expires at the conclusion of the ensuing annual general meeting.

The Board of Directors at its meeting held on 28th August, 2017, based on the recommendation of the Audit Committee has recommended the appointment of NSVR & Associates LLP, Chartered Accountants, Hyderabad (Firm Registration No. 008801S/S200060), as the statutory auditors of the Company for approval by the members.

NSVR & Associates LLP, Chartered Accountants have consented to the said appointment and confirmed that their appointment, if made, would be within the limits specified under section 141(3) (g) of the Act and that they are not disqualified to be appointed as statutory auditors, in terms of section 143 of the Act.

NSVR & Associates LLP, Chartered Accountants will be appointed as the statutory auditors of the Company for a period of five years, from the conclusion of this annual general meeting until the conclusion of the annual general meeting of the Company to be held for the F.Y. 2021-2022 subject to ratification by shareholders at each annual general meeting to be held hereafter, on a remuneration as may be determined by Board of Directors.

**Brief profile of the Auditors is as under:**

NSVR & Associates LLP, Chartered Accountants, Hyderabad (Firm Registration No. 008801S/S200060) is a firm of Chartered Accountants registered with the Institute of Chartered Accountants of India. The audit firm was established in the year 2017 as Limited Liability Partnership firm (LLP) incorporated in India and formerly known as Nekkanti Srinivasu & Co. It has registered office at Flat No.202, Nestcon Gayatri, Plot No.28 Panchavati Cooperative Society, Road No.10, Banjara Hyderabad Hyderabad TG 500034 IN. It is primarily engaged in providing audit and assurance services to its clients.

None of the directors or key managerial personnel or their relatives are concerned or interested in the said resolution. The Board commends the resolution for approval.

Registered Office:

**Plot No. 42, 4th Floor, Cambatta Build.,
East Wing, Sir Jamshedji Tata Road,
Churchgate, Mumbai- 400020.**

**By order of the Board of Directors of
Union Quality Plastics Limited**

Place: Mumbai

Date: 28th August, 2017

**Zuzar Kathawala
Managing Director
(Din No.: 00101783)**

**Durriya Kathawala
Director
(DIN No.: 00338824)**



DIRECTORS' REPORT

The Directors have pleasure in presenting their 33rd Annual Report together with Audited Accounts of the Company for the year ended 31st March, 2017.

1. FINANCIAL PERFORMANCE & OPERATIONS:

(Rs. In Lacs)

Particulars	31 st March 2017	31 st March 2016
Turnover (including other income)	4322.26	4712.78
Profit before Other Income, Depreciation & Interest	285.76	633.43
Less:		
Depreciation	18.46	21.38
Interest	111.40	63.42
Profit/(Loss) before Tax	155.90	548.63
Less:		
Provision for taxation	13.91	(0.79)
Profit/(Loss) for the year ended	141.99	549.42
Add:		
Profit brought forward from the previous year	--	--
Available for appropriation	--	--
Appropriations:		
Transfer to General Reserve	--	--
Transfer to Debenture Redemption Reserve	--	--
Dividend from Own shares	--	--
Transfer to Capital Reserve	--	--
Transfer to foreign Currency Translation Reserve	--	--
Adjustment to minority interest	--	--
Dividend (Proposed) Equity Shares	--	--
Tax on Dividend	--	--
Other adjustments	--	--
Balance carried to Balance Sheet	141.99	549.42

Total income for the year has decreased from ₹ 4712.78 Lakhs (F.Y.2015-16) to ₹ 4322.26 Lakhs (F.Y.2016-17) and profit after tax has decreased from ₹ 549.42 Lakhs (F.Y.2015-16) to ₹ 141.99 Lakhs (F.Y.2016-17).

2. DIVIDEND:

In view of accumulated losses by company, your Directors had not recommended any dividend for this year.

**3. SHARE CAPITAL:**

The paid-up Equity Share Capital as on 31st March, 2017 was 4.73 Crore. During the year under review, the Company has forfeited and cancelled 1,01,500 partly paid-up Equity Shares of the Company for non-receipt of Allotment/Call money within stipulated time. Further the Company has not issued shares with differential voting rights nor granted stock options nor sweat equity During the fiscal year 2016-17.

4. TRANSFER TO RESERVES

As Company has accumulated losses in the reserves and the profit earned during 2016-17 is transferred to write-off these accumulated losses.

5. FIXED DEPOSIT:

The Company did not invite or accept deposit from public during the year under review.

6. PLASTICS INDUSTRY OUT LOOK AND OPPORTUNITIES:

The year 2016-17 was a challenging year for the Company due to the unstable market conditions. High volatile in raw materials supply as well as prices variation lead to fluctuation in production capacity. There was shortage of raw material supply especially in last few quarters due to shortage of raw material in market. There is increase in competition due to new entrant in these over-crowded industries that leads to lower margin of our products. the company is taking all necessary steps to maintain the optimum level of production and provide best service to customers. The company is looking for new markets where margin is high.

7. QUALITY MANAGEMENT:

The company is committed to supply products and services confirming to customers' requirements by involving employees, vendors sub- contractors and customers to achieve its vision of being a cost- efficient global suppliers of quality products.

8. PARTICULARS OF EMPLOYEE:

The information required pursuant to Section 197 read with Rule, 5 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules,2014 in respect to employees of the Company, will be provided on request.

9. DIRECTORS:

In pursuance of the Companies Act, 2013 and Articles of Associations of the Company Mr. Zuzar Ahmedali Kathawala (DIN- 00101783) retires by rotation and being eligible, offer's himself for re- appointment.

10. NUMBER OF MEETINGS OF THE BOARD

The Board of the Company met 08 times during the last financial year on the following dates: -27th May, 2016, 16th June 2016, 13th August, 2016, 11th November, 2016, 29th December, 2016, 18th January, 2017, 09th February, 2017 and 31st March, 2017.

11. DECLARATION BY INDEPENDENT DIRECTORS

The independent directors have submitted the declaration of independence, as required pursuant to section 149(7) of the Companies Act, 2013 stating that they meet the criteria of independence as provided in section 149 (6) of the said Act.

12. MANAGERIAL REMUNERATION:

The Company has paid Managerial Remuneration or other benefits to any of its Directors. The Board of Directors has framed a Remuneration Policy that assures the level and composition of remuneration is reasonable and sufficient to attract, retain and motivate Directors, Key Managerial Personnel and Senior Management to enhance the quality required to run the Company successfully. All the Board Members and Senior Management personnel have affirmed time to time implementation of the said Remuneration policy. The Managerial Remuneration which is paid to Directors and Key Managerial personal(s) are provided in Annexure C 'MGT-9' provided with this Director's Report.

**13. LOANS, GUARANTEES AND INVESTMENTS IN ACCORDANCE WITH SECTION 186**

Loans, guarantees and investments covered under Section 186 of the Companies Act, 2013 form part of the Notes to the financial statements provided in this Annual Report.

14. MATERIAL CHANGES AND COMMITMENTS

There have been no material changes and commitments affecting the financial position of the Company, which have occurred between the end of the financial year and the date of this Report.

15. CODE OF CONDUCT

The Board of Directors has laid down a Code of Conduct applicable to the Board of Directors and Senior Management. All the Board Members and Senior Management personnel have affirmed compliance with the code of conduct.

16. DIRECTOR'S RESPONSIBILITY STATEMENTS:

To the best of their knowledge and belief and according to the information and explanations obtained by them, your Directors make the following statements in terms of Section 134(3)(C) of the Companies Act, 2013:

- a. That in the preparation of the annual financial statements for the year ended 31st March, 2017 the applicable accounting standards have been followed along with proper explanation relating to materials departures, if any;
- b. That such accounting policies as mentioned in Notes of the Financial Statements have been selected and applied consistently and judgment and estimates have been made 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, 2017 and of the Profit/(Loss) of the Company for the year ended on that date.
- c. That proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with provisions of the Companies Act, 2013 for safeguarding the assets of the Company and preventing and detecting fraud and other irregularities;
- d. That the annual financial statement has been prepared on-going concern basis;
- e. that proper internal financial controls were in place and that the financial controls were adequate and were operating effectively;
- f. that systems to ensure compliances with the provisions of all applicable laws were in place and were adequate and operating efficiency.

17. CONSERVATION OF ENERGY, ABSORPTION OF TECHNOLOGY AND FOREIGN EXCHANGE AND OUTGO:

The information on conservation of energy, technology absorption and foreign exchange earnings and outgo stipulated under Section 134 (3) (m) of the Companies Act, 2013 is given below;

A. Conservation of Energy:

Continues monitoring and awareness amongst employees has helped to avoid waste of energy. Adequate measures had helped in reducing the consumption of energy and overall electricity bill.

It is planned to extend the measures taken during the current year which yielded satisfactory results, to other areas/equipment/offices.

B. Technology Absorption:

Company has not incurred major expenditure on R&D activity during the year under review; however, the company is searching various technology and method which will help in reducing the consumption of energy, increase in input/output ration produce internationally acceptable quality products, company have the ISO 9001:2000 Certificate.

Information regarding technology imported during the last five years:

- | | | |
|------------------------|---|----|
| a. Technology imported | : | No |
| b. Year of Import | : | No |



- c. Has technology been fully absorbed : N.A.
- e. If not fully absorbed, are as where : N.A.
this has not taken place, reasons
therefore and future plans of actions

C. Foreign Exchange:

The foreign exchange used and earned during the year:

Particulars	Current Period	Previous Period
Foreign Exchange Earning	411.96	566.54
Foreign Exchange Outgo	2.74	--

18. RELATED PARTY TRANSACTION AND DETAILS OF LOANS, GUARANTEES, INVESTMENT & SECURITIES PROVIDED

Information about Related Party transactions if any, are provided in the financial statements.

19. AUDITORS:**1.) STATUTORY AUDITOR: -**

NSVR & Associates LLP, Chartered Accountants, Hyderabad (Firm Registration No. 008801S/S200060) be and are hereby appointed as Statutory Auditors of the Company in place of M/s. Parekh Shah & Lodha, Chartered Accountants (Firm Registration No.107487W), Mumbai, who shall hold office for a period of five years, from the conclusion of this annual general meeting until the conclusion of the annual general meeting of the Company to be held for the F.Y. 2021-2022 subject to ratification by shareholders at each annual general meeting to be held hereafter, on a remuneration as may be determined by Board of Directors.

2.) SECRETARIAL AUDITOR: -

Pursuant to the provisions of section 204 of the Companies Act, 2013 and Rules made thereunder, the Company has appointed, M/s. K. V. Rao & Co, a firm Company Secretaries in Practice to undertake the secretarial audit of the Company. Secretarial audit report for the year 2016-17 issued by him in the prescribed form MR-3 is annexed to this Report.

20. AUDITOR'S OBSERVATION:

The comment of the auditors in their reports is self-explanatory and need no further clarification. And Management also trying to comply which is requires as per the laws applicable to the Company.

21. RISK MANAGEMENT POLICY

The Company has a risk management policy, which from time to time, is reviewed by the Audit Committee of Directors as well as by the Board of Directors. The Policy is reviewed quarterly by assessing the threats and opportunities that will impact the objectives set for the Company as a whole. The Policy is designed to provide the categorization of risk into threat and its cause, impact, treatment and control measures. As part of the Risk Management policy, the relevant parameters for protection of environment, safety of operations and health of people at work and monitored regularly with reference to statutory regulations and guidelines defined by the Company.

22. EXTRACT OF ANNUAL RETURN:

The extract of Annual return in Form – MGT-9 has been attached herewith.

23. SUBSIDIARIES AND JOINT VENTURES

Company do not have any Subsidiaries and Joint Ventures.

24. WHISTLE BLOWER POLICY/VIGIL MECHANISM

Pursuant to section 177(9) of the Companies Act, 2013 and clause 49 of the erstwhile Listing Agreement (now corresponding to



regulation 22 of the SEBI Listing Regulations, 2015), the Board at its meeting amended the existing Whistle Blower Policy. The Whistle Blower Policy/Vigil mechanism provides a mechanism for the director/employee to report, without fear of victimisation, any unethical behaviour, suspected or actual fraud, violation of the Code of Conduct etc. which are detrimental to the organisation's interest. The mechanism protects whistle blower from any kind of discrimination, harassment, victimisation or any other unfair employment practice. The Company affirms that no employee has been denied access to the Audit Committee. The directors in all cases and employees in appropriate or exceptional cases will have direct access to the Chairman of the Audit Committee.

25. INTERNAL COMPLAINT COMMITTEE (SEXUAL HARASSMENT)

As per the Section 4 of Sexual Harassment of Women at work place (Prevention, Prohibition and Redressal) Act, 2013 during the relevant financial year, Internal Complaint Committee constituted for the purpose of prevention and maintain the secure safe environment free from sexual harassment as per the Article 21 of the Constitution of India.

There were no complaints received during the year 2016-17

26. INTERNAL FINANCIAL CONTROL AND ITS ADEQUACY:

The Board has adopted policies and procedures for ensuring the orderly and efficient conduct of its business, including adherence to the Company's policies, safeguarding of assets, prevention and detection of frauds and errors, accuracy and completeness of the accounting records and the timely preparation of reliable financial disclosures.

27. LISTING

The Equity Shares of the Company are listed on BSE Limited & Ahmedabad Stock Exchange Limited. The Company is regular in payment of Annual Listing Fees. The Company has paid Listing fees up to the year 2016-17.

28. CORPORATE SOCIAL RESPONSIBILITY

The provisions of Corporate Social responsibility are not applicable to the Company.

29. CORPORATE GOVERNANCE

As per SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, Corporate Governance is not applicable to the Company.

30. ACKNOWLEDGEMENTS:

Your Directors thanks all its valued customers and various Governments, Semi-Government and Local Authorities, Suppliers and other business associates. Your Directors appreciate continued support from Banks and Financial Institutions and look forward to their co-operation in the future. Your Directors place on record their appreciation of the dedicated efforts put in by the employees at all levels and wish to thanks' and shareholders and all other stakeholders for their unstinted support and co-operation.

Registered Office:

Plot No. 42, 4th Floor, Cambatta Build.,
East Wing, Sir Jamshedji Tata Road,
Churchgate, Mumbai- 400020.

**By order of the Board of Directors of
Union Quality Plastics Limited**

Place: Mumbai

Date: 28th August, 2017

**Zuzar Kathawala
Managing Director
(Din No.: 00101783)**

**Durriya Kathawala
Director
(DIN No.: 00338824)**



ANNEXURE 'A' TO BOARD'S REPORT CSR REPORT

(NOT APPLICABLE)

**ANNEXURE 'B' TO DIRECTOR'S REPORT****Form- MR-3****SECRETARIAL AUDIT REPORT****For the Financial Year ended March 31, 2017**

[Pursuant to Section 2049(1) of the Companies Act, 2013 and Rule No. 09 of the Companies (Appointment and Remuneration Personnel) Rules, 2014]

To,
The Member,
UNION QUALITY PLASTICS LIMITED
42, 4th Floor, Cambatta Building,
East Wing, Sir Jamshedji Tata Road,
Churchgate, Mumbai- 400 020.

I have conducted the Secretarial Audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by Union Quality Plastics Limited having CIN No.: U25209MH1984PLC033595 (hereinafter called the Company). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my 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 authorised representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on March 31, 2017 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.

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Union Quality Plastics Limited for the financial year ended on March 31st, 2017 according to the provisions of;

- (i) The Companies Act, 2013 and the Companies Act, 1956 (to the extent applicable) (the Act) and the rules made there under;
- (ii) The Securities Contracts (Regulation) Act, 1956(SCRA) and the rules made there under;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-law framed hereunder;
(information not available so unable to comment)
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made there under to the extent of foreign direct investment, overseas direct investment and external commercial borrowing;
(Not Applicable during the Audit period)
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India, 1992 ('SEBI Act'):-
 - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
(Not Applicable during the Audit period)
 - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 1992;
(Based on available information I am unable to comment anything)
 - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
(Not Applicable 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 during the Audit period)
 - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008;
(Not Applicable during the Audit period)



- (f) The Securities and Exchange Board of India (Registration to an Issue and Share Transfers Agents Regulations, 1993 regarding the Companies Act and dealing with client.
(Not Applicable during the Audit period)
- (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009;
(Not Applicable during the Audit period)
- (h) The Securities and Exchange Board of India (Buyback of Securities) Regulations, 1998;
(Not Applicable during the Audit period)
- (vi) Other Laws applicable to the Company;

Based on explanation given by the Company about the nature of Business there are no any other specifically applicable laws or any special laws applicable to the Company which operates in sector of Containers & Packaging Industry.

I have also examined compliance with the applicable clause of the following;

- (i) The Secretarial Standards issue by the Institute of Company Secretaries of India.
- (ii) Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.
(Based on available information I am unable to comment anything)

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

- a. *Company Secretary is not appointed.*
- b. *Website of Company is not updated*

I further report that The Board of Directors of the Company is constituted with proper balance of Executive Directors, Non-Executive Directors, One women Director and Independent Directors. There were no changes in the composition of the Board of Directors that took place during the period under review.

I further report that Adequate notice is given to all directors to schedule the Board Meetings including Committees thereof, along with the agenda and detailed notes on agenda 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 by the directors. The decisions were carried unanimously.

I further report that there is 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.

I further report that During the audit period the company has no specific events / actions having a major bearing on the company's affairs in pursuance of the above referred laws, rules, regulations, guidelines, standards, etc. referred to above

**For K. V. Rao & Co.
Company Secretaries**

**K. Venugopalrao
Proprietor
ACS: 32965
CP: 12120**

**Navi Mumbai
28th August, 2017**



“ANNEXURE A”

To,
The Members,
Union Quality Plastics Limited,
379/381, Narshi Natha Street,
AGH Chambers, 5th Floor,
Mumbai, Maharashtra, 400009, India.

My 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. My responsibility is to express an opinion on these secretarial records based on our audit.
2. I 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 the test basis to ensure that correct facts are reflected in Secretarial records. I believe that the processes and practices, followed by me provide a reasonable basis for my opinion.
3. I have not verified the correctness and appropriateness of financial records and books of accounts of the Company.
4. Where ever required, I have obtained the Management representation about compliance of laws, rules and regulations and happenings of events etc.
5. The compliance of provisions of Corporate and other applicable laws, rules, regulations, standards is the responsibility of the management. My 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 efficacy or effectiveness with which the management has conducted the affairs of the Company.

For K. V. Rao & Co.
Company Secretaries

K. Venugopalrao
Proprietor
ACS: 32965
CP: 12120

Navi Mumbai
28th August, 2017



ANNEXURE C to DIRECTOR'S REPORT
FORM NO. MGT 9 EXTRACT OF ANNUAL RETURN
As on financial year ended on 31.03.2017

Pursuant to Section 92 (3) of the Companies Act, 2013 and rule 12(1) of the Company (Management & Administration) Rules, 2014.

I. REGISTRATION & OTHER DETAILS:

1.	CIN	L25209MH1984PLC033595
2.	Registration Date	28/07/1984
3.	Name of the Company	Union Quality Plastics Limited
4.	Category/Sub-category of the Company	Company Having Shares Capital
5.	Address of the Registered office & contact details	Plot No. 42, 4 th Floor, Cambatta Building, East Wing, Sir Jamshedji Tata Road, Churchgate, Mumbai-400020, Maharashtra, India.
6.	Whether listed company	Yes
7.	Name, Address & contact details of the Registrar & Transfer Agent, if any.	Bigshare Services Private Limited E2/3, Ansa Industrial Estate Saki Vihar Road, Saki Naka Andheri (East), Mumbai- 400 072.

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)

S. No.	Name and Description of main products	NIC Code of the Product/service	% to total turnover of the company
1	Tarpaulin - (Manufacturing of packaging products of plastics)	25202	100

III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-

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

S. No.	Name and Description of main products	NIC Code of the Product/service	% to total turnover of the company
1	Nil	--	--



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

Category-wise Share Holding

Category of Shareholders	No. of Shares held at the beginning of the year				No. of Shares held at the end of the year				% Change during The year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
A.Promoter									
Indian									
Individual/ HUF	2098900	0	2098900	43.41	2098900	0	2098900	44.34	0.93
Central Govt	-	-	-	-	-	-	-	-	-
State Govt (s)	-	-	-	-	-	-	-	-	-
Bodies Corp	564800	0	564800	11.68	564800	0	564800	11.93	0.25
Banks / FI	-	-	-	-	-	-	-	-	-
Any Other	-	-	-	-	-	-	-	-	-
Sub-total(A)(1):-	2663700	0	2663700	55.09	2663700	0	2663700	56.27	1.18
Foreign									
NRIs-Individuals	-	-	-	-	-	-	-	-	-
Other-Individuals	-	-	-	-	-	-	-	-	-
Bodies Corp.	-	-	-	-	-	-	-	-	-
Banks / FI	-	-	-	-	-	-	-	-	-
Any Other....	-	-	-	-	-	-	-	-	-
Sub-total(A)(2):-	0	0	0	0	0	0	0	0	0
Total promoters Shareholding (A)=(A)(1)+(A)(2)	2663700	0	2663700	55.09	2663700	0	2663700	56.27	1.18
B.Public Shareholding									
Institutions									
Mutual Funds	0	1400	1400	0.03	0	1400	1400	0.03	0
Banks / FI	-	-	-	-	-	-	-	-	-
Central Govt	-	-	-	-	-	-	-	-	-
State Govt(s)	-	-	-	-	-	-	-	-	-
Venture Capital Funds	-	-	-	-	-	-	-	-	-
Insurance Companies	-	-	-	-	-	-	-	-	-
FIs	-	-	-	-	-	-	-	-	-
Foreign Venture Capital Funds	-	-	-	-	-	-	-	-	-
Others (specify)									-
Sub-total(B)(1)	0	1400	1400	0.03	0	1400	1400	0.03	0
2. Non Institutions									
Bodies Corp. (i) Indian (ii) Overseas	1300	5500	6800	0.14	0	0	0	0	-0.14
(i) Individual shareholders holding nominal share capital upto Rs. 2 lakh	115125	1166900	1282025	26.52	311627	963200	1274827	26.93	0.41



(ii) Individual shareholders holding nominal share capital in excess of Rs 2 lakh	169000	290100	459100	9.50	196200	180200	376400	7.95	-1.55
Others (NRI)	500	205600	206100	4.26	0	0	0	0	-4.26
Any Others	0	206000	206000	4.26	26073	561100	587173	12.4	8.14
Sub-total(B)(2)	295800	1874100	2169900	44.88	533900	1534500	2068400	43.70	1.18
Total Public Shareholding (B)=(B)(1)+(B)(2)	295800	1875500	2171300	44.91	533900	1534500	2068400	43.70	-1.21
C. Shares held by Custodian for GDRs & ADRs	-	-	-	-	-	-	-	-	-
Grand Total (A+B+C)	2959500	1875500	4834900	100	3197600	1534500	4733500	100	0

A) Shareholding of Promoter-

SN	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the year			% change in share holding during the year
		No. of Shares	% of total Shares of the company shares	% of company Shares Pledged / encumbered to total shares	No. of Shares	% of total Shares of the company shares	% of company Shares Pledged / encumbered to total share	
1	MR. ZUZAR KATHAWALA	798900	16.52	0	798900	16.88	0	0
2	MR. QUSAI KATHAWALA	710900	14.71	0	710900	15.02	0	0
3	M/S ADAMJI INVESTMENTS PVT. LTD.	539800	11.16	0	539800	11.40	0	0
4	MR. AHMEDALLY KATHAWALA	362800	7.50	0	362800	7.66	0	0
5	MRS. DURRIYA KATHAWALA	226300	4.68	0	226300	4.78	0	0
6	A.K.PACKAGING PVT. LTD.	25000	0.52	0	25000	0.53	0	0
	TOTAL	2663700	55.09	0	2663700	56.27	0	0

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

SN	Particulars	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
	At the beginning of the year 01 st April, 2016- No change for the year ended 31 st March, 2017	2663700	55.09	2663700	56.27

- No changes in promoter's shareholdings but there is a change in percentage due to forfeiture process.



C). Shareholding of Directors and Key Managerial Personnel:

S. No.	For Each of the Top 10 Shareholders	Shareholding at the beginning of the year		Cumulative Shareholding during the year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
01	Mr. Zuzar A. Kathawala				
	At the beginning of the year 1 st April, 2016-				
	No change for the year ended 31 st March, 2017	798900	16.52	79890	16.88
02	Mrs. Durriya Z.Kathawala				
	At the beginning of the year 1 st April, 2016-				
	No change for the year ended 31 st March, 2017	226300	4.68	226300	4.78

V) INDEBTEDNESS -Indebtedness of the Company including interest outstanding/accrued but not due for payment.

	Secured Loans excluding	Unsecured Loans	deposits	Total Indebtedness
Indebtedness at the beginning of the financial year				
i) Principal Amount	366.02	501.00	--	867.02
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	366.02	501.00	--	867.02
Change in Indebtedness during the financial year				
* Addition	--	314.62	--	314.62
* Reduction	18.82	85.68	--	104.50
Net Change	18.82	228.84	--	247.76
Indebtedness at the end of the financial year				
i) Principal Amount	347.20	729.94	--	1,077.14
ii) Interest due but not paid	--	--	--	--
iii) Interest accrued but not due	--	--	--	--
Total (i+ii+iii)	347.20	729.94	--	1,077.14



VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL-

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

S. No.	Particulars of Remuneration	Name of MD/WTD/Manager	Total Amount (PerMonth)
		Mr. Zuzar Kathawala	
1	Gross salary		
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,80,000	1,80,000
	(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 (A)	1,80,000	1,80,000
	Ceiling as per the Act*	2,00,000	2,00,000

B. Remuneration to other directors: - NOT APPLICABLE

S. No.	Particulars of Remuneration	Name of Directors				Total Amount
		----	----	----	---	
1	Independent Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (1)	Nil	Nil	Nil	Nil	Nil
2	Other Non-Executive Directors					
	Fee for attending board committee meetings					
	Commission					
	Others, please specify					
	Total (2)	Nil	Nil	Nil	Nil	Nil
	Total (B)=(1+2)	Nil	Nil	Nil	Nil	Nil
	Total Managerial Remuneration					
	Overall Ceiling as per the Act					



C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD :-

S.No.	Particulars of Remuneration	Key Managerial Personnel (Per month)			
		CEO	CS	CFO	Total
1	Gross salary	93,053	20,000	1,05,000	2,18,053
	(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	93,053	20,000	1,05,000	2,18,053

VII. PENALTIES/PUNISHMENT/COMPOUNDING 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	Nil				
Compounding	Nil				
B. DIRECTORS					
Penalty	Nil				
Punishment	Nil				
Compounding	Nil				
C. OTHER OFFICERS IN DEFAULT					
Penalty	Nil				
Punishment	Nil				
Compounding	Nil				



CEO CERTIFICATION

The Board of Directors

M/S Union Quality plastics Limited

42, 4th Floor, Cambatta Building, East Wing,
Sir Jamshedji Tata Road, Churchgate, Mumbai-40020.

Re-financial Statements for the year 2016-17 – Certification

I, Mr. Zuzar A. Kathawala, Chairman, Managing Director, on the basis of the review of the financial statements and the cash flow statements for the Financial year ending 31.03.2017 and to the best of our knowledge and belief, thereby certify that: -

1. These statements do not contain any materially untrue statements or omit any material factor contains 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.
3. There are to the best of our knowledge and belief, no transaction entered in to by the company during the year ended 31.03.2017 which are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting, we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and that we have taken the required steps to rectify these deficiencies.
5. We further certify that:
 - (a). There have been no significant changes in the international control over financial reporting during this year.
 - (b). There have been no significant changes in accounting policies during this year and that the same have been disclosed in the noted to the financial statements.
 - (c). There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control systems over financial reporting.

**By order of the Board of Directors of
Union Quality Plastics Limited**

**Zuzar A. Kathawala
Managing Director
Din No.: 00101783**

Registered Office:

Union Quality Plastics Limited

42, 4th Floor, Cambatta Building, East
Wing, Sir Jamshedji Tata Road,
Churchgate, Mumbai-40020.

Place : Mumbai

Date:- 28th August, 2017



DECLARATION – COMPLIANCE WITH THE CODE OF CONDUCT

[Regulation 34(3) read with Schedule V (Part D) of the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015]

I, Zuzar A. Kathawala Chairman & Managing Director of the Company. hereby declare that all the members of Board of Directors and Senior Management have affirmed compliance with the Code of Conduct of Board of Directors and Senior Management of the Company.

**By order of the Board of Directors of
for Union Quality Plastics Limited**

**Place: Mumbai
Date: 28th August, 2017**

**Zuzar Kathawala
Chairman & Managing Director
Din No.: 00101783**

**INDEPENDENT AUDITORS' REPORT**

To the Members of
UNION QUALITY PLASTICS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **UNION QUALITY PLASTICS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31st, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

The management and Board of Directors of the Company are responsible for the matters stated in Section 134(5) of the Companies Act, 2013 ('the act') with respect to the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flow of the Company in accordance with the accounting principles generally accepted in India, including the Accounting Standards specified under Section 133 of the Act, read with rule 7 of Companies (Accounts) Rules, 2014. This responsibility includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; design, implementation and maintenance of adequate internal financial controls, that are operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

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

We have taken into account the provisions of the Act, the accounting and auditing standards and matters which are required to be included in the audit report under the provisions of the Act and the Rules made there under.

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

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal financial control relevant to the Company's preparation of the financial statements, that give a true and fair view, in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on whether the Company has in place an adequate internal financial controls system over financial reporting and the operating effectiveness of such controls. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by the Company's management and Board of Directors, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India of the state of affairs of the Company as at 31st March 2017, its profit and cash flow for the year ended on that date.

**Emphasis of Matter
We draw attention to**

- a) *Note No. 24 (B)-14 to the financial statements which describes that the Balance of Debtors, Creditors, Loans & Advances and Investments are subject to confirmation and reconciliation, if any. Hence, the effect thereof, on Profit/ Loss, Assets and Liabilities, if any, is not ascertainable.*



- b) Note No. 3 (A) (sub note 1 & 2) read with Note No 24 (B) – 13 (v) to the financial statements regarding the classification of loans taken from Ambient Media Pvt. Ltd in the Financial Statements as Secured Long-term Borrowings for the Loans repayable on demand.

Report on Other Legal and Regulatory Requirements

As required by the Companies (Auditor's Report) Order, 2016 ("the Order") issued by the Central Government of India in terms of sub-section (11) of section 143 of the Act, we give in the Annexure "A", a statement on the matters Specified in paragraphs 3 and 4 of the Order.

As required by section 143(3) of the Act, we further report that:

- A). we have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- B). in our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- C). the Balance Sheet as at March 31, 2017, the Statement of Profit and Loss and Cash Flow Statement for the year then ended dealt with by this Report are in agreement with the books of account;
- D). in our opinion, the aforesaid financial statements comply with the applicable Accounting Standards specified under Section 133 of the Act, read with Rule 7 of the Companies (Accounts) Rules 2014; subject to the non compliance by the company of the Accounting Standard 15 relating to non provision of leave salary which is being accounting by the company on cash basis instead of accrual basis (liability quantum not ascertained) and provision for gratuity is not made on actuarial basis.
- E). on the basis of written representations received from the directors as on March 31, 2017, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2017, from being appointed as a director in terms of Section 164(2) of the Act ;
- F) with respect to the adequacy of the internal financial controls over financial reporting of the company and the operative effectiveness of such controls, refer to our separate report in Annexure B; and
- G). In our opinion and to the best of our information and according to the explanations given to us, we report as under with respect to other matters to be included in the Auditor's Report in accordance with Rule 11 of the Companies (Audit and Auditors) Rules, 2014:
- I. The Company does not have any pending litigations which would impact its financial position, except for those mentioned in *Note No. 24 (B)-2* to the Financial Statements on Contingent Liabilities.
- II. The Company did not have any long-term contracts including derivative contracts; as such the question of commenting on any material foreseeable losses thereon does not arise
- III. There has not been an occasion in case of the Company during the year under report to transfer any sums to the Investor Education and Protection Fund. The question of delay in transferring such sums does not arise.
- IV. The company had provided requisite disclosures in its financial statements as to holdings as well as dealings in Specified Bank Notes during the period from 8th November, 2016 to 30th December, 2016 and these are in accordance with the books of accounts maintained by the company.

For PAREKH SHAH & LODHA
Chartered Accountants

Ravindra Chaturvedi
(Partner)
M. No. 048350
Firm no.107487W

Place : Mumbai
Date: 25-May-2017

**ANNEXURE A TO AUDITORS' REPORT**

[Referred to in paragraph 1 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors Report of even date]

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of our audit, we report that:

1. In respect of its fixed assets
 - a) The Company is in the process of updating of Fixed Asset Register to show full particulars including details and situation of fixed assets;
 - b) As explained to us, fixed assets have been physically verified by the management at regular intervals; as informed to us no material discrepancies were noticed on such verification;
 - c) As explained to us, the title deeds of all the immovable properties are held in the name of the company, except for the Leasehold Land, as per Note 8 to the Financial Statements, which have been taken on lease by the company for a term of 99 years.
2. In respect of its inventories

As explained to us, inventories have been physically verified during the year by the management at reasonable intervals. As informed to us, no material discrepancies were noticed on physical verification of inventories by the management as compared to book records.
3. According to the information and explanations given to us and based on our examination of the records of the Company, the company has not granted any loans. under section 189 of the Companies Act, 2013.
4. According to the information and explanations given to us and based on our examination of the records of the Company, in respect of loans, investments, guarantees and security given/ made by the company, during the year, the company has complied with the provisions of section 185 & 186 of the Companies Act, 2013.
5. The Company has not accepted any deposits from the public covered under the directives issued by the Reserve Bank of India and the provisions of Section 73 to 76 or any other relevant provisions of the Companies Act, 2013 and the rules framed there under. Further no order has been passed by Company Law Board or National Company Law Tribunal or Reserve Bank of India or any court or any other tribunal on the company. Hence, Paragraph 3(v) of the Order is not applicable.
6. The Central Government of India has not prescribed the maintenance of cost records under sub-section (1) of Section 148 of the Companies Act, 2013 for any of the products of the Company.
7. In respect of Statutory Dues:
 - a) According to the information and explanations given to us and based on the records of the company examined by us, the company is irregular in depositing the undisputed statutory dues, including Provident Fund, Employees' State Insurance, Income-tax, Sales-tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty and other material statutory dues, as applicable, with the appropriate authorities in India; According to the information made available to us, no undisputed arrears of statutory dues are outstanding as at 31st March 2017 for more than six months from the date when they became except for Professional Tax liability of Rs. 5,93,913/- Tax Deducted at Sources (TDS) of Rs. 7,58,053/-, Service Tax of Rs. 17,21,899/-, Excise Duty of Rs. 23,89,322/- and Service Tax of Rs. 29,35,388/-.
 - b) According to the information and explanations given to us there are no amounts in respect of Sales Tax, Custom duty, Wealth tax, Excise duty and Cess that have not been deposited with the appropriate authorities on account of any dispute, except for some dues as mentioned below



Demand of Duties (Rs. In Lacs)	Nature of Dues	Status
Rs. 2.67	TDS	Default in TDS deposit & Late filing fees as per 26AS. The matter is pending with A.O.
Rs. 26.02	Excise Duty	Demand Notice was issued on 15.01.1997. The matter is pending with larger bench of Custom Excise & Service tax tribunal Ahmadabad.
Rs. 47.96	Excise Duty	Demand Notice was issued on 10.03.2008. The matter is in appeal with the Custom Excise & Service tax tribunal Ahmadabad. (CESTAT)
Rs. 79.56	Excise Duty	In the continuation of Excise raid on 25.01.2011, Show cause notice was issued by the commissioner on 14.05.2013. The same was matter of Appeal with the Appellate tribunal Ahmadabad. (CESTAT)

8. According to the records of the company examined by us and as per the information and explanations given to us, the company has not defaulted in repayment of loans or borrowings to any financial institution, banks or government. The company has also not issued debentures. Hence Paragraph 3 (viii) of the Order is not applicable.
9. According to the records of the company examined by us and as per the information and explanations given to us, the Company did not raise any money by way of initial public offer or further public offer (including debt instruments) during the year and the term loans raised during the year were applied for the purpose for which those were raised.
10. During the course of our examination of the books and records of the company, carried in accordance with the auditing standards generally accepted in India, we have neither come across any instance of fraud on or by the Company noticed or reported during the course of our audit nor have we been informed of any such instance by the Management.
11. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has paid/ provided for managerial remuneration in accordance with the requisite approvals mandated by the provisions of Sec 197 read with Schedule V to the Act.
12. In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company. Accordingly, paragraph 3(xii) of the Order is not applicable.
13. According to the information and explanations given to us and based on our examination of the records of the Company, all transactions with the related parties are in compliance with sections 177 and 188 of Companies Act, 2013 where applicable and the details have been disclosed in the Financial Statements etc., as required by the applicable accounting standards.
14. 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.
15. According to the information and explanations given to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with directors or persons connected with him. Accordingly, paragraph 3(xv) is not applicable.
16. The Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act 1934.

For PAREKH SHAH & LODHA
Chartered Accountants

Ravindra Chaturvedi
(Partner)
M. No. 048350
Firm no.107487W
Place : Mumbai
Date: 25-May-2017

**ANNEXURE B TO AUDITORS' REPORT**

[Referred to in Clause (f) in paragraph 2 under 'Report on Other Legal and Regulatory Requirements' in the Independent Auditors Report of even date]

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

We have audited the internal financial controls over financial reporting of **UNION QUALITY PLASTICS LIMITED** ("the Company") as of March 31, 2017 in conjunction with our audit of the financial statements of the Company for the year ended on that date.

Management's Responsibility for Internal Financial Controls

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

Auditors' Responsibility

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

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness.

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

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

Meaning of Internal Financial Controls over Financial Reporting

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

Opinion

In our opinion, the Company has, in general, in all material respects, an adequate internal financial controls system over financial reporting



and such internal financial controls over financial reporting were found operating effectively as at March 31, 2017, based on the internal control over financial reporting criteria established by the Company. However the same needs to be further improved and formally documented in view of the size of the company and nature of its business, considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls Over Financial Reporting issued by the Institute of Chartered Accountants of India.

**For PAREKH SHAH & LODHA
Chartered Accountants**

**Ravindra Chaturvedi
(Partner)
M. No. 048350
Firm no.107487W
Place : Mumbai
Date: 25-May-2017**

UNION QUALITY PLASTICS LTD.
BALANCE SHEET AS AT 31ST MARCH 2017

(Amount in Rs.)

	Particulars	Note	As at 31st March, 2017	As at 31st March, 2016
I	<u>EQUITY AND LIABILITIES</u>			
1	Shareholder's Fund			
	Share Capital	1	4,73,35,000	4,81,93,700
	Reserves and Surplus	2	(11,44,43,783)	(12,95,30,013)
			(6,71,08,783)	(8,13,36,313)
2	Non-Current Liabilities			
	Long-Term Borrowings	3	13,23,74,172	12,94,23,064
			13,23,74,172	12,94,23,064
3	Current Liabilities			
	Short-Term Borrowings	4	10,77,14,381	8,67,01,921
	Trade Payables	5	11,24,49,328	12,61,15,784
	Other Current Liabilities	6	2,15,17,058	1,44,98,931
	Short-Term Provisions	7	59,39,134	24,51,089
			24,76,19,901	22,97,67,725
	TOTAL		31,28,85,290	27,78,54,476
II	ASSETS			
1	Non-current Assets			
	Fixed Assets	8		
	Tangible Assets		95,93,040	99,78,032
	Intangible Assets		1,49,502	16,521
	Non-Current Investments	9	10,00,759	10,00,759
	Deferred Tax Assets (Net)	10	22,10,159	2,57,415
	Long-Term Loans And Advances	11	64,50,220	76,91,494
			1,94,03,680	1,89,44,221
2	Current Assets			
	Inventories	12	4,88,49,192	3,76,37,889
	Trade Receivables	13	21,77,56,094	18,91,02,475
	Cash And Cash Equivalents	14	67,10,371	71,77,519
	Short-Term Loans And Advances	15	1,95,25,931	2,41,20,010
	Other Current Assets	16	6,40,022	8,72,362
			29,34,81,610	25,89,10,255
	TOTAL		31,28,85,290	27,78,54,477

Notes, referred hereinabove, annexed to and forming part of the Financial Statements
Significant Accounting Policies and Notes to Accounts 24

As per our report of even date
For PAREKH SHAH & LODHA
Chartered Accountants
Firm Regn No. 107487W

FOR AND ON BEHALF OF BOARD
UNION QUALITY PLASTICS LTD.

CA Ravindra Chaturvedi
Partner
M. No. 048350
Date : 25/05/2017
Place : Mumbai

Z A Kathawala
Chairman & MD
(DIN- 00101783)

D Z Kathawala
Director
(DIN- 00338824)

UNION QUALITY PLASTICS LTD.
STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2017

(Amount in Rs.)

	Particulars	Note	Year Ended 31st March, 2017	Year Ended 31st March, 2016
I	Revenue from Operations	17	42,85,87,621	47,01,26,058
II	Other Income	18	36,38,347	11,52,546
III	Total Revenue (I + II)		43,22,25,968	47,12,78,604
IV	Expenses:			
	Cost of Materials Consumed	19	20,90,95,037	27,14,45,612
	Purchases - Trading		11,25,27,985	-
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	20	(1,83,94,940)	4,87,41,150
	Employee Benefits Expense	21	1,95,90,258	2,10,55,620
	Finance Costs	22	1,08,94,871	58,90,130
	Depreciation and Amortization Expense	8	18,46,263	21,38,169
	Other Expenses	23	7,49,88,572	6,67,88,012
	Total expenses		41,05,48,046	41,60,58,693
V	Profit before exceptional and extraordinary items and tax		2,16,77,922	5,52,19,911
VI	Exceptional items:			
	Prior Period Expenses		12,86,492	2,44,418
	Gratuity on Retrenchment of Staff		48,00,996	1,11,879
VII	Profit before extraordinary items and tax (V - VI)		1,55,90,434	5,48,63,614
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII- VIII)		1,55,90,434	5,48,63,614
X	Tax Expense:			
	(1) Current Tax		33,50,000	60,000
	(2) Deferred Tax		(19,52,744)	(1,51,080)
	(3) (Short) / Excess Provision for Income Tax for Earlier Years		(5,352)	12,358
XI	Profit (Loss) for the period		1,41,98,530	5,49,42,336
XII	Earnings per equity share:			
	<i>Basic</i>		3.00	11.36
	<i>Diluted</i>		3.00	11.36

Notes, referred hereinabove, annexed to and forming part of the Financial Statements
Significant Accounting Policies and Notes to Accounts

24

As per our report of even date
For PAREKH SHAH & LODHA
Chartered Accountants
Firm Regn No. 107487W

FOR AND ON BEHALF OF BOARD
UNION QUALITY PLASTICS LTD.

CA Ravindra Chaturvedi
Partner
M. No. 048350
Date : 25/05/2017
Place : Mumbai

Z A Kathawala
Chairman & MD
(DIN- 00101783)

D Z Kathawala
Director
(DIN- 00338824)

UNION QUALITY PLASTICS LTD.
NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS

(Amount in Rs.)

PARTICULARS	As at 31.03.2017	As at 31.03.2016
NOTE - 1 SHARE CAPITAL		
Authorised Share Capital 70,00,000 (P.Y. 70,00,000) Equity Shares of Rs. 10/- each	7,00,00,000	7,00,00,000
TOTAL	7,00,00,000	7,00,00,000
Issued, Subscribed and Paid up share capital 47,33,500 (P.Y. 48,35,000) Equity Shares of Rs. 10/- each fully paid up Less : Calls in Arrears Nil (P. Y. 1,14,700) Equity Shares Less : Shares Forfeited 1,01,500 (P. Y. Nil) Equity Shares	4,83,50,000 - 10,15,000	4,83,50,000 1,56,300 -
TOTAL	4,73,35,000	4,81,93,700

a) The Board of directors at their meeting held on 18th January, 2017 have forfeited 1,01,500 Equity shares .

b) A reconciliation of the number of shares outstanding at the beginning and at the end of the accounting year, is set out below:

Particulars	F.Y. 2016-2017 No. of shares	F.Y. 2015-2016 No. of shares
Equity Shares		
Equity shares at the beginning of the year	48,35,000	48,35,000
Add: shares issued during the year	-	-
Less: Share forfeited on 18-June-2017	1,01,500	
Equity shares at the end of the year	47,33,500	48,35,000

c) There are Nil (Previous year – Nil) rights, preference and restriction attaching to each class of shares including restriction on the distribution of dividend and the repayment of capital.

d) There are nil number of shares (Previous year Nil) in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiary or associates of the holding company or the ultimate holding company in aggregate.

e) Shares in the company held by each shareholders holding more than 5% shares, as on 31.03.2017:

Name of the Shareholder	No. of shares	Percentage (%)
Zuzar Ahmedally Kathawala (PY 7,98,900 16.52%)	7,98,900	16.88%
Qusai Zuzar Kathawala (PY 7,10,900 14.70%)	7,10,900	15.02%
Ahmedally G Kathawala (PY 3,62,800 7.50%)	3,62,800	7.66%
Adamji Investment Pvt. Ltd. (PY 5,39,800 11.16%)	5,39,800	11.40%

f) There are nil number of shares (Previous year Nil) reserved for issue under option and contracts /commitment for the sale of shares/disinvestment including the terms and amounts.

g) For the period of five years immediately preceding the date as at which the balance sheet is prepared

Particulars	No of.	No of.
	Equity Shares	Equity Shares (P.Y.)
Aggregate number and class of shares allotted as fully paidup pursuant to contract(s) without payment being received in cash	Nil	Nil
Aggregate number and class of shares allotted as fully paidup by way of bonus shares.	Nil	Nil
Aggregate number and class of shares bought back	Nil	Nil

h) There are no securities issued which are convertible into equity/preference shares.

i) There is NIL Calls unpaid (previous year Nil) of Rs 10/- each.Calls unpaid by directors & officers of the company as on Balance Sheet date are Nil.(previous year Nil).

UNION QUALITY PLASTICS LTD.
NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL

(Amount in Rs.)

PARTICULARS	As at 31.03.2017	As at 31.03.2016
NOTE - 2 RESERVES AND SURPLUS		
Securities Premium		
Opening balance	2,82,84,048	2,84,40,348
(-) Calls in Arrear	-	1,56,300
(-) Forfeiture	8,73,200	-
(+) Realisation	14,500	-
Closing Balance	2,74,25,348	2,82,84,048
Capital Reserve on forfeiture of Shares	17,46,400	-
Profit and Loss Account		
Opening balance	(15,78,14,061)	(21,27,56,397)
(+) Net Profit/(Net Loss) For the current year	1,41,98,530	5,49,42,336
Closing Balance	(14,36,15,531)	(15,78,14,061)
TOTAL	(11,44,43,783)	(12,95,30,013)
NOTE - 3 LONG-TERM BORROWINGS		
SECURED LONG-TERM BORROWINGS		
<u>Term Loan from Related Parties</u>		
From Ambient Media Pvt Ltd. ¹	1,67,48,104	1,67,48,104
<u>Demand Loan from Related Parties</u>		
From Ambient Media Pvt Ltd. ²	11,26,74,960	11,26,74,960
UNSECURED LONG-TERM BORROWINGS		
From Financial Institutes	29,51,108	-
TOTAL	13,23,74,172	12,94,23,064
<p>¹Secured by way of first charge against Factory Land and Construction thereon along with plant & machinery installed situated at Umbergaon, Gujarat. However the company has not yet registered the charge for creation of mortgage with Registrar of Companies. {Refer Note No 24 (b) (13) (v)}</p> <p>²Secured by way of pari passu first charge on stock of raw materials, finished goods, consumable stores & spares, work in progress and book debts of the Company. However the company has not yet registered the charge for creation of mortgage with Registrar of Companies. No payment was made during the year (including previous financial year). Since the time of repayment was not ascertained, hence the same was considered as long term liability by the company. ({Refer Note No 24 (b) (13) (v)}</p>		
NOTE - 4 SHORT-TERM BORROWINGS		
SECURED SHORT-TERM BORROWINGS		
Loans Repayable on Demand- From Banks The City Co-op Bank Ltd ³	3,47,20,126	3,66,01,503
<p>³(Working Capital facility from City Co-op Bank is secured by first charge on stock of raw materials, finished goods, work in progress and book debts of the company along with the personal surety & security given by the directors & Promoters of the company. Further the said working facility are repayable on demand and carries interest rates at 15% p. a. on monthly rest)</p>		
UNSECURED SHORT-TERM BORROWINGS		
Loans and Advances from Related Parties & Group Co. (Repay on Demand)	6,80,83,893	5,01,00,418
From Financial Institutes	49,10,361	-
TOTAL	10,77,14,381	8,67,01,921

UNION QUALITY PLASTICS LTD.
NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL
STATEMENTS

(Amount in Rs.)

PARTICULARS	As at 31.03.2017	As at 31.03.2016
NOTE - 5 TRADE PAYABLES		
Sundry Creditors	10,12,92,283	6,76,71,828
Audit Fees Payable	4,62,060	3,20,310
Expenses Payable	2,23,368	1,88,362
Advance received from Customers & others	1,04,71,616	5,79,35,283
TOTAL	11,24,49,328	12,61,15,784
NOTE - 6 OTHER CURRENT LIABILITIES		
Duties & Taxes Payable	2,15,17,058	1,41,28,545
Credit Balance in Bank A/c	-	3,70,386
TOTAL	2,15,17,058	1,44,98,931
NOTE - 7 SHORT TERM PROVISIONS		
Provision for employee benefits		
Salary & Reimbursements	58,55,638	24,32,172
Contribution to PF	83,496	18,917
TOTAL	59,39,134	24,51,089
NOTE - 9 NON-CURRENT INVESTMENTS		
Non Trade Investments - As per annexure 9A (Valued at Cost and Certified by the Management)		
Investment in Equity instruments/Mutual Funds		
Quoted Investment in Equity		
Aggregate amount of quoted investments (Market value of Rs 2,09,900/-) (Previous Year Rs 2,09,310/-)	22,022	22,022
Unquoted Investment		
Investments in Shares and NCD	9,63,737	9,63,737
Investments in Government or Trust securities	15,000	15,000
Less : Provision for diminution in the value of Investments	-	-
TOTAL	10,00,759	10,00,759
NOTE - 10 DEFERRED TAX ASSETS		
Opening Balance - Assets/(Liabilities)	2,57,415	1,06,335
Add: Arised During the year	19,52,744	1,51,080
Closing Balance - Assets / (Liabilities)	22,10,159	2,57,415
NOTE - 11 LONG-TERM LOANS AND ADVANCES		
Earnest Money Deposit	15,64,500	15,52,490
Tender Deposit	9,38,830	13,23,309
Security Deposits	39,46,890	48,15,695
TOTAL	64,50,220	76,91,494

UNION QUALITY PLASTICS LTD.
NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL
STATEMENTS

(Amount in Rs.)

PARTICULARS	As at 31.03.2017	As at 31.03.2016
NOTE - 12		
INVENTORIES		
(As taken, valued at Cost and certified by the Management)		
Raw Materials and components	42,66,241	1,10,94,842
Work in Progress	21,37,500	18,74,340
Finished goods	4,11,97,887	2,30,66,107
Stores and spares	12,47,564	16,02,600
TOTAL	4,88,49,192	3,76,37,889
NOTE - 13		
TRADE RECEIVABLES		
Trade receivables - Unsecured Considered Good (outstanding for a period <i>less</i> than six months from the date they are due for payment)	9,58,50,439	17,26,50,128
Trade receivables - Unsecured Considered Good (outstanding for a period <i>exceeding</i> six months from the date they are due for payment)	12,19,05,655	1,64,52,347
TOTAL	21,77,56,094	18,91,02,475
NOTE - 14		
CASH & CASH EQUIVALENTS		
Balance with Banks:		
Balance with Scheduled Banks - In Current Accounts	23,05,557	13,78,210
Balance with Scheduled Banks - In Margin Accounts	-	16,40,898
Fixed Deposits	43,98,000	35,68,000
Cash on hand	6,814	5,90,410
TOTAL	67,10,371	71,77,519
NOTE - 15		
SHORT-TERM LOANS AND ADVANCES		
(Unsecured Considered Good)		
Other loans and advances		
Balances with Revenue Departments	1,74,89,806	1,71,75,991
Advances to Employees	4,70,831	3,79,252
Advances to Suppliers & Others	15,65,294	65,64,768
TOTAL	1,95,25,931	2,41,20,010
NOTE - 16		
OTHER CURRENT ASSETS		
Pre Paid Expenses	2,95,566	5,27,380
Interest Receivables	3,44,456	3,44,982
TOTAL	6,40,022	8,72,362

UNION QUALITY PLASTICS LTD.
NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL
STATEMENTS

(Amount in Rs.)

PARTICULARS	Year Ended 31.03.2017	Year Ended 31.03.2016
NOTE - 17		
INCOME FROM OPERATIONS		
<u>Sale of Products</u>		
Local Sales (Manufactured)	31,38,52,697	45,15,89,552
<i>Less: Excise duty on sales</i>	3,30,03,339	3,84,29,043
	28,08,49,358	41,31,60,509
Local Sales (Trading)	10,62,59,625	-
Export Sales	4,11,96,086	5,66,54,337
Income from Pond Operation & Others	2,82,552	3,11,212
TOTAL	42,85,87,621	47,01,26,058
NOTE - 18		
OTHER INCOME		
Interest Income	3,32,687	3,59,386
Dividend on Shares	-	50,000
Duty Drawback & DGFT License	30,93,362	6,65,332
Sundry Credit balance Written Off	-	77,828
Subsidy Income	2,12,298	-
TOTAL	36,38,347	11,52,546
NOTE - 19		
COST OF MATERIALS CONSUMED		
Raw Material Consumed		
Opening Stock	1,10,94,842	44,25,237
Add : Purchases	20,11,41,558	27,73,62,872
Add : Reduction in Credit of Sales Tax	11,24,877	7,52,345
Less: Closing Stock	42,66,241	1,10,94,842
TOTAL	20,90,95,037	27,14,45,612
NOTE - 20		
CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Opening Finished Goods	2,30,66,107	7,20,02,597
Less: Closing Finished Goods	4,11,97,887	2,30,66,107
	18,74,340	16,79,000
Opening Work in Progress	18,74,340	16,79,000
Less: Closing Work in Progress	21,37,500	18,74,340
TOTAL	(1,83,94,940)	4,87,41,150
NOTE - 21		
EMPLOYEE BENEFITS EXPENSE		
Salaries/Wages and other Allowances	1,91,12,989	2,05,59,778
Contributions to Provident fund	1,28,076	1,13,351
Staff welfare expenses	3,49,193	3,82,491
TOTAL	1,95,90,258	2,10,55,620

UNION QUALITY PLASTICS LTD.
NOTES ANNEXED TO AND FORMING PART OF THE FINANCIAL
STATEMENTS

PARTICULARS	Year Ended 31.03.2016	Year Ended 31.03.2016
NOTE - 22 FINANCE COSTS		
Interest on Cash Credit	53,57,866	44,78,085
Other Interest Costs	51,83,649	12,80,671
(Profit)/ Loss on foreign Exchange fluctuation	(2,45,235)	(4,52,080)
Bank Charges	5,98,591	5,83,454
TOTAL	1,08,94,871	58,90,130
NOTE - 23 OTHER EXPENSES		
Direct Expenses		
Consumption of Stores	62,50,589	67,23,272
Labour Charges	1,95,72,889	1,50,09,667
Power and fuel	1,25,08,539	1,39,25,402
Water Charges	19,460	42,967
Repairs & Maintenance		
- Building		-
- Machinery.	1,93,967	96,902
- Others	8,61,095	7,61,736
Insurance Expenses	1,41,772	94,947
	3,95,48,311	3,66,54,893
Administrative & Selling Expenses		
Auditors Remuneration:		
- as statutory auditor	97,750	85,875
- as tax auditor	57,500	51,525
Advertisement	36,024	69,364
Computer Expenses	20,175	13,562
Compensation to Farmer	1,11,000	-
Custom refund loss (Bill Discounting & Bank Guarantee)	4,31,714	-
Directors Remuneration	21,60,000	21,60,000
Donation	22,000	-
Electricity Charges	22,950	2,60,445
Export Expenses	16,71,348	12,80,564
Freight/Octroi & Clearing (Include export freight)	77,84,324	1,10,14,110
Legal & Profession / Technical Fess	36,02,409	33,80,965
Membership & Subscription	3,68,750	4,75,835
Miscellaneous expenses	3,15,098	2,50,560
Motor Vehicle Expenses	6,37,803	5,16,138
Other Interest/late payment charges	13,07,047	3,10,951
Postage & Couier	2,21,112	1,84,544
Professional Tax	2,500	-
Printing & Stationery	4,40,732	3,69,793
Rates and taxes, Duties, excluding, taxes on income.	7,20,699	5,83,603
Rent & Hire Charges	31,54,300	38,34,836
Sales & Business Promotion Expenses	36,74,241	22,49,224
Sales Tax Expenses	27,07,668	7,113
Sales Tax Penalty	11,08,225	-
Security Expenses	5,06,510	4,10,740
Service Tax Expenses	5,44,916	4,54,151
Sundry Balance W/off	7,64,077	-
Telephone Charges	4,47,299	5,32,771
Travelling & Conveyances Expenses	25,02,089	16,36,452
	3,54,40,261	3,01,33,120
TOTAL	7,49,88,572	6,67,88,012

UNION QUALITY PLASTICS LTD.

**NOTE - 8
FIXED ASSETS**

Description	GROSS BLOCK (AT COST)						DEPRECIATION			(in Rupees) NET BLOCK		
	As at 01.04.2016	Additions	Deductions	As at 31.03.2017	01.04.2016	For the year	Deduction	Transferred to Reserve & Surplus	As At 31.03.2017	As At 31.03.2017	As at 31.03.2016	
i. TANGIBLE ASSETS												
Lease Hold Land	22,52,550	-	-	22,52,550	-	-	-	-	-	22,52,550	22,52,550	
Factory Building	2,30,62,287	-	-	2,30,62,287	1,85,98,477	4,46,381	-	-	1,90,44,858	40,17,429	44,63,810	
Plant and Machinery Equipments	8,20,48,358	9,23,602	-	8,29,71,960	7,88,97,198	11,64,929	-	-	8,00,62,127	29,09,833	31,51,160	
Electrical Installations	40,18,752	-	-	40,18,752	40,18,752	-	-	-	40,18,752	-	-	
Furnitures & Fixtures	7,69,152	4,70,000	-	12,39,152	7,66,584	1,09,149	-	-	8,75,733	3,63,419	2,568	
Office Equipment	7,56,274	6,050	-	7,62,324	7,10,800	26,072	-	-	7,36,872	25,452	45,474	
Computer Hardware	5,64,288	-	-	5,64,288	5,17,239	29,682	-	-	5,46,921	17,367	47,049	
Air Conditioner	39,798	-	-	39,798	34,174	3,212	-	-	37,386	2,412	5,624	
Generator	54,500	-	-	54,500	44,702	5,219	-	-	49,921	4,579	9,798	
Computer Software	18,000	1,94,600	-	2,12,600	1,479	61,619	-	-	63,098	1,49,502	16,521	
TOTAL	11,35,83,959	15,94,252	-	11,51,78,211	10,35,89,406	18,46,263	-	-	10,54,35,669	97,42,542	99,94,553	
TOTAL	11,32,06,911	3,77,048	-	11,35,83,959	10,14,51,237	21,38,169	-	-	10,35,89,406	99,94,553	99,94,553	

UNION QUALITY PLASTICS LTD

ANNEXURE - 2

DEPRECIATION WORKING AS PER SEC. 32 OF IT ACT

Description of Asset	Rate	W.D.V. as on 01-04-2016	Addition during the year		Deduction during the year	Total as at 31-03-2017	Depreciation	W.D.V. as on 31-03-2017
			Upto 30-09-2016	After 30-09-2016				
Land	0	22,52,550	-	-	-	22,52,550	-	22,52,550
Building	10%	20,36,099	-	-	-	20,36,099	2,03,610	18,32,489
Office Equipment	15%	1,02,262	-	6,050	-	1,08,312	15,793	92,519
Plant & Machinery	15%	76,68,999	3,97,266	5,26,336	-	85,92,601	12,49,415	73,43,186
Computers	60%	45,821	-	1,94,600	-	2,40,421	85,873	1,54,548
Fixture & Furniture	10%	2,86,180	4,70,000	-	-	7,56,180	75,618	6,80,562
TOTAL		1,23,91,911	8,67,266	7,26,986	-	1,39,86,163	16,30,309	1,23,55,855

UNION QUALITY PLASTICS LTD.

**ANNEXURE- 9A
NON CURRENT INVESTMENTS**

Sr. No.	Name of the Body Corporate	Subsidiary / Associate / JV/ Controlled Entity / Others	No. of Shares / Units		Cost in Rs.		Basis of Valuation	Market Value in Rs.	
			2017	2016	2017	2016		2017	2016
QUOTED INVESTMENT, FULLY PAID UP									
1	Development Credit Bank Ltd. 1200 Share of rs. 10/- each Paid	Others	1,200	1,200	18,000	18,000	Cost	2,04,300	2,04,300
2	Essar Shipping Ltd. 200 fully paid up equity shares of Rs. 10 each	Others	200	200	4,022	4,022	Cost	5,600	5,010
	Sub Total		1,400	1,400	22,022	22,022		2,09,900	2,09,310
UNQUOTED INVESTMENT, FULLY PAID UP									
1	Hooseini Co.Op Credit Society Ltd. 85 Shares of Rs. 25/- each fully paid	Others	85	85	2,125	2,125	Cost	2,125	2,125
2	Bombay Mercantile Co-op Bank Ltd. 142 Share of Rs. 30/- each fully paid	Others	142	142	4,260	4,260	Cost	4,260	4,260
3	Essar Shipping Ltd. 2150 fully paid up as NCD of Rs. 20/- each	Others	2,150	2,150	43,000	43,000	Cost	43,000	43,000
4	Adamiji Kaderibhoy Pvt. Ltd. 20 Shares of Rs. 100/- each - Unquoted	Others	20	20	2,000	2,000	Cost	2,000	2,000
5	The City Co op Bank Ltd	Others	22,710	22,710	5,67,742	5,67,742	Cost	5,67,742	5,67,742
6	Essar Steel Ltd. 3780 fully paid up equity shares of Rs. 10/- each	Others	3,780	3,780	3,44,610	3,44,610	Cost	3,44,610	3,44,610
	Sub Total		28,887	28,887	9,63,737	9,63,737		9,63,737	9,63,737
UNQUOTED INVESTMENT IN Government Securities									
1	Natlional Saving Certificate		NA	NA	15,000	15,000	Cost	15,000	15,000
	Sub Total				15,000	15,000		15,000	15,000
	TOTAL		30,287	30,287	10,00,759	10,00,759		11,88,637	11,88,047

RELATED PARTY TRANSACTIONS

	Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)		Realtives of Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives	
	2016	2015	2016	2015	2016	2015
Employee Benefits for Key Management Personnel						
Zuzar A. Kathawala	21,60,000	21,60,000				
Sunil Tripathi	-	11,12,000				
	21,60,000	32,72,000				
Unsecured Loans Opening bal. Payable/Receivable						
Zuzar A. Kathawala	19,19,825	1,47,18,601	9,96,102	9,96,102		
Sunrise Corporation (Prop. Zuzar Kathawala)	7,35,000	7,35,000	3,61,49,994	4,26,66,490		
Durriya Z Kathawala					6,64,505	6,64,505
A. G. Kathawala					2,94,252	2,94,252
Kathawala Realtors LLP					77,38,055	88,67,945
A. K Packaging Pvt. Ltd.					14,51,935	14,51,935
Alban Communications (I) Pvt Ltd						(2,29,61,095)
General Machinery						
Niyuprene Plastics Co Pvt Ltd						
Ambient Media Solutions P. Ltd.						
Total of Unsecured Loans Opening Bal.	26,54,825	1,54,53,601	3,71,46,096	4,36,62,592	1,01,48,747	(1,16,82,458)
Unsecured Loans Taken / Received back						
Zuzar A. Kathawala	1,58,66,702	4,13,78,530				
A.G. Kathawala			38,75,000			
Quasai Kathawala					64,000	

General Machinery Loan A/C	88,67,945	23,00,000	11,70,110	77,38,055	Payable
Niyuprene Plastics Co. Pvt. Ltd	14,51,935			14,51,935	Payable
Ambient Media Solutions P. Ltd	-2,29,61,095.00	24,25,754.00	2,53,86,849.00	-	
	4,74,33,735	7,49,52,256	7,74,68,189	4,99,49,668	

**Note - 24: ACCOUNTING POLICIES AND NOTES TO ACCOUNT****(A) SIGNIFICANT ACCOUNTING POLICIES****(a) Basis of preparation**

The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 2013. The financial statements have been prepared under the historical cost convention on an accrual basis.

(b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that effect the reported balances of assets and liabilities as of the date of the financial statements and reported amounts of income and expenses during the period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. actual; results could differ from estimates

(c) Employee Benefits :-

- i. Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.
- ii. Gratuity liability is defined benefit obligations and is provided for on payment basis.
- iii. Short term compensated absences are provided for on based on estimates. Long term compensated absences are provided for based on actuarial valuation on projected unit credit method carried by an independent actuary as at end of the year.
- iv. Actuarial gains / losses are immediately taken to profit and loss account and are not deferred.
- v. Payments made under the Voluntary Retirement Scheme are charged to the Profit and Loss account immediately.

(d) Fixed Assets

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses if any. Fixed assets erected & commissioned have been capitalized at cost including other incidental expenses relating to acquisition and installation.

(e) Depreciation

- i) Depreciation has been provided on written down value method at the rates calculated on the basis of remaining useful life of the asset as specified in Schedule II of the Companies Act, 2013.
- ii) Depreciation on additions is being provided on pro-rata basis from the date of such additions.

(f) Impairment

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

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(g) Leases

Assets acquired under finance leases are recognised in accordance with the method recommended by the ICAI. Lease payments



are apportioned between finance charge and reduction of outstanding liabilities. The finance charge is allocated to periods during lease term at a constant periodic rate of interest on the remaining balance of the liability.

(h) **Investments**

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

(i) **Inventories**

Raw materials, components, stores and spares:

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on FIFO basis.

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

(j) **Revenue recognition**

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Dividend

Dividend including Interim is accounted for when declared.

All items of income/ expenses are accounted for on accrual basis except for the following items which are accounted for on cash basis.

- 1) Encashment of leave and gratuity payable to employees
- 2) Custom /Excise Duty on Material in bond.
- 3) Bonus

(k) **Foreign currency translation**

(i) **Initial Recognition**

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) **Conversion**

Foreign currency monetary items are reported using the closing rate at the end of the reporting period. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) **Exchange Differences**

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise. Exchange differences arising in respect of fixed assets acquired from outside India are capitalized as a part of fixed asset

(l) **Taxes on Income**

Income Tax expense comprise of Current Tax and Deferred Tax charge or credit. The current tax is determined as the amount of tax payable in respect of taxable income for the year, as per the provisions of Income Tax Act, 1961. The Company provides for



Deferred Tax Liability based on the tax effect of Timing Differences resulting from the reorganization of item in the financial statements and estimating its current income tax provision. Where there are brought forward fiscal allowances, deferred tax asset is recognized only if there is virtual certainty of realization of such assets. Deferred tax assets and liabilities are reviewed as at each balance sheet date and restated as per current developments.

(m) Borrowing Costs

Borrowing Costs attributable to the fixed assets during their construction/renovation and modernization are capitalized in accordance with AS-16 issued by ICAI. Such borrowing costs are apportioned on the average balance of Capital Work-In-Progress for the year. Other borrowing costs are recognized as an expense in the period in which they are incurred.

(n) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

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

(o) Provisions

Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statement

(p) Segment Information

The Company has only one business and geographical Segment viz. HDPE Tarpaulin and related products in India. Hence no further disclosures are required to be made as per AS-17 on segment reporting.

(q) Indirect Taxes

Excise Duty:

- I) Excise Duty payable on finished goods is accounted for on clearance of goods from the factory, no provision is made for Excise Duty in respect of Finished Goods lying the factory.
- II) CENVAT in respect of Excise Duty paid on purchase of Raw Materials, Stores and Capital goods is accounted for by reducing the purchase cost of the related goods.

Custom Duty:

Custom Duty payable on Raw Materials, Stores, Spares and Components is accounted on clearance thereof from the bonded warehouses.

**(B) NOTES TO THE ACCOUNTS****1. Impairment of Assets**

The Company has carried out Impairment test on its fixed assets as on the date of Balance Sheet and the management is of the opinion that there is no asset for which provision for impairment is required to be made as per Accounting Standard - 28 on Impairment of Assets.

2 Contingent Liabilities:

- a) Performance Bank Guarantee issued by Oriental Bank of Commerce of Rs. 41.98 lacs.
- b) PF commissioner has issued notice of demand of Rs. 57.84 lacs (Rs. 44.61 lacs for penalty and Rs. 13.23 lacs for interest). The company has paid Rs.15 lacs upfront and appeal into Appellate Tribunal Delhi in 2007. In May 2011 matter disposed off in favor of the company and restricts the order up to interest only. The department has challenged the decision in 'Honorable High Court' and the same was dismissed by Single Judge Bench on 27.03.2012. Department further filed an appeal with Divisional Bench and the said bench was asked for condonation of delay in filing the appeal by PF department.
- c) In Case of Excise duty & TDS following demand notice issued by the authority.

Demand (Rs. In Lacs)	Status
Rs. 2.67	Default in TDS deposit & Late filing fees as per 26AS. The matter is pending with A.O.
Rs. 26.02	Demand Notice was issued on 15.01.1997. The matter is pending with larger bench of Custom Excise & Service tax tribunal Ahmadabad.
Rs. 47.96	Demand Notice was issued on 10.03.2008. The matter is in appeal with the Custom Excise & Service tax tribunal Ahmadabad. (CESTAT)
Rs. 79.56	Show cause notice was issued by the commissioner on 14.05.2013. The same was matter of Appeal with the Appellate tribunal Ahmadabad. (CESTAT)

3. No provision has been made in accounts for other retirement benefits accruing to employees which are not in accordance with the Accounting Standard 15 and accounting policy of the company.

4. Payments to Auditors

Particulars	2016-17	2015-16
Audit Fees (inclusive of Service Tax)	97,750	85,875
Tax Audit Fees (inclusive of Service Tax)	57,500	51,525
Total	1,55,250	1,37,400

5. Managerial Remuneration

Remuneration has been paid to Director are as under: -

Particulars	2016-17	2015-16
Directors Remuneration	21,60,000	21,60,000
Total	21,60,000	21,60,000

6. Accounting standard (AS-19) Lease Transaction Disclosures

The company had entered into an agreement in the nature of lease agreements for the purpose of Lease of Factory premises and Car. This is generally in the nature of operating lease and disclosure required as per Accounting Standard 19 with regard to the above is as under:

Assets acquired on Lease / Leave and License

Office Premises, Factory Premises, Guest House and Vehicles.

Period of Lease / Leave and License

Varying between 2 years to 5 years

Lease payments debited to Profit and Loss Account

Rs. 31,54,300/- (P.Y. of Rs. 38,34,836/-)

(Including Car lease payment; Factory Rent, Branch Office Rent Guest House Rent.)

**7. Segment Reporting**

The Company has only one business and geographical Segment viz. HDPE Tarpaulins and related products in India. Other business activities, including installation of pond, etc, during the year, does not qualify as the reporting segment in terms of AS-17. Hence no further disclosures are required to be made as per AS-17 on segment reporting.

8. Provision for Taxation

- a) **Current Tax:** The company has made a appropriate provision for taxation for the year under the provision of the Income Tax Act, 1961
- b) **Deferred Tax:** Deferred tax is recognized on timing differences in accordance with AS-22 issued by ICAI as per details given hereunder.

	Particulars	Deferred tax liability/ (Asset) for the FY 2016-17	Deferred tax liability/ (Asset) for the FY 2015-16
(a)	Opening Deferred Tax Liabilities/ (Assets)	(2,57,415)	(1,06,335)
(b)	Add/(Less): Liabilities/ (Assets) arising during the year on account of:		
	(i) Difference in depreciation method	5,50,099	1,51,050
	(ii) Other Factors	14,02,645	-
	Total Charge / (Credit) to Profit & Loss A/c	(19,54,744)	(1,51,050)
(c)	Net Closing Deferred Tax Liabilities / (Assets)	(22,10,159)	(2,57,415)

9. Related Parties Disclosures**(i). Names of related parties**

Names of related parties where control exists irrespective of whether transactions have occurred or not	Nil
Names of other related parties with whom transactions have taken place during the year	Nil
Associates	Nil
Key Management Personnel	1. Mr. Zuzar A. Kathawala (Managing Director)
Relatives of key management personnel	1. A. G. Kathawala
	2. Qusai Kathawala
	3. Durriya Z Kathawala
	4. Sunrise Corp. (Prop. Zuzar Kathawala)
Enterprises owned or significantly influenced by key management personnel or their relatives	1. Gaia Organics LLP
	2. Kathawala Realtors LLP
	3. A.K. Packaging Pvt Ltd
	4. Adamji Investment Pvt Ltd
	5. Alban Communications (I) Pvt Ltd
	6. Ambient Media Solutions P. Ltd.
	7. General Machinery Ltd.
	8. Niyuprene Plastics Co Pvt Ltd
	9. Shimiz Construction Pvt Ltd.



(II). Related Party Disclosure

(Amount in Rupees)

	Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)		Relatives of Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives	
	2017	2016	2017	2016	2017	2016
Employee Benefits for Key Management Personnel						
Zuzar A. Kathawala	2,160,000	2,160,000				
	2,160,000	2,160,000	-	-	-	-
Unsecured Loans Opening bal. (Payable)/Receivable						
Zuzar A. Kathawala	-	(1,919,825)				
Sunrise Corporation (Prop. Zuzar Kathawala)	(735,000)	(735,000)				
A.G. Kathawala			(36,028,999)	(36,149,994)		
Durriya Z Kathawala			(996,102)	(996,102)		
Kathawala Realtors LLP					(24,000)	-
Gaia Organics LLP					314,050	314,050
A. K Packaging Pvt. Ltd.					(664,405)	(664,505)
Alban Communications (I) Pvt Ltd					(292,952)	(294,252)
Ambient Media Solutions P. Ltd.					100	22,961,095
General Machinery					(5,207,325)	(7,738,055)
Niyuprene Plastics Co Pvt Ltd					(1,451,835)	(1,451,935)
Shimiz Construction Pvt Ltd.					(4,699,800)	-
Total of Unsecured Loans Opening Bal.	(735,000)	(2,654,825)	(37,025,101)	(37,146,096)	(12,026,167)	13,126,398
	Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)		Relatives of Key Management Personnel		Enterprises owned or significantly influenced by key management personnel or their relatives	
	2017	2016	2017	2016	2017	2016
Unsecured Loans Taken / Received back						
Zuzar A. Kathawala	37,425,664	15,866,702				
A.G. Kathawala			992,769	3,875,000		
Durriya Z Kathawala			241,289	-		
Quasai Kathawala						
Kathawala Realtors LLP					809,726	5,175,000
Alban Communications (I) Pvt Ltd					3,480,548	-
Ambient Media Solutions P. Ltd.					5,648,214	25,386,849
General Machinery Ltd.					749,855	669,270
Shimiz Construction Pvt Ltd.					3,173,937	6,810,000
Total of Unsecured Loans Taken	37,425,664	15,866,702	1,234,058	3,875,000	13,862,280	38,041,119
Unsecured Loans repaid/ given						
Zuzar A. Kathawala	12,618,114	17,786,527				
Sunrise Corporation (Prop. Zuzar Kathawala)	735,000	-				
A.G. Kathawala			2,135,159	3,995,995		
Durriya Z Kathawala			1,104,776	-		
Kathawala Realtors LLP					833,726	5,151,000
A. K Packaging Pvt. Ltd.					664,405	100
Adamji Investment Pvt Ltd					7,979	-



Alban Communications (I) Pvt Ltd					3,473,702	1,300
General Machinery Ltd.					-	3,200,000
Niyuprene Plastics Co Pvt Ltd					7,979	100
Shimiz Construction Pvt Ltd.					7,614,800	2,110,200
Ambient Media Solutions P. Ltd.					5,294,560	2,425,854
Total of Unsecured Loans Repayments	13,353,114	17,786,527	3,239,935	3,995,995	17,897,151	12,888,554
Unsecured Loans Closing bal. (Payable)/Receivable						
Sunrise Corporation (Prop. Zuzar Kathawala)	(24,807,550)	(735,000)				
A.G. Kathawala			(34,886,609)	(36,028,999)		
Durriya Z Kathawala			(132,615)	(996,102)		
Kathawala Realtors LLP					-	(24,000)
Gaia Organics LLP					314,050	314,050
A. K Packaging Pvt. Ltd.						(664,405)
Alban Communications (I) Pvt Ltd					(299,798)	(292,952)
Adamji Investment Pvt Ltd					7,979	-
Ambient Media Solutions P. Ltd.					(353,554)	100
General Machinery					(5,957,180)	(5,207,325)
Niyuprene Plastics Co Pvt Ltd					(1,443,856)	(1,451,835)
Shimiz Construction Pvt Ltd.					(258,937)	(4,699,800)
Total of Unsecured Loans Closing Bal.	(24,807,550)	(735,000)	(35,019,224)	(37,025,101)	(7,991,296)	(12,026,167)
Expenses / (Income):						
Zuzar A. Kathawala Hiring Income	-	(560,000)				
Quasai Kathawala - Salary			480,000	300,000		
Quasai Kathawala - Conveyance & Travelling			98,000	-		
Balances Outstanding at the year end	-	(560,000)	578,000	300,000	-	-

10. In the opinion of the Board, the assets (other than Fixed Assets and Non Current Investments) are approximately of the value stated, if realized in the ordinary course of business. The provisions for liabilities are considered to be adequate by the Board

11. **Earning Per Share (EPS)**

(Rs. in lacs except EPS)

	Particulars	2016-17	2015-16
i)	Net Profit after tax as per Profit and Loss A/c	141.99	549.42
ii)	Net Profit attributable to equity share	141.99	549.42
iii)	Weighted Average number of equity shares used as denominator for	47,33,500	48,35,000
iv)	Basic and Diluted EPS		
	- Basic	3.00	11.36
	- Diluted	3.00	11.36
vi)	Face Values per equity share	10	10

12. **Earnings / Expenditure in foreign currency**

	2016-17	2015-16
Earnings in foreign currency (Cash/Accrual basis)		
Exports at F.O.B. Value	4,11,96,086	5,66,54,337
Total (A)	4,11,96,086	5,66,54,337
Expenditure in foreign currency (Cash/Accrual basis)		
Testing Charges	2,74,015	-
Total (B)	2,74,015	-



13. General Notes:

- I) In term of notification GSR (129E) dated. 22.02.99 issued by the department of the company affairs, the company is required to furnish the details of outstanding to SSI undertaking under the head "Current Liabilities & Provision" of amount more than one lacs and for the period of more than 45 days the company has requested to vendor to furnish requisite information along with their SSI registration balance sheet, therefore the company is unable to furnish the particulars.
- II) Income Tax assessments of the Company have been completed till the assessment year 2014 – 2015.
- III) Provision has not been made for Bonus Payable in the current year.
- IV) The company has pledged the shares with Bank against loan in the year 1997 which were held and owned by the Directors Mr. A. G. Kathawala, Mr. Z. A. Kathawala and Mrs. D. Z. Kathawala and their relative Mrs. M. A. Kathawala, having market value at the time around Rs. 10.00 Lacs to secure the company's liabilities for payment of long outstanding collection bill dated 17.07.1990 for USD 29,025/- (Rupees 7.42 Lacs).

We are given to understand that though the shares were pledged for a particular transaction and upto a limit of Rs. 10 Lacs only, in the year January 2000 the bank exercised their right to invoke the pledge without giving notice to the pledger and without restricting the sale to the extent of Rs. 10 Lacs only, and accordingly sold the shares for Rs. 2,88,50,988/- and credited the proceeds to the companies account. The amount credited by the bank is shown under the group of unsecured loans from related party under Note No 3 (SHORT-TERM BORROWINGS) of the Financial Statements.

- V) As per the information available, the loan from Ambient Media Pvt. Ltd. for Rs. 1294.23 lacs (as mentioned in Note No. 3 of the Financial Statements) is representing a loan acquired by M/s Ambient Media Solutions Private Limited (AMSPL, Group Company) from Assets Reconstruction Company India Ltd.

14. The financial statements which describes that the Balance of Debtors, Creditors, Loans & Advances and Investments are subject to confirmation and reconciliation, if any. Hence, the effect thereof, on Profit/ Loss, Assets and Liabilities, if any, is not ascertainable.
15. Some of the supporting of vouchers for receipts / payment, Sales / Purchase, Debit Note / Credit Note and Journal Voucher were not made available for verification at the time of audit however duly sanctioned and certified by the directors.
16. No forward exchange contracts are outstanding on the balance sheet date which is entered to hedge foreign exchange exposures of the Company.
17. The details of Specified Bank Notes (SBN) held and transacted during the period from 8th November, 2016 to 30th December, 2016 as provided in the Table below:-

PARTICULAR	SBNs (500/1000)	Other denomination	Total
Closing Cash on hand as on 08.11.2016	1,000	344,724	345,724
Transactions between 9th November 2016 and 30th December 2016			
Add: Withdrawal from bank accounts	0	1,209,300	1,209,300
Add: Receipts for permitted transactions	-	-	-
Add : Receipts for non-permitted transactions	-	-	-
Less : Paid for permitted transactions	0	1,422,691	1,422,691
Less : Paid for non-permitted transactions	-	-	-
Less: Deposited in bank accounts	1,000	0	1,000
Closing cash in hand as on 30.12.2016	0	131,333	131,333

As per our report of even date

For PAREKH SHAH & LODHA
Chartered Accountants
Firm Regn.: No. 107487W

For and on behalf of the Board
UNION QUALITY PLASTICS LTD.

CA Ravindra Chaturvedi
(Partner)
M. No. :048350
Place: Mumbai,
Date: 25th May 2017

Zuzar A. Kathawala
(Director)
(DIN- 00101783)

Durriya Z. Kathawala
(Director)
(DIN- 00338824)



Form No.MGT-11

PROXY FORM

[Pursuant to Section 105(6) of the Companies Act, 2013 and Rule 19(3) of the Companies Act (Management and Administration) Rules, 2014]

(CIN: L25209MH1984PLC033595)

Name of the Company: UNION QUALITY PLASTICS LIMITED

Registered Office: 42, 4th Floor, Cambatta Building, East Wing, Sir Jamshedji Tata Road, Churchgate, Mumbai- 400 020, Maharashtra, India.

Name of the Member (s):
Registered Address:
Email Id:
Folio No./Client Id:
DO ID:

I/ We, being the member(s) of -----shares of Union Quality Plastics Limited, hereby appoint

1. Name:

Address:

E-mail ID:

Signature: _____, or falling him

2. Name:

Address:

E-mail ID:

Signature: _____, or falling him

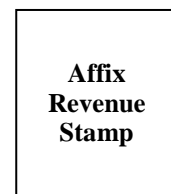
as my/ our proxy to attend and vote (on a poll) for my/our behalf at the 33rd Annual General Meeting of the Company, to be held on the Saturday, 30th September,2017, at 11.00 a.m. (Time) at 42 4th Floor, Cambatta Building, E- Wing, Sir Jamshedji Tata Road, Mumbai-400020, Maharashtra, India and at any adjournment thereof in respect of such resolution as are indicated below:

RESOLUTION NO.	ORDINARYBUSINESS
1	Adoption of Financial Statement for the period ended 31st March, 2017.
2	Appointment of Director in place of Mrs. Zuzar A. Kathawala, Director who retires by rotation and being eligible, offers herself for re-appointment.
3.	Appointment of Statutory Auditor of the Company.

Signed this _____ day of _____,2017

Signature of shareholders

Signature of Proxy



Note:- this form of proxy in order to be effective should be effective should be duly completed and deposited at the Registered Office of the Company,notlessthan48hoursbeforethecomencementoftheMeeting.

**UNION QUALITY PLASTICS LIMITED**

(CIN: L25209MH1984PLC033595)

Registered Office: Plot No. 42, 4th Floor, Cambatta Building, East Wing, Sir Jamshedji Tata Road, Mumbai- 400020, Maharashtra, India.**ATTENDANCE SLIP**

(To be filled in advance over at the entrance of the meeting hall)

I hereby record my presence at the **33rd Annual General Meeting** of the Company to be held at Plot No. 42, 4th Floor, Cambatta Building, East Wing, Sir Jamshedji Tata Road, Churchgate, Mumbai-400020, Maharashtra, India on Saturday, 30th September, 2017, 11.00 A.M.

Full Name of the * Shareholder/Proxy (in Block Letters)	
Folio No. or Client No./ DPID No.:	
No. of Shares held:	

Signature of Shareholder/ Proxy

*strike out whichever is not applicable

NOTE:

Members who have multiple folios/demat accounts with different joint holders may use copies of this attendance slip. only Shareholders of the Company or their Proxies will be allowed the meeting.



BOOK-POST

If undelivered, please return to:

UNION QUALITY PLASTICS LTD.

Registered Office:

**Plot No. 42, 4th Floor, Cambatta Building, East Wing, Sir Jamshedji Tata Road, Churchgate,
Mumbai- 400020.**