



7th Annual Report 1998-99

For, Narmada Macplast Drip
Irrigation Systems Ltd.


Director

L NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD. .

Annual Report 1998-1999

BOARD OF DIRECTORS

Mr. Vrajlal J. Vaghasia
Managing Director

Mr. Jiten V. Vaghasia
Director

Mr. Lalit J. Vaghasia
Director

Mr. Arjan J. Vaghasia
Director

Mr. Chandrakant N. Sanghavi
Director

Mr. Bhupendra D. Amin
Director

AUDITORS

S. D. Mehta & Co.
Chartered Accountants
16, 1st Floor, Ghanshyam Avenue,
Block-A, Sattar Taluka Society,
Ahmedabad-380 014.

BANKERS

Corporation Bank
Kalupur Commercial Co-Op. Bank Ltd.

REGISTERED OFFICE

21, Shree Krishna Centre,
3rd Floor, Nr. Mithakhali Six Roads,
Navrangpura, Ahmedabad - 380 009.

DIRECTORS REPORT

To,
The Members,
NARMADA MACPLAST
DRIP IRRIGATION SYSTEMS LIMITED.
AHMEDABAD.

Your directors have pleasure in submitting herewith the Seventh Annual Report of the Company with the audited statements of accounts for the year ended 31st March, 1999.

(1) Financial Results :		1998-99	
Amount 1997-98		Amount	Amount
(Rs. in lacs)		(Rs. in lacs)	
<hr/>			
(18.93)	Net loss before Depreciation & writeoffs		(48.62)
22.81	Add: Depreciaton	16.10	
2.68	Preliminary expenses	---	
	written off		
<hr/>			
25.49			16.10
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(44.42)	Net loss transferred to balance sheet		(64.72)
(40.03)	Add : Loss as per previous year's		(84.45)
	balance sheet		
<hr/>			
(84.45)	Balance carried forward to		(149.17)
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(2) Employees :

There was no employee who was in receipt of remuneration of Rs. 3,00,000/- p. a. or Rs. 25,000/-per month if employed for part of the year.

(3) DIVIDEND :-

Your director's do not recommend any dividend for the current year in view of losses.

(4) ACTIVITY :-

Despite of financial constraints and general recession in the market the company has put in all efforts and has succeeded in surviving in the stiff competition. The services provided by the company to the farmers have been appreciated by the later. The non-availability of required working capital has been a major constraint in the operations of the company. However, the sales growth is satisfactory during the current year. This was achieved by clearing old stocks at lower price. This has contributed to the losses made by the company during the year.

(5) STEPS TAKEN BY THE MANAGEMENT TO OVERCOME FINANCIAL CRISIS :-

- (A) Although the company has suffered severe financial crisis, it has taken all steps to overcome the same. It has approached IDBI for waiver of interest and it expects substantial relief from the institution. It has cut down administrative costs almost nearly to half as compared to previous year.
- (B) To generate further resources and to repay the liabilities, the company has sold two offices.

(6) DIRECTORS :-

Mr. Lalit J. Vaghasia and Mr. Arjan J. Vaghasia the directors of the company retire by rotation and being eligible, offer themselves for reappointment.

(7) CONSERVATION OF ENERGY :-

During the year the company has consumed 89017 units of electricity and has paid an amount of Rs. 4.20 Lacs towards the consumption.

(8) FOREIGN EXCHANGE OUTGO :-

The company has imported sprinkler material from Israel to the tune of Rs. 7.83 Lacs (\$ 18228) during the year.

(9) AUDITORS

M/S S. D. MEHTA & CO., Chartered Accountants, Statutory auditors of the company holds office until the conclusion of the ensuing Annual General Meeting and are recommended for re-appointment. The company has received a certificate from them that their appointment, if made would be within the prescribed limits u/s 224(1) (B) of the Companies Act, 1956.

- (10) Remarks no. 5 & 9 in notes forming part of accounts are self explanatory and does not call for any further comment.

In the end, Board thanks the employees, Government, Bankers and other institutions like IDBI, who are connected with the company for their valued support.

AHMEDABAD
16/08/99.

FOR AND ON BEHALF OF
BOARD OF DIRECTORS.

V. J. VAGHASIA
MANAGING DIRECTOR.

AUDITORS REPORT FOR THE FINANCIAL YEAR 1998-99

We have audited the attached Balance Sheet of NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LIMITED as at 31st March 1999 and the profit and Loss Account for the year ending on said date. We report that :-

- (1) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit.
- (2) Proper books of accounts as required by the law have been kept by the company so far as it appears from our examination of such books.
- (3) The Balance Sheet and the Profit and Loss Account referred to in this report are in agreement with books of accounts.
- (4) In our opinion the profit & loss account comply with the Accounting Standards referred to in sub-section (3c) of section 211 of Companies Act, 1956.
- (5) In our opinion and to the best of our information and according to explanations given to us and subject to our notes, the said Balance Sheet and Profit and Loss Account give the information required by the Companies Act, 1956 in the manner so required and give a true and fair view of :
 - (a) In case of Balance Sheet, of the state of affairs of the company as at 31st March, 1999.
 - (b) In case of Profit and Loss Account, of the Loss for the year ended on the said date.
- (6) As required by the Manufacturing and Other Companies (Auditor's Report) Order, 1988 and on the basis of such checks as we considered appropriate and as per the information and explanations given to us, we further state that :-
 - (i) The company is maintaining proper records

showing full particulars including quantitative details and situation of fixed assets and they have been physically verified by the management at reasonable intervals and no material discrepancies were noticed on such verification.

- (ii) None of the fixed assets were revalued during the year.
- (iii) Physical verification has been conducted by the management at reasonable interval in respect of finished goods, stores, spare parts and raw materials.
- (iv) In our opinion and according to the information given to us the procedures of physical verification of stock followed by the management are reasonable and adequate in relation to the size of the company and its nature of business.
- (v) No material discrepancies have been noticed on physical verification of stocks as compared to book records.
- (vi) In our opinion the valuation of stocks is fair and proper in accordance with normally accepted accounting principles and is on the same basis as in the preceding year.
- (vii) The company has taken interest free unsecured loans from parties listed in the register maintained under section 301 of the Companies Act, 1956 (1 of 1956) and the terms and conditions of such loans are prima facie not prejudicial to the interest of the Company.
- (viii) The company has granted loans to the companies and parties, listed in the register maintained under section 301 of companies act 1956 (1 of 1956) and we are informed that these have been granted under same terms and conditions on which such advances have been

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD.

- granted to other parties and that the terms and conditions of such loans are prima facie not prejudicial to the interest of the company.
- (ix) The company has not granted any loans or advances in the nature of loans, hence the question of regular repayment of interest and principle does not arise.
- (x) In our opinion and according to the information given to us there are adequate internal control procedures commensurate with the size of the business for purchase of stores, raw materials including components, plant & machinery, equipment and other assets and for sale of goods.
- (xi) We are informed that the company has entered into a transaction of purchase or sale of goods, materials and services, made on persuasion of contracts or arrangement entered in the register maintained under section 301 of the companies act, 1956 (1 of 1956) as aggregating to Rs. 50000 and more and has been made at prices which are reasonable having regard to prevailing market prices for such goods or at prices at which transactions for similar goods or services have been made with other parties.
- (xii) There have been no unservicable or damaged stores of finished goods during the year determined by the company.
- (xiii) The company has not accepted deposits from public.
- (xiv) We are informed by the company has an internal audit system commensurate with its size that there have been no by-product and scrap during the year.
- (xv) In our opinion the company has an internal audit system commensurate with its size and its nature of business.
- (xvi) The company informs that the Central government has not prescribed the maintenance of cost records under section 209(i)(d) of companies act, 1956 (1 of 1956)
- (xvii) The company informs us that the provision of Provident Fund Act and Employees State Insurance are not applicable to the company.
- (xviii) According to information and explanation given to us there are no undisputed amount payable in respect of Income Tax, Wealth Tax, Sales Tax, Custom Duty, and Excise Duty outstanding for a period of more than six months as at 31st March, 1999, from the date they become payable.
- (xix) It is certified to us that no personal expenses have been charged to revenue accounts.
- (xx) The company is not a sick Industrial company within the meaning of Clause (0) of subsection (1) of section 3 of the sick Industrial companies (Special Provisions) Act, 1985.

AHMEDABAD
16/08/99

FOR, S. D. MEHTA & CO.
CHARTERED ACCOUNTANTS

(SHAISHAV MEHTA)
PROPRIETOR.

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD.

**NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LIMITED
BALANCE SHEET AS AT 31st MARCH 1999**

	Schedules	As at 31st March 1999		As at 31st March 1998	
		Amount in Rs. Lacs	Amount in Rs. Lacs	Amount in Rs. Lacs	Amount in Rs. Lacs
SOURCES OF FUNDS					
SHAREHOLDER'S FUNDS					
Share Capital	A		362.75		362.75
LOAN FUNDS					
Secured Loan	B	177.04		178.96	
Unsecured Loan		29.84		24.37	
		-----	206.88	-----	203.33
TOTAL			----- 569.63		----- 566.08
APPLICATION OF FUNDS					
FIXED ASSETS					
Gross Block	C	238.53		257.73	
Less : Depreciation		87.27		75.96	
		-----	151.26	-----	181.77
INVESTMENTS					
	D		28.98		26.98
CURRENT ASSETS, LOANS & ADVANCES					
Inventories		75.34		116.00	
Sundry Debtors		124.42		159.77	
Cash and Bank Balances		6.94		7.97	
Loans and Advances		82.95		177.42	
Modvate Credit Receivable		0.55		0.20	
Deposits		2.92		2.92	
		-----		-----	
Less :		293.12		464.28	
CURRENT LIABILITIES & PROVISION	F	69.01		207.51	
		-----		-----	
NET CURRENT ASSETS			224.11		256.77
MISCELLANEOUS EXPENDITURE	G		165.28		100.56
			-----		-----
TOTAL			569.63		566.08
			-----		-----
NOTES ON ACCOUNTS					
	Z				

The Schedules referred to above form an integral part of the Balance Sheet.

Signatures to Balance Sheet and schedules A to G & 'Z'

FOR AND ON BEHALF OF
M/s. S. D. MEHTA & Co.
CHARTERED ACCOUNTANTS

VRAJLAL J. VAGHASIA

CHAIRMAN AND
MANAGING DIRECTOR

SHAISHAV MEHTA
PROPRIETOR

JITEN V. VAGHASIA]
LALIT J. VAGHASIA]
ARJAN J. VAGHASIA]
CHANDRAKANT N. SANGHAVI]
BHUPENDRA D. AMIN]

DIRECTOR

Ahmedabad - 16.08.1999

Ahmedabad - 16.08.1999

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD.

**NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LIMITED
PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 1999**

	Schedules	As at 31st March 1999		As at 31st March 1998	
		Amount in Rs. Lacs	Amount in Rs. Lacs	Amount in Rs. Lacs	Amount in Rs. Lacs
INCOME					
Sales	H		142.51		71.78
Other Income	I		13.08		19.00
LESS EXPENDITURE					
Goods manufactured		176.49		30.19	
Selling and Administration expense	J	22.22		39.02	
		-----	198.71	-----	69.21
GROSS LOSS			(43.12)		21.57
Add. : Interest			5.50		40.5
LOSS BEFORE TAXES AND DEPERICATION			(48.62)		(18.93)
Less : Deperication provided during the year		16.1		22.81	
Less : Preliminary expenses		0		2.68	
		-----	16.1	-----	25.49
NET LOSS FOR THE YEAR			(64.72)		(44.42)
ADD : SURPLUS BROUGHT FORWARD			(84.45)		(40.03)
			(149.17)		(84.45)

The Schedules referred to above form an integral part of the Profit and Loss Account

Signatures to Profit and Loss and schedules H to J

FOR AND ON BEHALF OF
M/s. S. D. MEHTA & Co.
CHARTERED ACCOUNTANTS

VRAJLAL J. VAGHASIA

CHAIRMAN AND
MANAGING DIRECTOR

JITEN V. VAGHASIA

]

LALIT J. VAGHASIA

]

ARJAN J. VAGHASIA

]

DIRECTOR

CHANDRAKANT N. SANGHAVI

]

BHUPENDRA D. AMIN

]

SHAISHAV MEHTA
PROPRIETOR

Ahmedabad - 16.08.1999

Ahmedabad - 16.08.1999

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD.

SCHEDULES FORMING PART OF THE ACCOUNTS

As at 31st March 1999		As at 31st March 1998	
Amount in	Amount in	Amount in	Amount in
Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs

SCHEDULE A : SHARE CAPITAL

AUTHORISED CAPITAL

50,00,000 Equity Shares of Rs. 10/- each	500.00	500.00
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	500.00	500.00
--	--------	--------

ISSUED, SUBSCRIBED AND PAID UP

39,76,500 Equity Shares of Rs. 10/- each	397.65	397.65
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Less : Calls in arrears	34.90	34.90
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	362.75	362.75
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SCHEDULE B : SECURED LOANS

IDBI Term Loan	147.83	147.83
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(Secured by hypothecation of machinery and equitable mortgage of factory building)

GLFL Bridge Loan	1.26	3.52
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Kalapur Bank - OD	26.45	25.33
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Tata Finance Ltd	1.50	2.28
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	177.04	178.96
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SCHEDULE C : FIXED ASSETS

Name of the Asset	GROSS BLOCK			DEPRECIATION				NET BLOCK		
	As on 01.04.98	Additions in the year	Deduction in the year	As on 31.03.99	As on 01.04.98	For the year	Adj. on Sale	As on 31.03.99	As on 01.04.98	As on 31.03.99
(1) Land	8.13	0	0	8.13	0	0	0	0	8.13	8.13
	(7.53)	(0.60)	(0)	(8.13)	(0)	(0)	(0)	(0)	(7.53)	(8.13)
(2) Building	85.83	1.57	18.14	69.26	15.92	5.56	3.13	18.35	69.91	50.91
	(85.56)	(0.27)	(0)	(85.83)	(12.25)	(3.67)	(0)	(15.92)	(73.31)	(69.91)
(3) Furniture & Fixture	6.78	0.18	3.23	3.73	3.27	0.46	1.11	2.62	3.51	1.11
	(6.67)	(0.11)	(0)	(6.78)	(2.50)	(0.77)	(0)	(3.27)	(4.17)	(3.51)
(4) Computer	4.29	0	0	4.29	3.57	0.29	0	3.86	0.72	0.43
	(4.29)	(0)	(0)	(4.29)	(3.09)	(0.48)	(0)	(3.57)	(1.20)	(0.71)
(5) Plant & Machinery	144.04	1.32	0.89	144.47	50.42	8.60	0.54	58.48	93.62	85.99
	(140.87)	(3.17)	(0)	(144.04)	(34.40)	(16.02)	(0)	(50.42)	(106.47)	(93.62)
(6) Vehicle	4.29	0	0	4.29	1.19	0.80	0	1.99	3.10	2.30
	(0)	(4.29)	(0)	(4.29)	(0)	(1.18)	(0)	(1.18)	(0)	(3.10)
(7) Laboratory equipemer	4.37	0	0	4.37	1.59	0.39	0	1.98	2.78	2.39
	(4.36)	(0.01)	(0)	(4.37)	(0.90)	(0.69)	(0)	(1.59)	(3.46)	(2.78)
	257.73	3.07	22.26	238.54	75.96	16.10	4.78	87.28	181.77	151.26
	(249.28)	(8.45)	(0)	(257.73)	(53.14)	(22.82)	(0)	(75.96)	(96.14)	(181.77)

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD.

SCHEDULE D : INVESTMENTS	As at 31st March 1999		As at 31st March 1998	
	Amount in Rs. Lacs	Amount in Rs. Lacs	Amount in Rs. Lacs	Amount in Rs. Lacs
Fixed deposit with Kalupur Bank		2.50		0.50
Shares in IDBI		1.62		1.62
Shares in Bombay Mercantile Bank		0.11		0.11
Shares in Nada Dyes & Chemicals		24.50		24.50
Shares in Kalupur Bank		0.25		0.25
		28.98		26.98

SCHEDULE E : CURRENT ASSETS, LOANS AND ADVANCES

Closing stock (As taken valued and certified by Directors)		75.34		116.00
Loans and Advances		82.95		177.42
Modvat Credit Receivable		0.55		0.20
Deposits		2.92		2.92
Debtors : Over Six Months	77.02		149.17	
: Other.	47.40		10.60	
		124.42	159.77	
Cash and Bank Balances :				
a. Cash on hand	6.55		7.5	
b. Bank Balance	0.39		0.47	
		6.94	7.97	
		293.12	464.28	

SCHEDULE F : CURRENT LIABILITIES & PROVISION

Creditors for goods & expenses		69.01		207.51

SCHEDULE G : MISCELLANEOUS EXPENDITURE

PRELIMINARY EXPENSES				
Preliminary exp.		16.11		18.79
Less : 1/10 th written off		0		2.68
		16.11	16.11	
PROFIT & LOSS ACCOUNT				
Balance as per previous year's balance sheet		84.45		40.03
Add : Loss as per profit & loss account		64.72		44.42
		149.17	84.45	
		165.28	100.56	

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD.

SCHEDULE H : COST OF GOODS MANUFACTURED	As at 31st March 1999		As at 31st March 1998	
	Amount in	Amount in	Amount in	Amount in
	Rs. Lacs	Rs. Lacs	Rs. Lacs	Rs. Lacs
Opening Stock	116.00		80.51	
Add : Purchases	122.44		55.07	
	-----		-----	
	238.44		135.58	
Add : Direct expenses			6.09	
Direct Manufacturing expenses	10.72		6.09	
Import Duty	2.63		3.53	
Forwarding Charges	0.04		0.99	
	-----		-----	
	13.39		10.61	
	-----		-----	
	251.83		146.19	
Less : Closing Stock	75.34		116	
	-----		-----	
	176.49		30.19	
SCHEDULE I : OTHER INCOME				
Interest Income	9.22		3.54	
Miscellaneous Income	0.12		0.13	
Dividend	0.03		0	
Job Work Sales	0		13.75	
Rent Income	0		1.20	
Excess Provision Written Back	3.56		0.38	
Kasar	0.15		0	
	-----		-----	
	13.08		19.00	
	-----		-----	
SCHEDULE J : SELLING AND ADMINISTRATIVE EXPENSES				
Salary	2.57		9.61	
Administrative expenses	2.97		0	
Advertisement expenses	0.43		0.81	
Travelling expenses	0.23		2.79	
Insurance premium	0.65		0	
Electricity charges	0.29		0.55	
Audit fees	0.10		0.10	
Consultation fees	0.29		2.66	
Bank charges & commission	0.16		0.20	
Discount	0		1.85	
Office expense	0.37		0.65	
Rent, rates and taxes	0		5.73	
Repairs	0.89		0.69	
Postage & telegram expenses	1.25		1.51	
Legal expenses	0.66		0.36	
Sales promotion expenses	9.76		9.07	
Staff welfare expenses	0.27		0.78	
Stationary & printing	0.28		0.40	
Security charges	0.54		0.74	
Packing charges	0.03		0.12	
Miscellaneous expenses	0.01		0.49	
Loss on sale of office	0.47		0	
	-----		-----	
	22.22		39.11	
	-----		-----	

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD.

**SCHEDULE 'Z' : NOTES FORMING PART OF ACCOUNTS FOR THE YEAR
ENDING ON 31ST MARCH, 1999.**

(1) Accounting Policies :

- (a) The company follows mercantile system of accounting. The books are prepared on historical cost basis as a going concern and are consistent with the generally accepted accounting principles.
- (b) Fixed assets are valued at cost less depreciation.
- (c) Depreciation is provided on written down value method applying the rates specified in schedule XIV to the companies act, 1956. Depreciation on the assets added during the year have been provided on prorata basis with reference to the month of their addition.
- (d) Investments are valued at cost: (Unquoted).
- (e) Valuation of Inventories :

Raw Materials	-	At cost
Trading Goods	-	At cost
Finished Goods	-	At cost

- (2) In view of substantial losses accumulated, the company has not written off preliminary expenses of Rs. 268364.
- (3) Debtor, loans & advances are unsecured, considered good.
- (4) An amount of Rs. 4.80 lacs in the name of Customs department is shown to have been recoverable under the group "debtors". The said amount represents duty paid on sprinklers and other accessories imported from Israel and in opinion of the company the said duty was paid in excess of the amount of custom duty required to be paid to the customs authorities on the import. As such, it preferred a refund claim with the Asst. Comm. of Customs which rejected the claim. The company has preferred an appeal to the higher authority and the decision is still awaited. We are informed by the company that the said amount has to be shown as outstanding till the final outcome of the appeal.
- (5) No provision has been made for interest on loan from IDBI during the current year. The company informs us that it has already approached the above institution for waiver/reduction in the interest already provided till the year 31st March, 1998. In the opinion of the company no further provision would be necessary. As such the loss of the year is understated by Rs. 16.20 Lacs approx. Further no provision is being made for penalty, furthe interest and liquidity damages, the amount of which according to IDBI stood at Rs. 22.84 lacs till 31st March, 1999.
- (6) During the year the company has written off certain credit and debit balances which in its opinion were either not payable or not recoverable. The et effect of the said write offs is reflected under the head "other income" and shown as kasar account.
- (7) The excess provision written back under the head "other income" represents the amount of municipal tax which in the opinion of the company was although provided for is now not payable. Further no fresh provision has been made for municipal tax during the year.
- (8) The company has not provided depreciation on Indjection Moulding machine and Tool Room machinery as both were not put to use during the year.
- (9) the amount of sales commission debited to Profit & Loss account includes Rs. 2.23 Lacs relating to the earlier year i.e. 1997-98.

(10) QUANTITATIVE DETAILS IN RESPECT OF PRINCIPAL ITEMS :

(A) OPENING STOCK

ITEM	UNIT OF MEASUREMENT	QUANTITY	VALUE RS.
POLY TUBES	METRES	251418 (259548)	689192 (741224)
PVC PIPES	METRES	102718 (55751)	2048868 (1368726)

(B) CONSUMPTION

ITEM	UNIT OF MEASUREMENT	QUANTITY	VALUE RS.
PVC RESIN	KGS.	201315 (63500)	6844710 (2929800)

(C) PRODUCTION

ITEM	UNIT OF MEASUREMENT	QUANTITY	VALUE RS.
POLY TUBES	METRES	118700 (---)	663243 (---)
PVC PIPES	METRES	302682 (72498)	6426378 (1812450)

(D) PURCHASES

ITEM	UNIT OF MEASUREMENT	QUANTITY	VALUE RS.
POLY TUBES	METRES	208300 (192000)	1335385 (1228800)
PVC PIPES	METRES	990 (4993)	28306 (149700)

(E) SALES

ITEM	UNIT OF MEASUREMENT	QUANTITY	VALUE RS.
POLY TUBES	METRES	313632 (200130)	2083085 (1280832)
PVC PIPES	METRES	286181 (30524)	7572616 (1282008)

(F) CLOSING STOCK

ITEM	UNIT OF MEASUREMENT	QUANTITY	VALUE RS.
POLY TUBES	METRES	264786 (251418)	604735 (689192)
PVC PIPES	METRES	120210 (102718)	930936 (2048868)

(11) Details of foreign Exchange Out go :

Value of material imported during the year is Rs. 7.83 Lacs.

- (12) In the opinion of the directors all current assets, loans and advances are approximately of the value stated, if realised in the ordinary course of business and provision for all known liabilities is adequate and not in excess of the amount reasonably necessary.
- (13) No provision has been made for short fall in the value of investment in M/s Nada Dyes & Chemicals. Amount is unascertainable.
- (14) No provision for interest on delayed payment to GSIC has been made by the company. The company informs us the GSIC has preferred a civil suit in the court.
- (15) Previous year figures are regrouped wherever necessary.

AHMEDABAD**FOR, S. D. MEHTA & CO.,
CHARTERED ACCOUNTANTS.****FOR, NARMADA MACPLAST DRIP
IRRIGATION SYSTEMS LIMITED.,****DATE : 16/8/99****(SHAISHAV MEHTA)
PROPRIETOR.****MANAGING
DIRECTOR****DIRECTOR.**

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD.
CASH FLOW STATEMENT FOR THE YEAR ENDING ON 31st MARCH 1999.

Particulars	Amount (Rs. in lacs)	Amount (Rs. in lacs)
A. Cash Flow From Operating Activities		
Net profit before tax & extra Ordinary activities	64.72	
Adjustment for : Depreciation	16.10	

Operating profit before working capital changes		48.62
Adjustment for : Trade & other receivable	129.47	
Inventories	40.66	
Trade payable	138.50	

Cash generated from operation		31.63
Net cash flow operativities		16.99
B. Cash flow from investing activities		
Purchase of fixed assets	14.41	
Purchase of investments	2.00	
Net cash flow investing activities		12.41
C. Cash flow from financing activities		
Proceeds from short term borrowings	3.55	

Net cash flow from financing activities		3.55

Net decrease in cash & cash equivalents		1.03

Cash & Cash equivalents as at 01.04.1998		7.97
Cash & Cash equivalents as at 31.03.1999		6.94

(Opening Balance)		
(Closing stock)		1.03

CERTIFICATE

We have verified the above cash flow statement of Narmada Macplast Drip Irrigation Systems Limited, derived from audited Financial Statements for the year ended 31st March, 1999 and certify that in our opinion and according to the confirmation and explanation given to us the same is in therwith and also with requirment of clause 32 of the listing agreement with stock exchange.

For, S. D. Mehta & Co.
Chartered Accountants
(Shaishav Mehta)
Proprietor.

16.08.1999
AHMEDABAD