

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD.



**NARMADA
MACPLAST
DRIP IRRIGATION
SYSTEMS LTD.**

14th ANNUAL REPORT 2005-2006

14th ANNUAL REPORT 2005-2006

BOARD OF DIRECTORS

MR. VRAJLAL J. VAGHASIA	MANAGING DIRECTOR
MR. ARJANBHAI J. VAGHASIA	DIRECTOR
MR. LALITBHAI J. VAGHASIA	DIRECTOR
MR. JITENDRABHAI V. VAGHASIA	DIRECTOR

REGISTERED OFFICE

Plot No. 119-120, Santej-Vadsar Road,
Near Alex Cables, At-Santej, Ta. Kalol, Dist. Gandhinagar.

AUDITORS

S. D. MEHTA & CO. Chartered Accountant
16/A, 1st Floor, Ghanshyam Avenue,
Sattar Taluka Society, Ahmedabad - 380 014.

BANKERS

CORPORATION BANK
KALUPUR COMMERCIAL CO-OP. BANK LTD.

CORRESPONDENCE OFFICE

A-16, Parulnagar Society, 1st Floor,
Bhuyangdev Char Rasta,
Opp. Mahakali Temple, Sola Road,
Ahmedabad-380 061.

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD.

To,
The Members,
NARMADA MACPLAST
DRIP IRRIGATION SYSTEMS LTD.
Ahmedabad

NOTICE

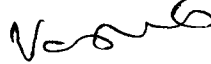
Notice is hereby given that 14th Annual General Meeting of the Shareholders, of the company be held on 30th September, 2006 at its registered office at 3:00 P.M. to transact the following business:

ORDINARY BUSINESS:

- (1) To receive & adopt the Directors Report and Audited Balance Sheet as at 31st March, 2006 and the Profit & Loss Account of the company year ended on that date.
- (2) To appoint the Director in place of Mr. Lalit J. Vaghasia who retires by rotation and begin eligible, offers himself for reappointment
- (3) To appoint the Director in place of Mr. Arjan J. Vaghasia who retires by rotation and begin eligible, offers himself for reappointment
- (4) To appoint Auditor to hold the office from the conclusion of this meeting until the conclusion of the next Annual General Meeting and to authorise the Board to fix their remuneration.

For Narmada Macplast Drip
Irrigation Systems Limited

Ahmedabad



Managing Director

DT: 01-09-2006

Notes:

- 1) A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and a proxy need not be a member of the company. Proxies in order to be effective must be lodged with the company not less than 48 hours before the time of meeting.
- 2) The Register of Members and Share Transfer books of the company will remain closed from 28/09/2006 to 30/09/2006 (Both the days inclusive)
- 3) Member/Proxy should bring the attendance slip sent herewith duly filled in for attending the meeting along with the copy of this Annual Report.
- 4) Members desiring any information as regards accounts are requested to write to the company at least seven days in advance of the Annual General Meeting so as to enable the Management to keep the information ready.
- 5) Members are requested to notify the company immediately the changes if any, in the address in full with the postal area, pin code number, quoting their folio number.

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD.

DIRECTORS REPORT

To,
The Members,
NARMADA MACPLAST
DRIP IRRIGATION SYSTEMS LTD.
Ahmedabad

Your directors have [pleasure in submitting here with the 14th Annual Report of the Company with the audited statement of account for the year ended 31st March 2006

(1) Financial Results

31-03-2005	31-03-2006	
Amount	Amount	
(Rs.In Lacs)	(Rs.In Lacs)	
(12.08)	Net Profit/Loss before Dep. & Write Offs	(07.74)
10.12	Less: Depreciation 9.21	
-	Preliminary Expenses	
	Written off 2.70	11.91
<hr/>		
(22.20)	Net loss Before Extra Ordinary Item	(19.65)
	Add: I.D.B.I. Interest Provision Written Back	60.53
<hr/>		
22.20	Net Profit for the Year	40.88
195.62	Less: Past Losses B/F	217.82
<hr/>		
217.82	Loss to be carried forward to Balance Sheet	176.94

(2) Employees: There was no employee who was in receipt of remuneration of Rs.24, 00,000/-p.a.or Rs.2,00,000/- per month if employed for part of the year.

(3) Activity:-Members would be pleased to note that one time Settlement with I.D.B.I. with full waiver of interest. As such interest provisions of past year have been written back to the profit & loss account. After the extra ordinary item of written back of interest the net loss of Rs.19.65 Lacs is converted in to a surplus of Rs. 40.88 Lacs. However the company could not reach any kind of settlement with G.S.I.C. and huge interest debited by G.S.I.C. continuous to cause a great problem for the company. The working capital situation also continuous to the grave.

(4) Director: - Mr.lalit J.Vaghasia & Mr.Arjan J.Vaghasia the directors of the company retire by rotation & being eligible for re - appointment.

(5) Dividend: - Your directors do not recommend any dividend for the year in view of past losses.

(6) Conservation of Energy: - During the year company has consumed 88380 units of the electricity and has paid an amount of Rs.4.76 Lacs towards the consumption.

(7) Auditors: - M/S. S.D.Mehta & Co., Chartered Accountants, statutory auditors of the company hold 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 limit U/S 224(1)(b) of The Companies Act, 1956.

DIRECTOR RESPONSIBILITY STATEMENT:

Pursuant to section 217 (2AA) of the Companies Act, 1956 the Directors state that:

1. In the preparation of the Accounts for the financial year ended 31st March 2006, the applicable accounting standards have been followed along with proper explanation relating to material departure:
2. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give true and fair view of the state of affairs of the company at the end of the financial year end of the Profit or loss of the Company for he year under review.
3. The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956 for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. The Directors have prepared the annual accounts on a going concern basis.

ACKNOWLEDGEMENT

Your Directors wish to place on record their appreciation for the cooperation and continued support extended to the company by all Government Authorities, Banks and Shareholders. Your Directors express their appreciation for the dedicated and sincere service rendered by the employees of the Company

**FOR AND BEHALF OF
BOARD OF DIRECTOR**

**Ahmedabad
01/09/2006**

**V.J.VAGHASIA
MANAGING DIRECTOR**

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD.

AUDITORS REPORT FOR THE FINANCIAL YEAR 2005-2006

1. We have audited the attached Balance Sheet of NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LIMITED as at 31st march, 2006 and profit and loss account for the year ended on that date. These financial statements are the responsibility of the company's management; our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit, in accordance with accounting standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes examining on test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides reasonable basis for our opinion.
3. 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.
4. 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.
5. The Balance sheet and the Profit and loss account referred to in this report are in agreement with books of accounts.
6. in our opinion the profit and loss account company with the accounting standards referred to in sub-section (3c) of section 211 of companies Act, 1956.
7. The company informs us that none of the directors of the company is disqualified from being appointed as director under clause g of sub section 1 of section 274 of the companies Act, 1956.
8. 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 in conformity with the accounting principles generally accepted in INDIA: -
 - (a) In case of Balance Sheet of the state of affairs of the company as at 31st march 2006.
 - (b) In case of Profit and Loss Account, of the loss for the year ended on that date.
 - (c) In case of the cash flow statement of the cash flows for the year ended March 31, 2006.
9. As required by companies (Auditors Report) Order, 2003 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) (a) The company is maintaining proper records showing full particulars including quantitative details and situation of fixed assets.
 - (b) The fixed assets of the company are physically verified by the management according to a phased programme designed to cover all items over a period of three financial years, which in the opinion, is reasonable having regard to the size of the Company and the nature of its assets. Pursuant to the programme, a portion of the fixed assets has been physically verified by the management during the year and no material discrepancies between the book records and the physical inventory have been noticed.
 - (c) In our opinion and according to the information and explanation given to us, a substantial part of the fixed assets has not been disposed off by the company during the year.
 - (II)(a) The inventory has been physically verified by the management during the year. In our opinion, the frequency of verification is reasonable.
 - (b) In our opinion, the procedure of physical verification of inventory followed by the management are reasonable and adequate in relation to the size of the company and the nature of its business.
 - (c) On the basis of our examination of inventory records, in our opinion, the company is maintaining proper records of inventory. The discrepancies noticed on physical verification of inventory as compared to book records were not material.
 - (III) In our opinion and according to the information and explanation given to us, the transactions that need to be entered in to the register in pursuance of section 301 of the Act have been so entered.
 - (a) The company has granted expense advance to one director aggregating to Rs. 0.36 lacs.
 - (b) The company has taken interest free loans aggregating to Rs. 28.80 lacs from a total no. Of

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD.

three (3) parties. At the year-end the out standing balances of such loans taken aggregated to Rs. 28.80 lacs.

- (c) We are informed by the company that, the loans taken are interest free and the terms and conditions of such loans are primaface not prejudicial to the interest of the company.
- (IV) In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business, for purchase of inventory, fixed assets and for the sale of goods. Further, on the basis of our examination of the books and records of the company and according to the information and explanation given to us, we have neither come across nor have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control procedures.
- (V) In our opinion and according to the information and explanation given to us, the transactions that need to be entered in to the register in pursuance of section 301 of the Act have been so entered.
- In our opinion and according to the information and explanations given to us, each of the tractions entered in the register in pursuance of section 301 of the Act and exceeding the value of Rupees five lacs have been made at prices which are reasonable having regards to the prevelling market prices at the relevant time.
- (VI) The company has not accepted any deposits from the public within the meaning of sections 58A and 58AA of the act and the rules framed there under.
- (VII) In opinion, the company's present internal audit system is commensurate with its size and the nature of its business.
- (VIII) We are informed by the company that the central government has not prescribed the maintenance of cost records, under clause (d) of sub-section (1) of section 209 of the Act.
- (IX) According to the information and explanation given to us no disputed dues sales tax, income tax, wealth tax, customs duty, excise duty, cess remained to be deposited with appropriate authorities.
- (X) The company has accumulated losses to the tune of Rs. 176.94 lacs which are nearly 45 percent of its net worth. The company has not incurred of any cash loss during the year under report and has made cash loss of Rs. 12.08 lacs in the preceding year.

- (XI) The company has been regularly depositing repayment amount as directed by the honourable Gujarat High Court to G.I.I.C. & N.S.I.C.
- (XII) Company has not granted any Loans or Advances on basis of security by way of pledge of shares debenture and other security.
- (XIII) The provisions of any special statute applicable to chit fund/nidhi/mutual benefit fund/societies are not applicable to the company.
- (XIV) In our opinion, the company is not a dealer or trader in shares, securities, debentures, and other investments.
- (XV) In our opinion, and according to the information and explanations given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions during the year.
- (XVI) The company has not taken any term loans during the current year.
- (XVII) We are informed that company has not raised any short term, long-term funds.
- (XVIII) The company has not made any preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Act during the year.
- (XIX) The company has not issued any debentures during the year.
- (XX) The company has not raised any money by public issue during the year.
- (XXI) In our opinion an according to the information and explanations given to us, no fraud by the company and no significant fraud on the company has been noticed or reported by the management during the year, that ultimately causes the financial statements to be materially misstated.

**FOR ,M/S S.D.MEHTA & CO.
CHARTERED ACCOUNTANT**

**Ahmedabad
01/09/2006**

**(SHAISHAV MEHTA)
PROPRIETOR**

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD.

BALANCE SHEET AS AT MARCH 31, 2006

	Schedule	As at March 31, 2006 (Rs. in Lacs.)	As at March 31, 2005 (Rs. in Lacs.)
SOURCE OF FUNDS:			
SHARE HOLDER'S FUND			
Share Capital	'01'	362.75	362.75
Reserves & Surplus	'02'	47.90	13.60
		410.65	376.35
LOAN FUNDS			
Secured Loan	'03'	22.17	97.54
Unsecured Loan & Deposites	'04'	156.45	128.00
		178.62	225.54
TOTAL		589.27	601.89
APPLICATION OF FUNDS:			
Fixed Assets	'05'	73.05	81.76
Investment	'06'	26.85	26.85
CURRENT ASSETS, LOANS AND ADVANCES			
Stock in Hand	'12'	71.56	51.25
Sundry Debtors	'07'	94.87	127.30
Loan & Advances	'08'	231.32	231.51
Cash & Bank Balances	'09'	16.35	2.28
		414.10	412.34
Less : CURRENT LIABILITIES & PROVISIONS			
Current Liabilities	'10'	104.35	142.27
		104.35	142.27
NET CURRENT ASSETS		309.75	270.07
Miscellaneous Expenditure (To the extent not written off/adjusted)	'11'	179.62	223.21
TOTAL		589.27	601.89

As per our report of even date attached
Subject to notes as per Schedule 'Z'

For M/S. S.D.MEHTA & CO.
Chartered Accountants

SHAISHAV D. MEHTA
PROPRIETOR

PLACE : AHMEDABAD
DATE : 01/09/2006

FOR, NARMADA MACPLAST DRIP
IRRIGATION SYSTEMS LIMITED


MANAGING DIRECTOR / DIRECTOR

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD.

TRADING ACCOUNT FOR THE YEAR ENDED MARCH 31, 2006

	Schedule	As at March 31, 2006 (Rs. in Lacs.)	As at March 31, 2005 (Rs. in Lacs.)
INCOMES :			
DIRECT INCOMES	'13'	3.35	65.30
Sales	'12'	97.13	51.25
Closing Stocks	'12'	71.56	0.00
TOTAL		172.04	116.55
		=====	=====
EXPENDITURES :			
Opening Stocks	'12'	51.25	50.84
Purchases	'12'	99.53	43.26
DIRECT EXPENSES	'14'	10.37	9.26
GROSS PROFIT		10.89	13.19
TOTAL		172.04	116.55
		=====	=====

PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED MARCH 31, 2006

	Schedule	As at March 31, 2006 (Rs. in Lacs.)	As at March 31, 2005 (Rs. in Lacs.)
INCOMES :			
Gross Profit		10.89	13.19
Other Income	'15'	5.17	0.42
Total		76.59	13.61
		=====	=====
EXPENDITURES :			
Selling & Administrative Expense	'16'	23.80	25.69
Total		23.80	25.69
		=====	=====
Net Loss Before Tax & Depreciation Written off		7.74	12.08
Add. : Depreciation		9.21	10.12
Preliminary Exps. Written off		2.70	2.70
		19.65	22.20
Loss before Extra Ordinary Items		19.65	22.20
Less : Extra Ordinary Item			
I.D.B.I. Interest Provision		60.53	0.00
		40.88	-22.20
Net Surplus		40.88	-22.20
Less : Past Losses Carried Forward		217.81	195.61
Net Loss		176.93	217.81
		=====	=====

For M/S. S.D.MEHTA & CO.
Chartered Accountants

SHAISHAV D. MEHTA
PROPRIETOR

PLACE : AHMEDABAD
DATE : 01/09/2006

As per our report of even date attached
Subject to notes as per Schedule 'Z'

FOR, NARMADA MACPLAST DRIP
IRRIGATION SYSTEMS LIMITED

MANAGING DIRECTOR / DIRECTOR

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD.

SCHEDULE Z :- NOTES FORMING PART OF ACCOUNTS FOR THE YEAR ENDING ON 31ST MARCH, 2006.

1] ACCOUNTING POLICY:-

- A] The company follows mercantile systems of accounting. The books are prepared on historical cost basis as a going concern and are consistent with generally accepted accounting principles.
- B] Fixed assets are stated at cost less depreciation.
- C] Depreciation has been provided, as per written down value method applying the rates specified in schedule xiv of the companies Act, 1956. Depreciation on the assets added during the year have been provided on prorata basis with the reference to the month of their addition.
- D] Investment are stated at cost. (Unquoted)
- E] Inventories are valued at cost.
- 2] a] During the year the company has reached one time settlement with I.D.B.I., the financial institution, from whom the company had taken term loan in past. Under the settlement scheme the interest provision of Rs. 60.52 Lakh provided in the earlier year was no more payable. As such, the whole amount of interest of Rs. 60.52 Lakh have been written back and credited in the profit & loss a/c of the company as indirect income. The balances of principal amount of Rs.34.30 Lakh have been transferred to the Capital Reserve A/C of the Company, under the head Reserve & Surplus.
- 3] Company has not made any provision in respect of interest payable on raw material advance given by G.S.I.C. It informs that the matter is still pending before honourable Gujarat High Court. By an interim order dated 13-10-2000 ordered the company to pay upto at least 20% of the outstanding amount by 15-11-2000. The order further stated to approach GSIC for interest reduction and waiver. However, till date, G.S.I.C has not responded to the request of interest waiver made by the company. The honorable Gujarat High Court by its order dated 16-08-2002, has disposed of the petition laying down criteria for determination of (a) Amount to be paid (b) The manner in which the installments to be determined in view of financial condition of the company and (c) The rate of interest which shall in no case exceed 12 %
- The company however has not made and provision for interest payable to GSIC. Amount unascertained. To the extent of non-provisioning the expenses and losses of the company are understated.
- 4] Company has not accounted for interest receivable on amount advanced to M/S Rin Finance as the company informs that serious disputes in respect of applicability of and rate of interest has taken place. To that extent, losses of the company are over started. Amount unascertained.
- 5] The company has not made any provision for income tax in view of past losses.
- 6] Quantitative information in respect of principal items:

A] OPENING STOCK

Item	Unit of Measurement	Quantity
Lateral Pipe	Kgs.	11328
(L.L.D.P.E)	Kgs.	(21025)
Rigid PVC Pipes	Kgs.	27968
	Kgs.	(26436)
HDPE Pipes	Kgs.	13648
	Kgs.	(4095)

B] CONSUMPTION

Item	Unit of Measurement	Quantity
Lateral Pipe	Kgs.	16200
(L.L.D.P.E)	Kgs.	(15493)
Rigid PVC Pipes	Kgs.	70000
	Kgs.	(22372)
HDPE Pipes	Kgs.	9180
	Kgs.	(19737)

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD.

C] PRODUCTION

Item	Unit of Measurement	Quantity
Lateral Pipe	Kgs.	16125
	Kgs.	(18860)
Rigid PVC Pipes	Kgs.	52890
	Kgs.	(24335)
HDPE Pipes	Kgs.	11042
	Kgs.	(1973)

D] SALES

Item	Unit of Measurement	Quantity	Value Rs.
Lateral Pipe	Kgs.	12243	1224300
	Kgs.	(25190)	(1856467)
Rigid PVC Pipes	Kgs.	68616	4116960
	Kgs.	(20840)	(877972)
HDPE Pipes	Kgs.	10604	1516560
	Kgs.	(10184)	(141604)

E] Closing Stock

Item	Unit of Measurement	Quantity	Value Rs.
Lateral Pipe	Kgs.	15210	1292873
	Kgs.	(11328)	(736320)
Rigid PVC Pipes	Kgs.	12242	710075
	Kgs.	(27968)	(1426368)
HDPE Pipes	Kgs.	14086	1056452
	Kgs.	(13648)	(887120)

- 7] The company has neither paid nor made any provision in respect of listing fees payable to AHMEDABAD STOCK EXCHANGE OF RS. 1,20,000 respectively. To that extend the expenses and losses of the company are understated.
- 8] We draw attention of the members towards the deteriorating financial status of the company The company has accumulated losses of Rs.176.94 Lacs as against the paid up capital of Rs.397.65 Lacs.
As such substantial part of the capital has been wiped out by losses.
- 9] In the opinion of directors all current assets, loans & advances are approximately of the value stated if realised in ordinary course of business and provision for all known liabilities is adequate and not in excess of amount reasonably necessary.
- 10] Balances of creditors, debtors, loans and advances are subject to confirmation by the concerned parties.
- 11] No provision has been made for shortfall in the value of investment in M/S Nada Dyes & Chemicals as well as advances granted to it. Considering all the relevant facts, full amount deserved to be written off. To that extent, the losses of the company are under stated.
- 12] The company has disclosed Pvc, HDPE & lateral pipes' business segment as primary segment. The turnover from business segment is Rs.59.00 lacs.

For M/S. S.D.MEHTA & CO.
Chartered Accountants

FOR, NARMADA MACPLAST DRIP
IRRIGATION SYSTEMS LIMITED

PLACE : AHMEDABAD
DATE : 01/09/2006

SHAISHAV D. MEHTA
PROPRIETOR


MANAGING DIRECTOR / DIRECTOR

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD.**SCHEDULE TO AND FORMING PART OF ACCOUNTS****SCHEDULE '01' : SHARE CAPITAL**

(Rs. in Lacs.)

Year 2005-2006

50 Lacs Equity Share of Rs. 10 Each	500.00
Calls in Arrears	-34.90
Issue, Subscribed & Paid up Capital	397.65
397.50 Lacs Share of Rs. 10 Each	
	<u>362.75</u>
	=====

SCHEDULE '02' : RESERVES & SURPLUS

Year 2005-2006

Capital Reserve	47.90
	<u>47.90</u>
	=====

SCHEDULE '03' : SECURED LOANS

Year 2005-2006

The Kalapur Commercial Co-Op. Bank (Hypothication of Stock-in-Trade)	22.17
	<u>22.17</u>
	=====

SCHEDULE '04' : UNSECURED LOANS & DEPOSITES

Year 2005-2006

Loan from Directors & Related Person	40.59
Other Loan	115.86
	<u>156.45</u>
	=====

SCHEDULE '05' : FIXED ASSETS

Year 2005-2006

Building	29.04
Computer	0.26
Furniture	0.35
Laboratory & Equipment	1.02
Land	8.29
Plant & Machinery	33.49
Vehicale	0.60
	<u>73.05</u>
	=====

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD.

SCHEDULE '05' : FIXED ASSETS

Item	GROSS BLOCK				DEPRECIATION				NET BLOCK
	As On 01/04/05	Addi.	Sold	As Per 31/03/06	As On 31/03/06	Provided	Adj.	Total Depre.	W.D.V.As at 31/03/06
Land	829241	—	—	829241	0	0	—	0	829241
Building	7026174	—	—	7026174	3800524	321465	—	4121989	2904185
Furniture & Fixture	410371	—	—	410371	367372	7564	—	374936	35435
Computer	485399	27400	—	512799	477178	9931	—	487109	25690
Plant & Machinery	14777214	70000	—	14847214	10952267	545861	—	11498128	3349086
Vehicle	468083	—	—	468083	388506	19835	—	408341	59742
Laboratory Equipment	481136	—	—	481136	362556	16600	—	379156	101980
TOTAL	24484007	97400	-	24581407	16308403	921256	—	17229659	7305359

SCHEDULE '06' : INVESTMENT

(Rs. in Lacs.)

Year 2005-2006

Investment in Share	26.23
Shares in Kalupur Comm. Co-Op. Bank	0.62
	26.85
	=====

SCHEDULE '07' : SUNDRY DEBTORS

Debtors	94.87
	94.87
	=====

SCHEDULE '08' : LOANS & ADVANCES

Advances	226.47
Deposits	2.73
Modvat	2.12
	231.32
	=====

SCHEDULE '09' : CASH & BANK BALANCES

Cash Balance on Hand	
Cash on Hand	11.08
	11.08
Bank Balance with Scheduled Bank	
Balance in Scheduled Bank	5.18
	5.18
Other Bank Balance	
Other Bank	0.09
	0.09
	16.35
	=====

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD.

SCHEDULE '10' : CURRENT LIABILITIES

(Rs. in Lacs.)

Year 2005-2006

Creditors for Expences	104.35
Creditors for Goods & Exps.	104.35
	104.35
	104.35

SCHEDULE '11' : MISCELLANEOUS EXPENDITURE

: (To the extent not written off/adjusted)

Preliminary Exps.	2.69
Profit & Loss A/c.	176.93
	179.62
	179.62

SCHEDULE '12' : GOODS ACCOUNT

Sr. No. Item Name	Opening Stock	Purchase	Sales	Closing Stock
1. HDPE,PVC,LLDPE,ETC.	51.25	99.53	97.13	71.56
	51.25	99.53	97.13	71.56

SCHEDULE '13' : DIRECT INCOMES

Year 2005-2006 Year 2004-2005

Job Work Income	3.35	0.00
	3.35	0.00
	3.35	0.00

SCHEDULE '14' : DIRECT EXPENSES

Goods Inward	0.71
Labour	0.80
Power & Fuel	4.76
Wages	4.11
	10.38
	10.38

SCHEDULE '15' : OTHER INCOME

Cutting Charges	0.02
Discount	2.70
Dividend	0.07
Fitting Charges	0.12
Kasar	0.29
Packing Charges	0.01
Rate Difference	0.74
Rent	1.22
	5.17
	5.17

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD.**SCHEDULE '16' : SELLING AND ADMINISTRATIVE EXPENSE**

(Rs. in Lacs.)

Year 2005-2006	
ADVERTISEMENT	0.38
AUDIT FEES	0.11
BANK CHARGES	0.06
BONUS	0.33
BULDING REPAIRING	0.18
CAR PETROL	0.35
COMPUTER MAINTAINANCE	0.02
CONSULTATION	0.08
CONVEYANCE	0.18
DIRECTOR SALARY	1.20
DISCOUNT	0.07
DIWALI EXPS.	0.03
DONATION	0.01
ELECTRICITY	0.09
ENTERTAINMENT	0.04
FACTORY EXPS.	1.41
INSURANCE	0.63
INTEREST	4.92
LEGAL EXPS.	0.18
LICENCE & INSPECTION FEE	1.49
MACHINERY REPAIRING	0.13
MISC. EXPS.	1.27
OTHER SALARY	0.83
P.F.	0.22
PROFESSIONAL TAX	0.10
RENT	0.57
ROC FEES	0.41
SALES TAX	2.05
STAFF WELFARE	0.43
STATIONARY	0.52
STORE & TOOLS	2.79
TELEPHONE EXPS.	1.27
TESTING EXPS.	0.57
TRANSPORTATION	0.25
TRAVELLING EXPS.	0.30
TWO WHELLER REPAIRING	0.33
	<hr/>
	23.80
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NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD.**CASH FLOW STATEMENT FOR THE YEAR ENDING ON 31ST MARCH 2006****(RS. IN LACS)**

PARTIULARS	AMOUNT	AMOUNT
[A] CASH FLOW FROM OPERATING ACIVITIES:		
Net loss before tax & extra ordinary Activities	-19.65	
Adjustment for depreciation & writes Off	11.91	
Adjustment for Extra Ordinary Item	<u>60.53</u>	
Operating loss before working capital changes.		52.79
ADJUSTMENT FOR:		
Trade and Other Receivables	32.64	
Inventories	-20.31	
Trade Payable	<u>-37.92</u>	
Net Cash from operating Activities		-25.59
[B] CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of fixed assets	<u>-0.97</u>	
Net Cash used in Investing Activities		-00.97
[C] CASH FLOW FROM FINANCING ACTIVITIES:		
Proceeds from short term borrowing	-46.92	
Remission of Liabilities	<u>34.76</u>	
Net increase in Cash & Cash		-12.16
		<u>14.07</u>
CASH & CASH EQUIVALENTS AS AT 01-04-2005 (OP.BALANCE)		02.28
CASH & CASH EQUIVALENTS AS AT 01-04-2006 (CL.BALANCE)		<u>16.35</u>
NET INCREASE IN CASH & CASH EQUIVALENTS		<u>14.07</u>

CERTIFICATE

We have verified the above cash flow statement of NARMADA MACPLAST DRIP IRRIGATION SYSTMES LTD. derived from audited financial statement for the year Ending 31st March 2006 and certify that in our opinion and according to the confirmation and explanation given to us, the same is in accordance there with and also with requirement Of clause 32 of the listing agreement with stock exchange.

PLACE : AHMEDABAD
DATE : 01/09/2006

For M/S. S.D.MEHTA & CO.
Chartered Accountants

SHAISHAV D. MEHTA
PROPRIETOR

To,

BOOK-POST

If Undelivered Please return to :-

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD.

A-16, Parulnagar Society, 1st Floor,

Bhuyangdev Char Rasta,

Opp. Mahakali Temple,

Sola Road, Ahmedabad - 380 061.

Ph. : 27498670 Fax : 27416381

Email : nmddrip@icenet.net