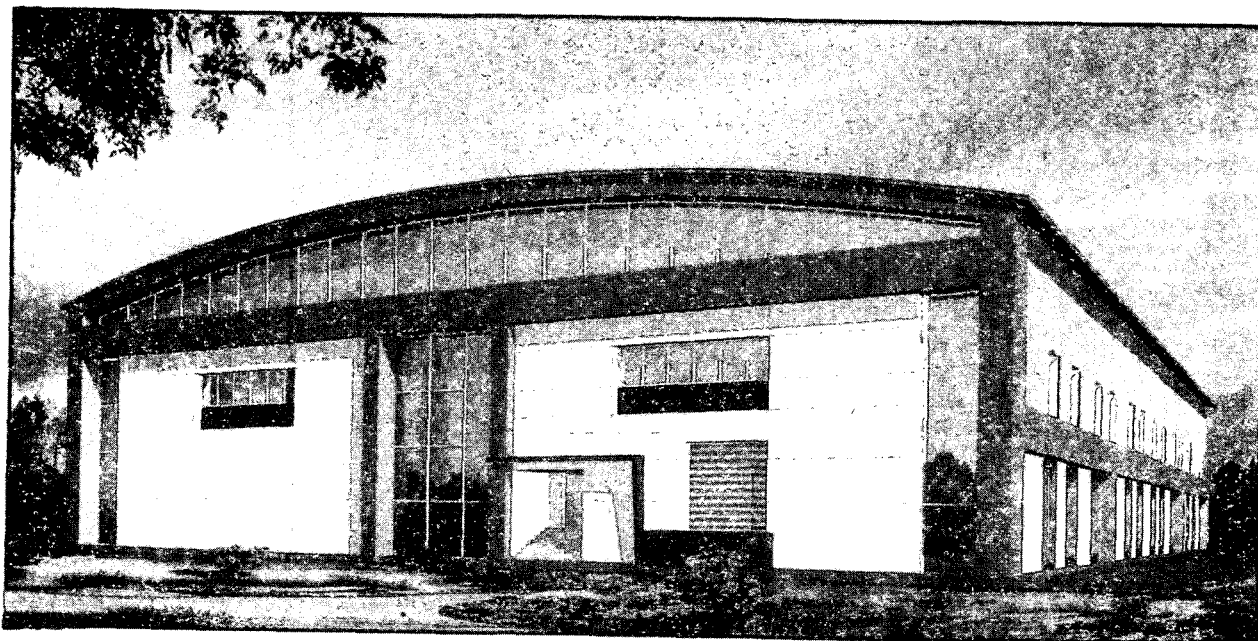


# **NATIONAL PLASTIC TECHNOLOGIES LTD.**



**IRUNGATTUKOTTAI PLANT**

**Annual Report  
2008-2009**

## NATIONAL PLASTIC TECHNOLOGIES LTD.

|  |  |
|--|--|
| BOARD OF DIRECTORS                             | : Shri. Bachhraj Parakh<br>Chairman<br><br>Shri. Sudershan Parakh<br>Managing Director<br><br>Shri. T.N. Lakshmi Narayanan<br>Shri. Sudhir .K. Patel<br>Smt. Manju Parakh<br>Shri. Alok Parakh   |
| CHIEF FINANCIAL OFFICER &<br>COMPANY SECRETARY | : Shri. E. Balasubramanian   |
| AUDITORS                                       | : M/s. C.A. Patel & Patei<br>Chartered Accountants.<br>Chennai - 600 006.  |
| BANKERS  | : State Bank Of India<br>Siruthozhil Branch<br>Chennai - 600 034.  |
| REGISTERED OFFICE                              | : Thiru Complex, II Floor<br>69, (Old No.44), Pantheon Road,<br>Egmore, Chennai - 600 008.<br>Tel: 43404340 , 28553456<br>EMAIL: contact@nationalgroup.in  |
| PLANTS   | : E-5, Industrial Estate<br>Guindy, Chennai - 600 032.<br><br>R.S. 127, Thiruvandar Koil,<br>Puducherry - 605 102.<br><br>C-12, Sipcot Industrial Park,<br>Irungattukottai - 602105<br><br>Khasra No 246/109/1, Trilokpur Road,<br>Village Johron, Kala-Amb,<br>Tehsil Nahan, Dist - Sirmour, (HP) |
| REGISTRARS & SHARE<br>TRANSFER AGENTS          | : Cameo Corporate Services Ltd.<br>"Subramanian Building"<br>No.1 , Club-House Road,<br>Chennai - 600 002.<br>Tel: 28460390 Fax : 28460129   |

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## NOTICE

Notice is hereby given that the Twentieth Annual General Meeting of the Members of the Company will be held on Wednesday, the 30th September, 2009 at 11:30 AM at Sri Vidya Kalyan Mahal, 142, Lattice Bridge Road, Thiruvanniyur, Chennai- 600 041 to transact the following business:

### ORDINARY BUSINESS:

- 1) To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31st March 2009 and Balance Sheet as at that date and the Directors' Report.
- 2) To appoint a Director in the place of Mr. T.N. Lakshmi Narayanan and Mr. Sudhir K. Patel who retire by rotation and being eligible, offer themselves for reappointment.
- 3) To appoint M/s. C.A. Patel & Patel, Chartered Accountants, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.

### SPECIAL BUSINESS:

- 4) To consider and if thought fit, to pass, with or without modification(s), the following resolution as an ordinary resolution.

"Resolved that in accordance with the provisions of Sections 198, 269, 309 and 310 read with Schedule XIII and all other applicable provisions of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force), the consent of the company be and is hereby accorded to the reappointment of Mr. Sudershan Parakh as the Managing Director of the company, for a period of 5 (five) years with effect from 1st October, 2009 on the terms and conditions including remuneration as are set out in the agreement to be entered into between the company and Mr. Sudershan Parakh, a draft whereof if placed before this meeting which agreement is hereby specifically sanctioned with liberty to the Board of Directors (hereinafter referred to as "the Board") to alter and vary the terms and conditions of the said appointment and / or remuneration and / or agreement so as not to exceed the limits specified in the Schedule XIII of the Companies Act, 1956 including any statutory modification or re-enactment thereof, for time being in force or any amendments and / or modifications that may hereafter be made thereto by the Central Government in that behalf from time to time, or any amendments thereto as may be agreed to between the Board and Mr. Sudershan Parakh.

Resolved further that the Board be and is hereby authorised to take all such steps as may be necessary, proper or expedient to give effect to this resolution.

## NATIONAL PLASTIC TECHNOLOGIES LTD.

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 such proxy need not be a member of the company.
2. Proxies in order to be effective, should be duly completed, stamped and signed and must be deposited at the registered office of the company not less than 48 hours before the meeting.
3. The register of members and the share transfer books of the company will be closed from 26th September to 30th September 2009 (both days inclusive).
4. Shareholders are requested to intimate the Registrar and Transfer Agent change of address, if any, immediately for updating of records.
5. In terms of clause 49 of the listing agreement with stock exchanges, a brief resume of director proposed to be appointed at this meeting is given below;
  - a. Mr.T.N.Lakshminarayanan has served in various positions in Central and State Government such as Commissioner of Labour, Director of Employment, Director of Industries, Industries Secretary, Chairman of TIDCO, Advisor to Governors of Tamilnadu and Kerala, Director General of ESIC and Chairman of MFL. He was also a Director on the Boards of IDBI, IFCI and SIPCOT. After his retirement, he has been rendering consultancy services for industrial units. He has been a Director of our company since December 1994.
  - b. Mr.Sudhir Patel is a well known Tax Consultant and has expertise in financial management. He has been a Director of our Company since September 2002.

PLACE: CHENNAI  
DATE : 02/09/2009

By Order of the Board  
for NATIONAL PLASTIC TECHNOLOGIES LTD.  
E.BALASUBRAMANIAN  
Company Secretary

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## EXPLANATORY STATEMENT UNDER SEC 173(2) OF THE COMPANIES ACT, 1956.

### Item No.4

At the Annual General Meeting of the company held 28-9-2004, the shareholders had approved the appointment and terms of remuneration of Mr.Sudershan Parakh whose term will be expiring on 30th September 2009. The Board of Directors at its meeting held on 25-8-09 approved the reappointment of Mr.Sudershan Parakh as the Managing Director of the company for a further period of five years. The broad particulars of the remuneration payable to Mr.Sudershan Parakh during the tenure of the re-appointment for a further period of five years is as under:

#### Remuneration Payable:

1. Salary: Rs.75000/- per month with increment of Rs.15000 every year.
2. Perquisites:
  - Entitlement to rent free accommodation, medical reimbursement, club fees, personal accident insurance etc. in accordance with the rules of the company. The aforesaid perquisites may be in the form of reimbursement or allowances but will be restricted to Rs.3.25 lakhs per annum. For the purpose of calculating the above ceiling, the perquisites shall be evaluated as per Income Tax rules wherever applicable.
  - Reimbursement of actual travelling, entertainment expenses reasonably incurred by the Whole-time Director in connection with the business of the company;
  - Reimbursement of actual hospital and medical expenses which have been incurred by the Whole-time Director to the extent of Rs 1000/- per month.
  - Eligibility for usage of a motor car of the company in connection with business of the company and all the expenses for the maintenance and running of the motor car including salary of the driver
  - Eligibility for usage of company's telephone at his residence, the charges of which shall be borne by the company. However, any personal calls made by the Whole-time Director shall be logged separately and paid for by him to the company.
  - Eligibility to participate in the Provident Fund Scheme, encashment of earned leave at the end of the tenure as per the rules of the company which shall not be included in the computation of the perquisites.
3. Period of appointment : 5 Years
4. Sitting Fees: The Managing Director, so long as he functions as such, shall not be paid any sitting fees for attending the meetings of Board of Directors from the date of his appointment.

Mr.Sudershan Parakh, the Managing Director of the company, being the appointee of the company is interested in the proposed resolution to the extent of the remuneration payable to him.

Mr.Bachhraj Parakh, Mrs.Manju Parakh and Mr.Alok Parakh may also be deemed to be interested in the resolutions pertaining to appointment of and/or remuneration to each other, as they are related to each other. Save and except the above, none of the directors of the company is, in any way, concerned or interested in the resolution.

The terms and conditions set out for reappointment and payment of enhanced remuneration in the agreement may be altered and varied from time to time by the Board of Directors of the company as it may at its discretion deem fit so as not to exceed the limits specified in Schedule XIII of the Companies Act, 1956 (including any statutory modification or re-enactment thereof, for the time being in force) or any amendments made thereto.

This explanation together with the accompanying Notice is and should be treated as an abstract of the terms of appointment of Whole-time Director under Sec 302 of the Companies Act, 1956.

The draft agreement to be entered into between the company and Mr.Sudershan Parakh is available for inspection at the registered office of the company on any working day upto the date of 20th Annual General Meeting between 10.00 am and 1.00 pm.

PLACE: CHENNAI  
DATE : 02/09/2009

By Order of the Board  
for NATIONAL PLASTIC TECHNOLOGIES LTD  
E.BALASUBRAMANIAN  
Company Secretary

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## DIRECTORS' REPORT

To The Shareholders

The Directors hereby present the 20th Annual Report of the Company together with the audited statement of accounts for the year ended 31st March 2009.

### 1. FINANCIAL RESULTS:

| Particulars                                   | Year ended<br>31.3.2009<br>(Rs. in lakhs) | Year ended<br>31.3.2008<br>(Rs. in lakhs) |
|---|---|---|
| Sales and other Income (Gross)                | 5598.12                                   | 4341.22                                   |
| Profit before depreciation and Interest       | 731.01                                    | 693.03                                    |
| Interest                                      | 388.33                                    | 329.56                                    |
| Operating Profit / Loss                       | 342.68                                    | 363.47                                    |
| Depreciation                                  | 129.27                                    | 110.99                                    |
| Profit / Loss before taxes                    | 213.41                                    | 252.48                                    |
| Provision for taxation                        | 26.43                                     | 31.45                                     |
| Profit / Loss after tax                       | 186.98                                    | 221.03                                    |
| Balance Profit brought forward from last year | 0.57                                      | -180.46                                   |
| Deferred Tax                                  | 68.00                                     | 40.00                                     |
| Balance carried to Balance Sheet              | 119.55                                    | 0.57                                      |

### 2. OPERATIONS :

Our company has achieved gross income of Rs.55.98 crores during the year under review as compared to Rs.43.41 crores during the previous year. The above figures are inclusive of job work income. The company has achieved EBDIT of Rs.7.31 crores as against Rs.6.93 crores during the previous year.

### 3. DEPOSITS:

The company has not accepted any fixed deposits from the public.

### 4. DIRECTORS :

Mr. T.N. Lakshmi Narayanan and Mr. Sudhir-K. Patel retire by rotation and being eligible offer themselves for re appointment.

### 5. DIRECTORS' RESPONSIBILITY STATEMENT :

In accordance with the provisions of Section 217 (2AA) of the Companies Act, 1956, your Directors confirm:

1. That in the preparation of the annual accounts, the applicable accounting standards have been followed by your company.
2. That the Directors have selected such accounting policies and applied them consistently and made judgements and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year and of the profit or loss of the company for that period.
3. That the Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities.
4. That the Directors have prepared the annual accounts on a going concern basis.

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## 6. PARTICULARS OF EMPLOYEES :

Information as required under Section 217(2A) of the Companies Act, 1956 as amended is not applicable.

## 7. INFORMATION UNDER SECTION 217(1)(E) OF THE COMPANIES ACT, 1956 IS FURNISHED BELOW:

### A. CONSERVATION OF ENERGY :

1. Used Hopper Dryers in place of tray dryers for preheating raw materials, thereby reducing energy losses.
2. Change of circuitry in the machines developed in house, which reduced units of power consumption.
3. Power saving equipments have been installed on machines and there has been considerable reduction in power consumption.
4. Heater insulation jackets have been provided on the machines to prevent the energy loss.
5. Timers have been installed to reduce the idle running of the motors preventing energy loss.
6. Natural lighting is being used in all new plants to avoid usage of Industrial Lamps in the day.
7. APFC Panels have been installed in all plants to maintain power factor thus ensuring efficient energy management.

### B. TECHNOLOGY ABSORPTION:

Not applicable

### C. FOREIGN EXCHANGE EARNINGS AND OUTGO :

|             | 31.3.2009<br>(Rs. in lakhs) | 31.3.2008<br>(Rs. in lakhs) |
|-------------|-----------------------------|-----------------------------|
| Earnings    | 5.57                        | -                           |
| Expenditure | 3.93                        | 52.50                       |

## 8. AUDITORS:

The Company's Statutory Auditors M/s. C.A.Patel & Patel, Chartered Accountants, Chennai retire at the conclusion of this Annual General Meeting and are eligible for reappointment.

## 9. ACKNOWLEDGEMENT:

Your Directors place on record their appreciation of the co-operation and efforts put in by the employees, suppliers, customers and assistance received from State Bank of India, Local Bodies and other Government authorities.

PLACE : CHENNAI  
DATE : 02/09/2009

On behalf of the Board  
For NATIONAL PLASTIC TECHNOLOGIES LTD.  
Chairman

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## MANAGEMENT DISCUSSION AND ANALYSIS REPORT

### GENERAL

The company is engaged in the manufacture and supply of Industrial components for automobiles, computer peripherals, consumer durables, etc.

### INDUSTRY SCENARIO AND DEVELOPMENT

The Indian processing industry has evolved over the past few years as one of the vibrant segments of our economy. There are many companies with state-of-the-art manufacturing facilities offering products that meet global standards. Many of them have significant presence in the overseas market. Polymer consumption in India is 6.3 million metric tons.

The per capita consumption of plastics in India is only 6 kgs as against the world average of 27 Kgs. The per capita consumption of plastics is more than 100 kgs in developed countries. While the global melt down has had its impact on certain sectors, which has also impacted plastics, nothing really can stop the inherent momentum of this industry, which is poised to make India the 3rd largest consumer of plastics by 2012, next to US and China. There are over 50,000 units across India with turnover of Rs.80,000 crores. Plastic processing sector provides employment to 3.3 million people. Downstream plastic industries provide entrepreneurial development which is vital for the economy. The industry is growing at over 12% p.a and the exports have witnessed a new surge in the last few years. Last year alone, the exports have reached a figure USD 3.6 billion.

As regards auto components industry, the turnover has seen an increase of 27.2% since 2002 to stand at \$18 billion in 2007-08. The Korean major Hyundai has doubled its capacity to scale up to 6 lakh passenger cars per annum during last year. M/s. Nissan have commenced work to start manufacturing facility in Chennai, thus giving opportunities to automobile ancillary companies like ours to enhance the operations.

Apart from the above, I.T Peripherals, Consumer electronics, White goods, Packaging and many other industries require plastic items, thus increasing the demand for plastic products.

### OPPORTUNITIES, RISKS AND CONCERNS

While increasing demand is an opportunity for the industry, new capacities coming up in the processing sector are a threat also. Due to increased competition, the margins are under pressure. This is being tackled by cost reduction in all possible areas.

### SEGMENTWISE AND PRODUCTWISE PERFORMANCE

The company operates in only one business segment, namely injection moulded plastic products.

### BUSINESS OUTLOOK AND OVERVIEW

Despite the current recession, the company expects the sales to go up during 2009-10 due to increased demand for components for automobiles and televisions.

### INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY

The Company has a proper and adequate system of internal controls to ensure that all assets are safeguarded and protected against loss from unauthorized use or disposition and that transactions are authorised, recorded and reported correctly.

### QUALITY AND COST MANAGEMENT

The company is holding ISO 9001:2000 and TS/16949:2002 valid till December 2010.



# NATIONAL PLASTIC TECHNOLOGIES LTD.

## HUMAN RESOURCE DEVELOPMENT / INDUSTRIAL RELATIONS

The Company strongly believes that well trained and motivated manpower are a key to customer satisfaction and success. There is absolute harmony between the management and workforce. As on 31.3.2009, the company has 194 employees on its roll.

### CAUTIONARY STATEMENT

While some of the existing customers are increasing their capacities, other new large companies are setting up production facilities providing opportunity for expansion and growth. However, to cater to these industries, capacities in the processing sector are also being built. Due to the increased competition, margins will be under pressure. Our company plans to handle this by achieving larger scale of operations and reducing the operational costs further.

### Report on Corporate Governance:

#### 1. Company's philosophy on Code of Governance

The Company believes in transparency, professionalism and accountability, which are the basic principles of Corporate Governance and would constantly endeavour to improve on these aspects.

#### 2. Board of Directors

The Board consists of six directors. Except Mr. Sudershan Parakh and Mr. Alok Parakh, the rest are non-executive directors. Mr. T.N. Lakshmi Narayanan and Mr. Sudhir K. Patel are independent directors as per Clause No. 49 of the listing agreement. The Chairman is a non-executive director.

#### 3. Attendance of each Director for the Meetings of the Board of Directors and the last Annual General Meeting

During the financial year 2008-2009, the Board met seven times (as against the minimum requirement of four meetings) on 30.06.08, 10.07.08, 18.08.08, 02.09.08, 30.09.08, 01.11.08 and 30.01.09. The details of attendance are given below:

| Name of the Director       | Category | Attendance Particulars |                          | Number of other Directorships and committee Member/Chairmanships |                      |                          |
|----------------------------|----------|------------------------|--------------------------|--|----------------------|--------------------------|
|                            |          | Board Meeting          | Last AGM Attended Yes/No | Other Director-Ships Public Private                              | Committee Membership | Committee Chairman-ships |
| Mr. Bachhraj Parakh,       | NE       | 6                      | Yes                      | 1  | 1                    |                          |
| Mr. T.N. Lakshmi Narayanan | NE-I     | 7                      | Yes                      | 1  |                      |                          |
| Mr. Sudershan Parakh       | E        | 7                      | Yes                      | 1  | 1                    |                          |
| Mrs. Manju Parakh          | NE       | 6                      | Yes                      | 1  |                      |                          |
| Mr. Alok Parakh            | E        | 6                      | Yes                      | 1  |                      |                          |
| Mr. Sudhir K. Patel        | NE-I     | 6                      | No                       | 1  | 2                    |                          |

#### 4. AUDIT COMMITTEE:

The Board of Directors of the company constituted the Audit Committee under Section 292A of the Companies Act, 1956 under the chairmanship of Mr. T.N. Lakshmi Narayanan with Mr. Bachhraj Parakh & Mr. Sudhir K. Patel as members. The terms of reference of this committee are wide enough covering the matters specified for audit committee under the Listing Agreement.

#### Attendance record of audit committee members:

| Name of Director              | No. of Meetings | Meeting attended |
|-------------------------------|-----------------|------------------|
| 1. Mr. T.N. Lakshmi Narayanan | 4               | 4                |
| 2. Mr. Bachhraj Parakh        | 4               | 4                |
| 3. Mr. Sudhir K. Patel        | 4               | 4                |

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## 5. REMUNERATION OF DIRECTORS:

The Non-executive Independent Directors of the company are paid sitting fees for attending the meetings of the Board of Directors / Committees of Board of Directors.

The details of the remuneration paid/payable to the directors are given below;

| Name of the Director     | Category | Sitting Fees | Gross Remuneration (Rs.) | Commission (Rs.) | Total  |
|--------------------------|----------|--------------|--------------------------|------------------|--------|
| Mr. Bachhraj Parakh,     | NE       | -            | -                        | -                | -      |
| Mr.T.N Lakshmi Narayanan | NE-I     | 21500        | -                        | -                | 21500  |
| Mr. Sudershan Parakh     | E        | -            | 615538                   | -                | 615538 |
| Mrs. Manju Parakh        | NE       | -            | -                        | -                | -      |
| Mr.Alok Parakh           | E        | -            | 690000                   | -                | 690000 |
| Mr. Sudhir K. Patel      | NE-I     | 25500        | -                        | -                | 25500  |

### Note:

Mr.Sudershan Parakh and Mr.Alok Parakh were appointed as Managing Director and Whole-time Director respectively for a period of 5 years with effect from 01.10.2004 and 1.10.2005. These appointments are contractual in nature. The gross remuneration includes salary and perquisites. The company does not have any stock option scheme. They are related to Mr. Bachhraj Parakh and Mrs.Manju Parakh.

## 6. INVESTOR'S GRIEVANCE COMMITTEE:

The Investors Grievance Committee looks into redressal of shareholders/investors complaints like transfer of shares, non-receipt of Annual Reports, non-receipt of declared dividends etc. The committee also ratifies share transfers/transmission/name deletion cases, etc, from time to time. Investors Grievance Committee functions under the chairmanship of Mr.Bachhraj Parakh with Mr. Sudhir K. Patel and Mr.Sudershan Parakh as members. As required by SEBI, Mr.E Balasubramanian, Secretary of the Company has been appointed as Compliance Officer. The company adopts the policy of disposing of investor complaints within a period of 10 days. The terms of reference of Investors Grievance Committee have been expanded and the following agenda items are being placed before the committee:

- Consolidated statement of transfer of shares/transmission/deletion etc, duly approved by Company Secretary from time to time.
- Certificate issued by Practising Company Secretary in connection with secretarial audit every quarter, physical share transfer audit half yearly and Corporate Governance Report annually.
- Details of shareholder complaints received, redressed, pending etc, during a particular quarter.
- List of Top 10/ 100 shareholders at the end of every quarter.
- Any other item with the permission of the Board..

Attendance record of investor grievance committee

| Name of Director     | No. of Meetings | No of Meeting attended |
|----------------------|-----------------|------------------------|
| Mr. Bachhraj Parakh  | 4               | 4                      |
| Mr. Sudhir K. Patel  | 4               | 4                      |
| Mr. Sudershan Parakh | 4               | 4                      |

Complaints received and redressed during the year 2008-09.

| Sl. No. | Nature of Complaints                             | No. of complaints |        |
|---------|--|-------------------|--------|
|         |  | Received          | Solved |
| 1.      | Non receipt of share Certificates after transfer | -                 | -      |
| 2.      | Non receipt of dividend Warrants.                | 2                 | 2      |
| 3.      | Miscellaneous matters                            | 2                 | 2      |

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## 7. REMUNERATION COMMITTEE:

The Remuneration Committee consist of 3 members viz. Mr T.N.Lakshmi Narayanan, Mr.Sudhir K. Patel and Mr.Bachhraj Parakh. The committee meeting was held on 18.08.2008.

## 8. (a) GENERAL BODY MEETING:

Location and time for last 3 Annual General Meetings was:

| AGM/Year | Location  | Date       | Time       |
|----------|---|------------|------------|
| 2006     | The Hall of Ragaas,<br>47, First Avenue,<br>Sastri Nagar,<br>Chennai 600 020. | 30-09-2006 | 11.30 a.m. |
| 2007     | The Hall of Ragaas,<br>47, First Avenue,<br>Sastri Nagar,<br>Chennai 600 020. | 29-09-2007 | 11.30 a.m. |
| 2008     | The Hall of Ragaas,<br>47, First Avenue,<br>Sastri Nagar,<br>Chennai 600 020. | 30-09-2008 | 11.30 a.m. |

## 8. (b) EXTRA-ORDINARY GENERAL MEETING:

An Extra-ordinary General Meeting was held on 07-01-08 to consider and approve change of name, delisting of shares from Ahmedabad and Madras Stock Exchange, preferential allotment of shares, amendments to Memorandum and Articles of Association.

## 8. (c) POSTAL BALLOT:

There was no requirement for seeking approval of the shareholders by a Postal Ballot in respect of any subject placed before the shareholders in the last annual general meeting.

## 9. DISCLOSURES:

(A) Disclosures on materially significant related party transactions i.e., transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interest of company at large.

None

(B) Details of non-compliance by the company, penalties, structures imposed on the company by stock exchanges or SEBI or any statutory authority, on any matter related to capital markets during the last three years.

None

## 10. MEANS OF COMMUNICATION:

(a) The quarterly results of the company are taken on record by the Board of Directors and submitted to Stock Exchanges. The results were published in the English newspaper viz., Trinity Mirror and Tamil version in Tamil daily viz., - 'Makkal Kural'

(b) Management discussions and Analysis Report form part of the Annual Report.

## 11. GENERAL SHAREHOLDER INFORMATION:

Annual General Meeting

Date & Time

Venue

30th September, 2009 at 11.30 a.m.

Sri Vidya Kalyan Mahal,

142, Lattice Bridge Road,

Thiruvanmiyur, Chennai- 600041

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## Tentative Calendar of Events for Financial Year 2009-10 (April - March)

Annual General Meeting : September 2010  
(next year)

### Quarterly Results :

For First Quarter : 27-7-2009  
For Second Quarter : On or Before 30th Nov'09  
For Third Quarter : On or before 31st Jan'10  
For Financial Year : July 2010  
Dividend Payment : No dividend has been recommended by the Board for this financial year ended 31.3.09  
Book Closure date(s) : 26th September, 2009 to 30th September, 2009

### 12. PLANT LOCATIONS :

#### 1. Chennai

E5, INDUSTRIAL ESTATE  
GUINDY, CHENNAI 600 032

#### 3. Irrungattu Kottai :

C-12, SIPCOT INDUSTRIAL PARK,  
IRUNGATTUKOTTAI-602105

#### 2. Puducherry :

R.S. 127, THIRUVANDAR KOIL,  
PUDUCHEERY 605 102.

#### 4. Himachal Pradesh:

KHASRA NO 246/109/1, TRILOKPUR ROAD,  
VILLAGE JOHRON, KALA-AMB,  
TEHSIL NAHAN, DIST SIRMOUR,  
HIMACHAL PRADESH

### 13. INVESTOR CORRESPONDENCE:

For transfer / dematerialisation of shares, payment of dividend on shares and any other query relating to the shares of the company.

1) M/s. Cameo Corporate Services Ltd.  
Subramanian Building  
No.1 Club House Road  
Chennai-600.002.  
PH:28460390

2) Mr.E.Balasubramanian  
Company Secretary  
National Plastic Technologies Ltd.,  
44, Pantheon Road, Chennai-600 008.  
PH:2855 3456, 4340 4340  
Email: contact@nationalgroup.in

### 14. LISTING OF EQUITY SHARES:

| Name of the Stock Exchange         | Code No. |
|------------------------------------|----------|
| The Stock Exchange<br>Mumbai (BSE) | 531287   |

Note: Annual Listing fees for the year 2008-09 have been duly paid to Bombay Stock exchange.

### Stock Market Data

| Month      | Company's Share Price & Volumes |       |        | BSE Sensex |          |
|------------|---------------------------------|-------|--------|------------|----------|
|            | High                            | Low   | Volume | High       | Low      |
| April 2008 | 13.99                           | 09.60 | 39871  | 17480.74   | 15297.96 |
| May 2008   | 13.85                           | 09.70 | 39663  | 17735.70   | 16196.02 |
| June 2008  | 12.00                           | 09.15 | 22489  | 16632.72   | 13405.54 |
| July 2008  | 11.71                           | 09.15 | 25985  | 15130.09   | 12514.02 |
| Aug 2008   | 13.68                           | 09.25 | 42728  | 15579.78   | 14002.43 |
| Sept 2008  | 13.00                           | 08.60 | 32649  | 15107.01   | 12153.55 |
| Oct 2008   | 09.06                           | 04.78 | 48193  | 13203.86   | 7697.39  |
| Nov 2008   | 07.90                           | 06.00 | 9354   | 10945.41   | 8316.39  |
| Dec 2008   | 09.98                           | 08.01 | 16400  | 10188.54   | 8467.43  |
| Jan 2009   | 08.71                           | 07.50 | 31943  | 10469.72   | 8631.60  |
| Feb 2009   | 07.70                           | 07.00 | 18154  | 9724.87    | 8619.22  |
| Mar 2009   | 06.99                           | 06.00 | 10831  | 10127.09   | 8047.17  |
|            |                                 |       | 338260 |            |          |

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## 15. SHARE TRANSFER SYSTEM/ REGISTRAR:

Share transfers in physical form can be lodged with M/s. Cameo Corporate Services Limited, Chennai-600 002. The transfers are normally processed within 3 weeks from the date of receipt, subject to the documents being valid in all respects. In the Demat Segment, M/s. Cameo Share Registry Limited are acting as Registrar for providing the connectivity with NSDL and CDSL.

## 16. DEMATERIALISATION OF SHARES:

The shares of the company are under the category of compulsory delivery in dematerialisation mode by all categories of investors. The company has signed agreements with both the depositories i.e, National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL). As on 31st March 2009, the status on the dematerialisation of the Equity shares of the company are given below.

|                               |                      |                                 |
|-------------------------------|----------------------|---------------------------------|
| Total number of Equity Shares | 6078330              |                                 |
| <b>Mode of shareholding</b>   | <b>No. of Shares</b> | <b>% to Total Equity Shares</b> |
| Physical Form                 | 2630424              | 43.28                           |
| Electronic Mode               | 3447906              | 56.72                           |

Demat-ISIN allotted by depositories

Demat ISIN Numbers in NSDL & CDSL for Equity Shares: ISIN: INE896D01017

## 17. UNCLAIMED DIVIDENDS

Pursuant to Section 205C of the Companies Act, 1956, there were no unclaimed dividends to be transferred to the Investor Education and Protection Fund of the Central Government as on 31-3-2009.

## 18. SHAREHOLDING PATTERN AS ON 31.3.2009

| S.No | Category                        | No. of shares held | % of shareholding |
|------|---------------------------------|--------------------|-------------------|
| 1)   | Holding company                 | -                  | -                 |
| 2)   | Foreign Collaborators           | -                  | -                 |
| 3)   | Foreign Institutional Investors | -                  | -                 |
| 4)   | Indian / Financial Institutions | -                  | -                 |
| 5)   | Banks / Mutual Funds            | 250000             | 4.11              |
| 6)   | Corporate Bodies                | 1125249            | 18.51             |
| 7)   | NRIs / OCBs                     | 355402             | 5.85              |
| 8)   | Individuals / HUF               | 4347679            | 71.53             |
|      | Grand Total                     | 6078330            | 100.00            |

## 18. DISTRIBUTION OF HOLDING AS ON 31.3.2009:

| Shareholding of nominal Value of (Rs.) | Shareholders |            | Share Amount |           |
|--|--------------|------------|--------------|-----------|
|  | Number       | % to Total | In Rs.       | %to Total |
| (1)                                    | (2)          | (3)        | (4)          | (5)       |
| Upto 5000                              | 2209         | 78.33      | 4274110      | 7.03      |
| 5001 10000                             | 236          | 8.37       | 2073250      | 3.41      |
| 10001 20000                            | 126          | 4.47       | 2005500      | 3.30      |
| 20001 30000                            | 90           | 3.19       | 2271010      | 3.74      |
| 30001 40000                            | 17           | 0.60       | 607060       | 1.00      |
| 40001 50000                            | 36           | 1.28       | 1697340      | 2.79      |
| 50001 100000                           | 46           | 1.63       | 3443560      | 5.66      |
| 100001 and above                       | 60           | 2.13       | 44411470     | 73.07     |
| Total                                  | 2820         | 100.00     | 60783300     | 100.00    |

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## 20. NON-MANDATORY DISCLOSURE:

Shareholder rights: As the company's half-yearly results are published in English Newspapers having wide circulation and in a Tamil Newspaper (having circulation in Tamil Nadu) the same are not sent to the shareholders separately. There are no second half-yearly results as the audited results are taken on record by the Board of Directors and then communicated to the shareholders through the Annual report.

### Whistle blower policy

The company has not adopted whistle blower policy. However the company has not denied access to any personnel to approach the management on any issue.

## 21. REQUEST TO INVESTORS :

Investors are requested to kindly note the following procedure:

(a) If you are holding shares in physical mode, please communicate the change of address, if any, directly to the registered office of the company or the share registrars.

(b) Investors who have not availed nomination facility are requested to kindly avail the same, by submitting the nomination form. The form will be made available on request.

(c) Investors holding shares in electronic form are requested to deal only with their depository participant in respect of change of address, nomination facility and furnishing bank account number, etc.

## 22. Declaration of Code of Conduct

It is hereby declared that the company's code of conduct has been accepted and has been complied with, by all Board members and core management personnel as envisaged in Clause 49(l) (D) of the Listing Agreement.

**SUDERSHAN PARAKH**  
**MANAGING DIRECTOR**

### Auditor's Report on Compliance Report:

C.A. PATEL & PATEL  
Chartered Accountants  
442 (Old No.602) Anna Salai  
"A" Wing 4th Floor, Flat No.2  
Parsan Manere,  
Chennai - 600 006.

To  
The Shareholders of M/s. National Plastic Technologies Limited,  
Chennai - 600 008.

We have examined the compliance of conditions of Corporate Governance by National Plastic Technologies Limited, Chennai for the year ended 31st March 2009, as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchange.

The Compliance of conditions of Corporate Governance is the responsibility of company's management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of the conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.

We state that no investor grievances are pending for a period exceeding one month against the company as per the records maintained by the Investors' Grievances Committee.

We further state that such compliance is neither an assurance as to the future viability of the company nor the efficiency of effectiveness with which the management has conducted the affairs of the company.

Place: Chennai  
Date : 02/09/2009

**For C.A. PATEL & PATEL**  
**Chartered Accountants**  
**BHAVESH N PATEL**  
**Partner**  
**Membership No: 26669**

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## AUDITORS REPORT TO THE MEMBERS OF M/S. NATIONAL PLASTIC TECHNOLOGIES LIMITED.

We have audited the attached Balance Sheet of M/S. NATIONAL PLASTIC TECHNOLOGIES LIMITED as on 31st MARCH 2009, Profit & Loss Account for the year ended on that date and Cash Flow Statement annexed thereto. 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

1) We conducted our audit in accordance with the auditing 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 of material misstatement. An audit includes examining, on a 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 the management as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion

2) As required by the Companies (Auditor's Report) Order 2003 issued by the Central Government of India in term of Sub - Section (4A) of Section 227 of the Companies Act, 1956, and on the basis of such checks of books and records of the company as we considered appropriate and according to the information and explanation given to us, we enclose in the Annexure hereto a statement on the matters specified in paragraphs 4 and 5 of the said order.

3) Further to our comments in the Annexure referred to in paragraph 2 above, we report that:

a) 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;

b) In our opinion, proper books of Accounts, as required by law, have been kept by the Company, so far as appears from our examination of those books.

c) The Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of Account

d) In our opinion the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the mandatory Accounting standards referred to in sub-section (3c) of Sec 211 of the Companies Act, 1956.

e) On the basis of written representations received from the Directors as on 31st March 2009 and taken on record by the Board of Directors, none of the Directors are disqualified as on 31st March 2009, from being appointed as Directors in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956

f) In our opinion and to the best of our information and according to the explanation given to us, the said accounts read together with Significant Accounting Policies and other notes thereon give the information required by the Companies Act, 1956

(i) In so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31st March 2009

(ii) In so far as it relates to the Profit and Loss Account, of the Profit of the Company for the year ended on that date.

(iii) In so far as it relates to the Cash Flow Statement of the cash flows of the Company for the year ended on that date

### Annexure to Auditors' Report

Referred to in Paragraph 2 of our report of even date

1. In respect of its fixed assets:-

(a) The Company is maintaining proper records showing full particulars, including quantitative details and situation of fixed assets.

(b) As explained to us, the fixed assets have been physically verified by the management and no material discrepancies were noticed on such verification.

© In our opinion and according to the information and explanation given to us, a substantial portion of the fixed assets have not been disposed off by the Company during the year.

# NATIONAL PLASTIC TECHNOLOGIES LTD.

2. In respect of its inventories :-
  - (a) As explained to us, physical verification have been conducted by the management at reasonable intervals in respect of inventories.
  - (b) In our opinion & according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and nature of its business.
  - (c) As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
  - (a) The Company has not granted any secured or unsecured loan during the year.
  - (b) In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other terms and conditions are not prima facie prejudicial to the interest of the Company.
  - (c) The Company has not granted any loan, so the question of interest and repayment does not arise.
  - (d) The Company has not given any loan, so the question of overdue amounts does not arise.
  - (e) The Company has taken loans from five parties, and the total amount outstanding at the year end is Rs.116.75 lacs
  - (f) In our opinion and according to the information given to us, the rate of interest, wherever applicable and other terms and conditions are not prima facie prejudicial to the interest of the Company.
  - (g) The interest payment are regular and principal amount is repayable on demand.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in internal controls.
5. In respect of transactions covered under Section 301 of the Companies Act, 1956:
  - (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
  - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 aggregating during the year to Rs. 5,00,000/- (Rupees Five Lacs only) or more in respect of these parties are not prima facie prejudicial to the interest of the Company and are as per the prevailing market rates.
6. The Company has not accepted any deposits from the public.
7. In our opinion, the Company has an Internal Audit System commensurate with the size of the company and nature of its business.
8. Maintenance of Cost records have not been prescribed by the Central Government as prescribed under Section 209 (1) (d) of the Companies Act, 1956.
9. In respect of statutory dues:
  - a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the Appropriate Authorities. According to the information and



## NATIONAL PLASTIC TECHNOLOGIES LTD.

explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Service Tax, Customs Duty and any other statutory dues were outstanding as at 31st March 2009 for a period of more than six months from the date of becoming payable.

(b) On the basis of written representation received from the Management we report that, there are no disputed statutory dues pending before the appropriate authorities as on 31st March 2009.

10. The Company has no accumulated losses as at March 31, 2009 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. According to the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank as at the Balance Sheet date.
12. The Company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, therefore clause 4 (xii) of the order is not applicable to the company.
13. The provision of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company, therefore clause 4 (xiii) of the order is not applicable.
14. In our opinion, the Company is not dealer or trader in shares, securities, debentures and other investments so clause 4 (xiv) of the order is not applicable.
15. In our opinion and according to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institution during the year, so the clause 4(xv) of the order is not applicable.
16. In our opinion and according to the information and explanation given to us, on an overall basis, the term loan taken from bank have been applied for the purposes for which they were obtained.
17. In our opinion and according to the information and explanation given to us, there are no funds raised on short-term basis which have been used for long term investment.
18. The Company has made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The Company has no debentures, therefore the clause 4.(xix) of the order is not applicable to the Company
20. The Company is not raised money by public issues during the year, therefore clause 4 (xx) of the order is not applicable to the Company.
21. In our opinion and according to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year, that causes the financial statements to be materially misstated.

PLACE : CHENNAI  
DATE : 27.07.09

for M/s. C.A. PATEL & PATEL  
CHARTERED ACCOUNTANTS  
Bhavesh N Patel  
PARTNER

# NATIONAL PLASTIC TECHNOLOGIES LTD.

| <b>BALANCE SHEET AS AT 31st MARCH 2009</b>                    |                          |  |                           |
|---|--------------------------|--|---------------------------|
| Particulars   | Sch                      | As at<br>31.3.2009                         | As at<br>31.3.2008        |
| <b>SOURCES OF FUNDS</b>                                       |                          |  |                           |
| <b>SHAREHOLDER'S FUNDS :</b>                                  |                          |  |                           |
| Share Capital   | A                        | 60,783,300                                 | 56,683,300                |
| Reserves & Surplus  | B                        | 17,559,085                                 | 4,020,965                 |
| <b>LOAN FUNDS :</b>   |                          |  |                           |
| Secured Loans   | C                        | 220,233,393                                | 212,680,674               |
| Unsecured Loans   | D                        | 13,981,337                                 | 20,770,632                |
| Deferred Tax Liability (Net)                                  |                          | 16,500,000                                 | 9,700,000                 |
| <b>TOTAL</b>  |                          | <b><u>329,057,115</u></b>                  | <b><u>303,855,571</u></b> |
| <b>APPLICATION OF FUNDS</b>                                   |                          |  |                           |
| <b>FIXED ASSETS :</b>   |                          |  |                           |
| Gross Block   | E                        | 395,358,617                                | 371,876,551               |
| Less: Depreciation  |                          | 168,426,376                                | 156,394,874               |
| Net Block   |                          | 226,932,241                                | 215,481,677               |
| Capital Work-in-Progress                                      |                          | 266,168                                    | 0                         |
| <b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>                   |                          |  |                           |
| <b>CURRENT ASSETS :</b>                                       |                          |  |                           |
| Inventories   | F                        | 85,348,977                                 | 87,961,449                |
| Sundry Debtors  | G                        | 129,019,010                                | 121,628,434               |
| Cash & Bank Balances  | H                        | 10,162,752                                 | 5,885,517                 |
| Loans & Advances  | I                        | 53,609,192                                 | 37,131,293                |
|   |                          | 278,139,931                                | 252,606,693               |
| <b>LESS:</b>  |                          |  |                           |
| <b>CURRENT LIABILITIES &amp; PROVISIONS</b>                   |                          |  |                           |
| Current Liabilities   | J                        | 169,611,225                                | 159,962,799               |
| Provisions  | K                        | 6,670,000                                  | 4,270,000                 |
|   |                          | 176,281,225                                | 164,232,799               |
| <b>Net Current Assets</b>                                     |                          | <b><u>101,858,706</u></b>                  | <b><u>88,373,894</u></b>  |
| <b>TOTAL</b>  |                          | <b><u>329,057,115</u></b>                  | <b><u>303,855,571</u></b> |
| Notes to Accounts   | R                        |  |                           |
| Significant Accounting Policies                               | S                        |  |                           |
| Schedule A to S form Part of the Annual Statement of Accounts |                          | As per Report of even date annexed thereto |                           |
| <b>ON BEHALF OF THE BOARD</b>                                 |                          |  |                           |
| <b>SUDERSHAN PARAKH</b>                                       | <b>BACHHRAJ PARAKH</b>   | <b>M/s.C.A.PATEL &amp; PATEL</b>           |                           |
| Managing Director   | Chairman                 | Chartered Accountants                      |                           |
| Place: Chennai  | <b>E.BALASUBRAMANIAN</b> | <b>BHAVESH N PATEL</b>                     |                           |
| Date : 27.07.2009   | Company Secretary        | Partner                                    |                           |

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2009

| Particulars  | SCH | For the year ended<br>31.3.2009 | For the year ended<br>31.3.2008 |
|--|-----|---------------------------------|---------------------------------|
| <b>INCOME</b>  |     |                                 |                                 |
| Sales Less Returns   |     | 551,690,756                     | 432,402,202                     |
| Other Income   | L   | 8,121,553                       | 1,719,672                       |
|  |     | <u>559,812,309</u>              | <u>434,121,874</u>              |
| <b>EXPENDITURE</b>   |     |                                 |                                 |
| Cost of Materials  | M   | 299,857,141                     | 214,522,448                     |
| Manufacturing Expenses   | N   | 125,441,257                     | 105,062,121                     |
| Payment to & Provisions for Employees                          | O   | 19,986,435                      | 13,237,175                      |
| Administrative & Selling Expenses                              | P   | 41,426,437                      | 31,997,369                      |
| Interest   | Q   | 38,832,657                      | 32,955,988                      |
| Depreciation   | E   | 12,927,427                      | 11,098,856                      |
|  |     | <u>538,471,354</u>              | <u>408,873,957</u>              |
| Profit/ Loss for the year                                      |     | 21,340,955                      | 25,247,917                      |
| Less: Provision for Taxation                                   |     | 2,400,000                       | 2,900,000                       |
| Profit after Taxation  |     | 18,940,955                      | 22,347,917                      |
| Balance of Profit & Loss Appropriation a/c<br>as per last year |     | 56,895                          | (18,046,225)                    |
|  |     | <u>18,997,850</u>               | <u>4,301,692</u>                |
| <b>APPROPRIATIONS</b>  |     |                                 |                                 |
| Less:  |     |                                 |                                 |
| Deferred Tax   |     | 6,800,000                       | 4,000,000                       |
| Fringe Benefit Tax   |     | 242,836                         | 244,797                         |
| Balance carried to Balance Sheet                               |     | <u>11,955,014</u>               | <u>56,895</u>                   |
| EPS  |     | 2.03                            | 3.19                            |

Schedule A to S form Part of the Annual Statement of Accounts

ON BEHALF OF THE BOARD  
**SUDERSHAN PRAKASH**  
Managing Director

**BACHHRAJ PRAKASH**  
Chairman

As per Report of even date annexed there to  
**M/s.C.A.PATEL & PATEL**  
Chartered Accountants

Place: Chennai  
Date : 27.07.2009

**E.BALASUBRAMANIAN**  
Company Secretary

**BHAVESH N PATEL**  
Partner

# NATIONAL PLASTIC TECHNOLOGIES LTD.

| Particulars   | As at<br>31.3.2009   | As at<br>31.3.2008 |
|---|--|--------------------|
| <b>SCHEDULE A:</b>  |  |                    |
| <b>SHARE CAPITAL</b>  |  |                    |
| <b>AUTHORISED</b>   |  |                    |
| 1,00,00,000 ( Previous Year 70,00,000 )                                       |  |                    |
| Equity Shares of Rs 10 each   | 100,000,000  | 100,000,000        |
| NIL (Previous Year 3,00,000)  |  |                    |
| Preference Shares of Rs 100 each  |  |                    |
|   | <u>100,000,000</u>   | <u>100,000,000</u> |
| <b>ISSUED, SUBSCRIBED AND PAID-UP</b>   |  |                    |
| 6078330 Equity Shares of Rs. 10 each<br>fully paid up (previous year 5668330) | 60,783,300   | 56,683,300         |
| <b>SCHEDULE B:</b>  |  |                    |
| <b>RESERVES &amp; SURPLUS</b>   |  |                    |
| Capital Subsidy   | 3,453,427  | 3,453,427          |
| Investment Allowances   | 510,644  | 510,644            |
| Securities Premium a/c  | 1,640,000  | -                  |
| Profit & Loss A/c   | 11,955,014   | 56,895             |
|   | <u>17,559,085</u>  | <u>4,020,965</u>   |
| <b>SCHEDULE C:</b>  |  |                    |
| <b>SECURED LOANS</b>  |  |                    |
| Term Loans  | 99,224,227   | 104,854,678        |
| Cash Credit A/c with SBI  | 120,919,862  | 107,484,378        |
| Secured Loan - Others   | 89,304   | 341,618            |
|   | <u>220,233,393</u>   | <u>212,680,674</u> |
| Note:   | (I) Term Loan from SBI is secured by first charge on Fixed Assets &<br>second charge on stock & book debts               |                    |
|   | (ii) Cash credit availed from SBI is secured by first charge on Stock &<br>Book Debts and second charge on Fixed Assets. |                    |
| <b>SCHEDULE D:</b>  |  |                    |
| <b>UNSECURED LOANS</b>  |  |                    |
| <b>IFST LOAN FROM GOVT OF TAMIL NADU</b>                                      |  |                    |
| T.N.G.S.T Deferral Loan   | 1,793,280  | 3,500,285          |
| C.S.T Deferral Loan   | 513,096  | 657,892            |
| Directors   | 7,679,853  | 5,907,435          |
| Inter Corporate Deposit   | 3,995,108  | 10,705,020         |
|   | <u>13,981,337</u>  | <u>20,770,632</u>  |

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## SCHEDULE E: FIXED ASSETS

| PARTICULARS          | GROSS BLOCK                      |                                 |                                 |                   |                     | DEPRECIATION       |                 |                                   |                    | NET BLOCK           |                     |
|----------------------|----------------------------------|---------------------------------|---------------------------------|-------------------|---------------------|--------------------|-----------------|-----------------------------------|--------------------|---------------------|---------------------|
|                      | OPENING<br>BALANCE<br>01.04.2008 | ADDITIONS<br>DURING<br>THE YEAR | DELETIONS<br>DURING<br>THE YEAR | MODVAT<br>AVAILED | TOTAL<br>31.03.2009 | UPTO<br>31.03.2008 | FOR THE<br>YEAR | Deletion<br>Depreciton<br>Reserve | UPTO<br>31.03.2009 | AS AT<br>31.03.2008 | AS AT<br>31.03.2009 |
| Land                 | 11734314                         | 0                               | 1392000                         | 0                 | 10342313            | 0                  | 0               | 0                                 | 0                  | 11734315            | 10342314            |
| Land (Leasehold)     | 4607091                          | 0                               | 0                               | 0                 | 4607091             | 0                  | 0               | 0                                 | 0                  | 4607091             | 4607090             |
| Building             | 87362742                         | 5993745                         | 6021944                         | 0                 | 87334542            | 15579042           | 2989090         | 895924                            | 17672207           | 71783701            | 69662334            |
| Crane                | 1577248                          | 1853584                         | 0                               | 171512            | 3259320             | 937403             | 101026          | 0                                 | 1038430            | 639845              | 2220888             |
| Plant & Machinery    | 165776329                        | 23099435                        | 0                               | 2447884           | 186427880           | 61878775           | 7181960         | 0                                 | 69060735           | 103897555           | 117367144           |
| Mould                | 75632487                         | 0                               | 0                               | 0                 | 75632487            | 69813876           | 1273052         | 0                                 | 71086927           | 5818610             | 4545559             |
| Office Equipments    | 835413                           | 31300                           | 0                               | 0                 | 866713              | 269798             | 38766           | 0                                 | 308564             | 565616              | 558150              |
| Furniture & Fittings | 1554680                          | 30032                           | 0                               | 0                 | 1584712             | 839228             | 92687           | 0                                 | 931915             | 715451              | 652798              |
| Electrical Fittings  | 19418053                         | 2410982                         | 0                               | 9680              | 21819355            | 5381364            | 974491          | 0                                 | 6355855            | 14036690            | 15463501            |
| Computer             | 1622701                          | 106011                          | 0                               | 0                 | 1728712             | 1126416            | 114782          | 0                                 | 1241198            | 496285              | 487514              |
| Vehicles             | 1755492                          | 0                               | 0                               | 0                 | 1755492             | 568971             | 161573          | 0                                 | 730544             | 1186520             | 1024948             |
| <b>TOTAL</b>         | <b>371876550</b>                 | <b>33525088</b>                 | <b>7413944</b>                  | <b>2629076</b>    | <b>395358617</b>    | <b>156394872</b>   | <b>12927427</b> | <b>895924</b>                     | <b>168426376</b>   | <b>215481678</b>    | <b>226932241</b>    |
| <b>PREVIOUS YEAR</b> | <b>343033976</b>                 | <b>29782957</b>                 | <b>0</b>                        | <b>940382</b>     | <b>371876551</b>    | <b>145296015</b>   | <b>11098858</b> | <b>0</b>                          | <b>156394873</b>   | <b>197737961</b>    | <b>215481678</b>    |

# NATIONAL PLASTIC TECHNOLOGIES LTD.

| Particulars  | As at<br>31.3.2009       | As at<br>31.3.2008       |
|--|--------------------------|--------------------------|
| <b>SCHEDULE F:</b>   |                          |                          |
| <b>INVENTORIES</b>   |                          |                          |
| (Valued at lower of cost or<br>realisable value as certified<br>by the management) |                          |                          |
| Raw Material   | 17,500,224               | 13,450,777               |
| Fastners & components  | 15,851,250               | 8,563,436                |
| Packing Material   | 1,530,841                | 4,690,354                |
| Stores   | 918,845                  | 725,667                  |
| Pigments   | 77,067                   | 469,446                  |
| Work In Progress   | 28,583,138               | 33,967,337               |
| Finished Goods/SFG   | <u>20,887,612</u>        | <u>26,094,431</u>        |
|  | <b><u>85,348,977</u></b> | <b><u>87,961,449</u></b> |
| <b>SCHEDULE G:</b>   |                          |                          |
| <b>SUNDRY DEBTORS (Unsecured)</b>  |                          |                          |
| Over Six months  | 51,122,563               | 48,974,101               |
| Below Six months   | 77,896,447               | 72,654,333               |
|  | <u>129,019,010</u>       | <u>121,628,434</u>       |
| <b>SCHEDULE H</b>  |                          |                          |
| <b>CASH &amp; BANK BALANCES</b>  |                          |                          |
| Cash & Bank Balance  | 2,068,496                | 1,046,432                |
| Term Deposit Receipt (SBI)   | 8,094,256                | 4,839,085                |
|  | <u>10,162,752</u>        | <u>5,885,517</u>         |
| <b>SCHEDULE I</b>  |                          |                          |
| <b>LOANS &amp; ADVANCES</b>  |                          |                          |
| Loans & Advances   | 48,312,489               | 31,699,523               |
| Deposits   | 5,296,703                | 5,431,771                |
|  | <u>53,609,192</u>        | <u>37,131,293</u>        |
| <b>SCHEDULE J</b>  |                          |                          |
| <b>CURRENT LIABILITIES</b>   |                          |                          |
| Creditors - Trade  | 54,408,247               | 57,780,696               |
| Creditors - Expense  | 1,652,685                | 56,521,760               |
| Bills Payable  | 46,943,133               | 31,093,440               |
| Others   | 66,607,160               | 14,476,918               |
| IEF - Unencashed Dividend  | 0                        | 89,985                   |
|  | <u>169,611,225</u>       | <u>159,962,799</u>       |
| <b>SCHEDULE K</b>  |                          |                          |
| <b>PROVISIONS</b>  |                          |                          |
| Provision for taxation   | 6,670,000                | 4,270,000                |

# NATIONAL PLASTIC TECHNOLOGIES LTD.

| Particulars  | As at<br>31.3.2009        | As at<br>31.3.2008         |
|--|---------------------------|----------------------------|
| <b>SCHEDULE L:</b>                                       |                           |                            |
| <b>OTHER INCOME</b>                                      |                           |                            |
| Insurance claim received                                 | 34,930                    | -                          |
| Interest received  | 1,072,841                 | 576,541                    |
| Miscellaneous Income                                     | 94,876                    | 147,970                    |
| Profit on sale of assets                                 | 2,741,980                 | -                          |
| Duty drawback  | 32,926                    | -                          |
| Lease Rent received                                      | <u>4,144,000</u>          | <u>995,161</u>             |
|  | <b><u>8,121,553</u></b>   | <b><u>1,719,672</u></b>    |
| <b>SCHEDULE M</b>  |                           |                            |
| <b>COST OF MATERIALS</b>                                 |                           |                            |
| Raw Material Consumed :<br>(Plastic Granules & Pigments) |                           |                            |
| <b>OPENING STOCK</b>                                     |                           |                            |
| Plastic Granules   | 12,593,751                | 14,755,307                 |
| Pigments   | 1,326,472                 | 2,544,490                  |
| Components   | 8,563,436                 | 10,379,517                 |
|  | <u><b>22,483,659</b></u>  | <u><b>27,679,314</b></u>   |
| <b>ADD: PURCHASES</b>                                    |                           |                            |
| Plastic Granules   | 222,888,254               | 173,040,810                |
| Pigments   | 6,155,289                 | 3,775,797                  |
| Components   | 71,167,462                | 56,926,926                 |
|  | <u><b>300,211,005</b></u> | <u><b>233,743,533</b></u>  |
| <b>LESS: CLOSING STOCK</b>                               |                           |                            |
| Plastic Granules   | 17,500,224                | 13,450,777                 |
| Pigments   | 77,067                    | 469,446                    |
| Components   | 15,851,250                | 8,563,436                  |
|  | <u><b>33,428,541</b></u>  | <u><b>22,483,659</b></u>   |
|  | <u><b>289,266,123</b></u> | <u><b>238,939,188</b></u>  |
| <b>DECREASE/INCREASE IN STOCK</b>                        |                           |                            |
| Opening Stock :  |                           |                            |
| Work In Progress   | 33,967,337                | 18,312,149                 |
| Finished Goods/SFG                                       | 26,094,431                | 17,332,879                 |
| Total  | <u>60,061,768</u>         | <u>35,645,028</u>          |
| Closing Stock :  |                           |                            |
| Work In Progress   | 28,583,138                | 33,967,337                 |
| Finished Goods/SFG                                       | 20,887,612                | 26,094,431                 |
| Total  | <u>49,470,750</u>         | <u>60,061,768</u>          |
|  | <u><b>10,591,018</b></u>  | <u><b>(24,416,740)</b></u> |
| <b>MATERIAL CONSUMED</b>                                 | <u><b>299,857,141</b></u> | <u><b>214,522,448</b></u>  |

# NATIONAL PLASTIC TECHNOLOGIES LTD.

| Particulars                                      | As at<br>31.3.2009 | As at<br>31.3.2008 |
|--|--------------------|--------------------|
| <b>SCHEDULE N:</b>                               |                    |                    |
| <b>MANUFACTURING AND OTHER EXPENSES</b>          |                    |                    |
| Electricity/Fuel                                 | 29,379,210         | 29,219,147         |
| Factory Exp./Testing Charges                     | 939,080            | 669,327            |
| Stores Consumed                                  | 3,474,228          | 1,804,740          |
| R & M- Plant & Machinery                         | 2,659,411          | 2,382,927          |
| R & M- Buildings                                 | 568,908            | 291,893            |
| R & M- Vehicles                                  | 33,741             | 17,837             |
| R & M- Mould                                     | 276,936            | 440,388            |
| R & M- Others                                    | 495,958            | 81,770             |
| Hire Charges                                     | 1,756,993          | 277,995            |
| Wages  | 4,501,139          | 2,543,176          |
| Processing charges                               | 18,996,908         | 17,612,784         |
| Excise Duty paid                                 | 54,547,160         | 42,489,027         |
| Packing Material Consumed                        | 7,811,585          | 7,231,110          |
|  | <u>125,441,257</u> | <u>105,062,121</u> |
| <br><b>SCHEDULE O</b>                            |                    |                    |
| <b>PAYMENT TO &amp; PROVISIONS FOR EMPLOYEES</b> |                    |                    |
| Salaries & Bonus - Others                        | 11,307,095         | 8,933,418          |
| Education Allowances / GWA                       | 4,265,241          | 975,772            |
| MD Perquisites                                   | 77,938             | 83,824             |
| Medical Allowance & Staff welfare                | 1,663,291          | 935,488            |
| Leave with wages                                 | 591,160            | 458,353            |
| Professional tax                                 | 13,003             | 20,181             |
| P.F./P.P./E.S.I./EDLIS                           | 1,765,980          | 1,389,798          |
| Incentive/ Ex-gratia/Gratuity                    | 302,727            | 440,341            |
|  | <u>19,986,435</u>  | <u>13,237,175</u>  |
| <br><b>SCHEDULE P</b>                            |                    |                    |
| <b>ADMINISTRATIVE &amp; SELLING EXPENSES</b>     |                    |                    |
| <b>COMMUNICATION EXPENSES :</b>                  |                    |                    |
| Telephone Charges                                | 922,073            | 1,033,111          |
| Postage & courier charges                        | 158,468            | 109,361            |
| <br><b>STATIONERY &amp; BOOKS</b>                |                    |                    |
| Printing & Stationery                            | 590,088            | 489,897            |
| Books & Periodicals                              | 17,154             | 360                |
| <br><b>TRAVELLING &amp; CONVEYANCE</b>           |                    |                    |
| Travelling Expenses                              | 1,048,650          | 707,642            |
| Conveyance                                       | 1,115,078          | 1,015,207          |
| Employee Transport Expenses                      | 861,676            | 708,425            |



# NATIONAL PLASTIC TECHNOLOGIES LTD.

| Particulars   | As at<br>31.3.2009       | As at<br>31.3.2008       |
|---|--------------------------|--------------------------|
| <b>RENT, RATES &amp; TAXES &amp; OTHER EXPENSES</b> |                          |                          |
| Rent, Rates & Taxes                                 | 2,816,125                | 1,935,521                |
| Office Expenses                                     | 13,819                   | 40,500                   |
| Pooja Expenses                                      | 37,507                   | 24,724                   |
| Listing/Filing Fees                                 | 1,500                    | 137,800                  |
| Membership Fees                                     | 84,914                   | 50,498                   |
| Licence Fees  | 100,500                  | 60,790                   |
| Service Charges                                     | 0                        | 3,932                    |
| Service Tax   | 235,940                  | 231,703                  |
| Security charges                                    | 1,122,086                | 978,030                  |
| Sitting Fees  | 47,000                   | 40,000                   |
| Professional/Consultancy chrgs                      | 539,098                  | 542,048                  |
| ISO expenses  | 30,895                   | 0                        |
| Miscellaneous Expenses                              | 7,056                    | 2,243                    |
| Share Transfer /AGM Expenses                        | 224,363                  | 177,496                  |
| <b>BANK CHARGES</b>                                 | <b>3,076,652</b>         | <b>2,275,582</b>         |
| <b>INSURANCE</b>                                    | <b>727,391</b>           | <b>672,402</b>           |
| <b>MARKETING EXPENSES :</b>                         |                          |                          |
| Commission  | 0                        | 115,800                  |
| Sales Promotion/Advertisement                       | 13,483                   | 36,104                   |
| Bad debts written off                               | 329,642                  | 0                        |
| Discount  | 0                        | 38,000                   |
| <b>FREIGHT &amp; HANDLING CHARGES :</b>             |                          |                          |
| Loading & Unloading Charges                         | 138,151                  | 333,900                  |
| Freight Charges                                     | 8,536,975                | 7,446,459                |
| <b>SALES TAX</b>                                    |                          |                          |
| Local   | 17,820,024               | 12,407,991               |
| Entry Tax   | 34,940                   | 23,600                   |
| Interstate  | 671,949                  | 278,243                  |
| <b>AUDIT FEES</b>                                   |                          |                          |
| Statutory Audit                                     | 70,000                   | 60,000                   |
| Tax Audit   | 25,000                   | 20,000                   |
| Others  | 8,240                    | 0                        |
|   | <u><b>41,426,437</b></u> | <u><b>31,997,369</b></u> |
| <b>SCHEDULE Q</b>                                   |                          |                          |
| <b>INTEREST</b>                                     |                          |                          |
| Term Loan   | 15,607,043               | 12,863,658               |
| FITL/WCTL   | 0                        | 520,547                  |
| Working Capital                                     | 17,973,529               | 16,302,415               |
| Others  | 5,252,085                | 3,269,368                |
|   | <u><b>38,832,657</b></u> | <u><b>32,955,988</b></u> |

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## Schedule: R NOTES TO THE ACCOUNTS

|   | As At<br>31.3.2009<br>(Rs.in Lakhs) | As At<br>31.3.2008<br>(Rs.in Lakhs) |
|---|-------------------------------------|-------------------------------------|
| 1. Estimated amounts of contracts to be executed on Capital Accounts and not provided for (net of advance) (Rs. in lakhs) | 12                                  | 165                                 |
| 2. Contingent Liability not provided for (Rs. in lakhs)   |                                     |                                     |
| (I) Guarantee   | 9                                   | 9                                   |
| (ii) Letter of Credit - Inland  | 0                                   | 0                                   |
| (iii) Letter of Credit - Foreign  | 0                                   | 0                                   |
| (iv) Bills Discounted   | 0                                   | 0                                   |
| (v) Disputed Excise Liability   | 0                                   | 0                                   |
| (vi) Disputed Income Tax Liability  | 0                                   | 0                                   |
| (vii) Claims against Company not acknowledge as debt  | 0                                   | 0                                   |
| 3. Licenced and installed capacity given below :-   |                                     |                                     |
| Plastic Moulded Components licenced Capacity  | Tons                                | NA                                  |
| Plastic Moulded Components Installed Capacity   | Tons                                | 8775                                |
| 4 (a) Opening and Closing Stock Production, Turn Over of finished goods (excluding scrap) (Rs.in lakhs)                   |                                     |                                     |

| Products                  | Opening stock<br>(Qty in Pcs) | Purchases<br>Qty<br>Pcs | Production<br>Qty<br>Pcs | Turnover   |                       | Closing Stock |                       |
|---------------------------|-------------------------------|-------------------------|--------------------------|------------|-----------------------|---------------|-----------------------|
|                           |                               |                         |                          | Qty<br>Pcs | Value<br>(Rs.inLakhs) | Qty<br>(Pcs)  | Value<br>(Rs.inLakhs) |
| PlasticMoulded Components |                               |                         |                          |            |                       |               |                       |
| Current Year              | 26624                         | 0                       | 10118837                 | 10130565   | 5258.98               | 14896         | 4.73                  |
| Previous Year             | 141266                        | 0                       | 5316991                  | 5431633    | 3072.88               | 26624         | 28.09                 |

# NATIONAL PLASTIC TECHNOLOGIES LTD.

|  | For the Period ended<br>31.3.2009 |                       | For the Period ended<br>31.3.2008 |                       |
|--|-----------------------------------|-----------------------|-----------------------------------|-----------------------|
| <b>5 Raw Material Consumed</b>   |                                   |                       |                                   |                       |
| Item   | Qty<br>Mts                        | Value<br>Rs.          | Qty<br>Mts                        | Value<br>Rs.          |
| 1. Polypropylene   | 1921.04                           | 177240400             | 1739.83                           | 158209505             |
| 2. Polystrene  | 812.43                            | 67309981              | 460.82                            | 35764916              |
| 3. ABS   | 4.00                              | 1082238               | 9.44                              | 7996023               |
| 4. COMPONENTS  | 0                                 | 69272975              |                                   | 63764196              |
| 5. Others  | 0                                 | 8846874               | 58.45                             | 4212826               |
|  | 2737.47                           | 323752468             | 2268.54                           | 269947464             |
| LESS: CENVAT CREDIT  |                                   | 34486345<br>289266123 |                                   | 31008276<br>238939188 |
| Where of:  | %                                 | -                     | %                                 |                       |
| Imported   | 0.00                              | 0                     | 1.75                              | 4177390               |
| Indigeneous  | 100.00                            | 289266123             | 98.25                             | 234761798             |
|  | 100.00                            | 289266123             | 100.00                            | 238939188             |
| <b>6 Managerial Remuneration:</b>  |                                   |                       |                                   |                       |
| Salary   |                                   | 1170000               |                                   | 930000                |
| Contribution to Provident and Superannuation fund  |                                   | 57600                 |                                   | 57600                 |
| Other Perquisites  |                                   | 77938                 |                                   | 83824                 |
| <b>7 Credit for CENVAT of Excise duty on raw materials have been taken in Raw material A/c and Cenvat credit of Excise Duty on Capital Goods has been credited to respective Capital Assets. The unutilised Modvat credit of Rs.7,15,401/- (Previous year Rs.32,33,722/-) is shown under the Current Assets as "Modvat Receivable A/c".</b>      |                                   |                       |                                   |                       |
| <b>8 The Depreciation on various assets have been computed for various plants (HP, Guindy, IGK and Pandy) seperately as per the rates provided in Schedule XIV of the Companies Act.</b>   |                                   |                       |                                   |                       |
| <b>9. Previous years figures are re-grouped wherever considered necessary.</b>   |                                   |                       |                                   |                       |
| <b>10 Confirmation of balances from Debtors, Creditors and Advances of the Company have not been received.</b>   |                                   |                       |                                   |                       |
| <b>11 Sales includes jobwork charges of Rs 179.09 Lakhs; ( Previous year- Rs.316.87 lakhs)</b>   |                                   |                       |                                   |                       |
| <b>12 Other income includes profit on sale of assets Rs.27.42 Lacs.</b>  |                                   |                       |                                   |                       |
| <b>13 Deferred Tax</b>   |                                   |                       |                                   |                       |
| (a) Deferred Tax has been accounted in accordance with the requirement of Accounting Standard on " Taxes on Income" (AS 22). Deferred Tax Assets are recognised on c/f unabsorbed depreciation and Business Loss as there is virtual certainty that sufficient future taxable income will be available against which such asset can be adjusted. |                                   |                       |                                   |                       |

## NATIONAL PLASTIC TECHNOLOGIES LTD.

(b) The major components of the Deferred Tax Assets/ Liabilities, based on the effect of the timing differences, as at 31st March 2009, are as under:

|                                | Amt<br>(Rs. In lakhs) | Tax Rate | Tax Amt<br>(Rs. In lakhs) |
|--------------------------------|-----------------------|----------|---------------------------|
| (I) Carried forward Loss/Deprn | 392.61                | 33.99    | 133.45                    |
| (II) Difference in WDV         | 879.10                | 33.99    | -298.81                   |
| Provision for Deferred Tax     |                       |          | -165.36                   |
|                                | SAY Rs.               |          | <u>165</u>                |

As a matter of prudence, deferred tax assets have been recognised only to the extent of deferred tax liability and as such there is no impact of the same on these accounts.

14 The company operates in only one business segment Viz. Injection Moulded Plastic Products

### 15 Related Parties Disclosure

Disclosure as required by Accounting Standards 18 " Related Party Disclosures" are given below

#### a) List of Related Parties

- |                                   |                            |
|-----------------------------------|----------------------------|
| 1. National Polyplast (India) Ltd | -Associate Concern         |
| 2. National Plastic Industries    | -Associate Concern         |
| 3 Mr. Sudershan Parakh            | - Key Management Personnel |
| 4 Mrs. Manju Parakh               | - Key Management Personnel |
| 5 Mr. Alok Kumar Parakh           | - Key Management Personnel |
| 6 Mr. Arihant Parakh              | - Relative                 |
| 7 Mr Kesari Chand Bhutoria        | - Relative                 |

#### b) Transaction with related parties

|   |         |
|---|---------|
| Sale of goods                             | 3322279 |
| Purchases of goods                        | 361532  |
| Purchase or sale of Fixed Assets          | 9260000 |
| Rendering Services                        | 5863030 |
| Receiving Services                        | 6263526 |
| Agency arrangements                       | Nil     |
| Leasing or Hire Purchase charges paid     | 270000  |
| Leasing or Hire Purchase charges Received | 9200000 |
| Transfer of Research & Development        | Nil     |
| Licence Agreements                        | Nil     |
| Interest paid                             |         |
| Key Management personnel & Relatives      | 392708  |
| Associate                                 | 69731   |
| Outstanding balances as on 31.3.2009      |         |
| Unsecured loan (including interest)       |         |
| Key Management personnel & relatives      | 7679853 |
| Associate                                 | Nil     |
| Finance(including loans and equity        |         |
| Contribution in cash or in kind)          | Nil     |
| Guarantee and collaterals                 | Nil     |
| Management contracts including for        |         |
| deputation of Employees                   | 1305538 |

## NATIONAL PLASTIC TECHNOLOGIES LTD.

16 Amount payable to Small scale Industrial units- outstanding for more than 30 days cannot be ascertained since we have not yet received the confirmation from our suppliers on their status of industrial undertaking.

17 Earnings per share

| Particulars                              | Year Ended<br>31.03.2009 | Year Ended<br>31.03.2008 |
|--|--------------------------|--------------------------|
| Net Profit attributable to shareholders  | 11898119                 | 18103120                 |
| Weighted average number of equity shares | 5873892                  | 5668330                  |
| Basic earnings per share of Rs.10/- each | 2.03                     | 3.19                     |

The company does not have any outstanding dilutive potential equity shares. Consequently, the basic and diluted earning per share of the company remain the same.

18 Imports & Foreign Currency details

(a) Value of Imports on CIF Basis :

|               |               |                |
|---------------|---------------|----------------|
| Raw Materials | 35624         | 3917075        |
| Capital Goods | 0             | 928032         |
| Spare Parts   | 312439        | 0              |
|               | <u>348063</u> | <u>4845107</u> |

(b) Expenditure in Foreign Currency  
(Travelling & others)

|  |       |        |
|--|-------|--------|
|  | 44788 | 405150 |
|--|-------|--------|

(c) FOB Value of Exports

|  |        |   |
|--|--------|---|
|  | 557480 | 0 |
|--|--------|---|

19 Lease payments and receipts

Lease payments have been made towards an operating lease of an Injection Moulding Machine. As per the guidelines of the Accounting Standards on leases (AS 19) issued by the Institute of Chartered Accountants of India, these lease payments are debited to the profit and loss account on accrual basis.

Minimum Lease payments:

|  |       |
|--|-------|
| - not later than 1 year                        | 91000 |
| - later than 1 year but not later than 5 years | Nil   |
| - later than 5 years                           | Nil   |

Lease payments/ receipts are subject to cancellation at the will and necessity and option to exercise cancellation by either party to the transaction. Hence the lease payments/ receipts are not discounted for future cash flows.

20 Software for Computers has been shown under "Fixed Assets" under the head Computers instead of showing it as intangible assets as per A.S.26. The cost of software has been amortised under straight line method at 16.21%.

21 Bank Guarantee for Rs.9.00 lacs has been furnished to Electricity Department, Pondicherry. As the Company is regular in paying the electricity charges, no provision for the contingent liability has been considered necessary as per AS.29.

22 As per the representation received from the management there is no impairment of loss to fixed assets.

23 We have capitalized Rs.4,44,672/- being interest charges towards fixed assets for the year at Irungattukottai plant. (Previous year Rs.12,30,412/-)

24 Audit fees provided for the year excluding service tax regarding :

|                 |       |
|-----------------|-------|
| Statutory Audit | 70000 |
| Tax Audit       | 25000 |

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## SCHEDULE - S

### SIGNIFICANT ACCOUNTING POLICIES

#### 1. ACCOUNTING POLICIES:

- (i) Accounting policies are consistent with generally accepted Accounting Principles, except wherever stated otherwise.
- (ii) Financial Statements are based on historical cost.
- (iii) Mercantile System of Accounting is followed and Income & Expenditure are accounted for on accrual concept on a going concern basis consistently. Bonus, Rates & Taxes are on payment basis.

#### 2. FIXED ASSETS:

Expenditure which are of Capital nature are capitalized at cost which directly incurred in acquiring assets.

#### 3. CAPITAL WORK IN PROGRESS:

Capital work in progress is carried at cost comprising direct cost and incidental expenditure during construction period to be allocated to the fixed assets on the completion of construction.

#### 4. DEPRECIATION:

Depreciation is provided from the date the assets have been acquired / commissioned and put to use, on Straight line method at the rates and the manner specified in Schedule XIV of the Companies Act 1956.

#### 5. REVENUE RECOGNITION:

Sale of goods is recognized at the point of dispatch of goods to the customers from the Company's factory.

#### 6. SALES:

Sale comprises sale of goods and includes applicable excise duty and local taxes. Consequently duties paid to the authorities are recorded as expenditure.

#### 7. INVENTORIES:

Inventories are valued in accordance with the method of valuation prescribed by The Institute of Chartered Accountants are as follows:

- (a) Finished goods are valued at cost of production consisting of Raw material cost inclusive of CENVAT, Manufacturing and administrative overheads or net realizable price whichever is lower.
- (b) Work-in-progress is valued at cost of production consisting of Raw material cost inclusive of CENVAT, Manufacturing and administrative overhead.
- (c) Raw materials, Stores or consumables are valued at Landed cost of Net realizable value which

ever is lower.

#### 8. PROVISION FOR CONTINGENT LIABILITIES & CONTINGENT ASSETS:

All Liabilities have been provided for, except liabilities of contingent nature which have been disclosed at their estimated value in the Notes to Accounts, but no provision are made for same and contingent assets are neither recognized nor disclosed in the financial statement.

#### 9. TAXATION:

Provision is made for current tax and deferred tax. Deferred Tax is recognized subject to the consideration of prudence on timing differences; being the difference between taxable income and accounting income that originate in one period for using the tax rates and laws that have been enacted or substantially enacted on the Balance Sheet date and are capable of reversal in one or more subsequent periods. The Deferred Tax Asset is provided as per the Accounting Standard 22 of the Institute of Chartered Accountants of India.

#### 10. FOREIGN CURRENCY TRANSACTIONS:

Transactions denominated in foreign currencies are normally recorded at the exchange rate prevailing at the time of the transaction or at contracted forward rates.

#### 11. EMPLOYEE RETIREMENT BENEFITS:

- (i) Company's contributions under Provident Fund Act and Employees State Insurance Act are charged to Profit & Loss A/C on accrual basis.
- (ii) Liability for Gratuity is recognized on payment basis. This is inconsistent with Accounting Standard 15 of ICAI. Provision on actuarial basis has not been made as the amount involved is insignificant.

#### 12. BORROWING COST:

The Borrowing cost has been treated in accordance with Accounting Standard on Borrowing Costs (AS 16) issued by The Institute of Chartered Accountants of India.

#### 13. INVESTMENTS:

Long term investments are valued at cost. Provision for diminution in the value of investments is made to recognize a decline other than temporary.

#### 14. IMPAIRMENT OF ASSETS:

As per the management opinion there is no impairment loss to the fixed assets during the year.

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH 2009

|   |                | 31.03.2009          |               | 31.03.2008          |
|---|----------------|---------------------|---------------|---------------------|
|   | Amount in Rs.  | Amount in Rs.       | Amount in Rs. | Amount in Rs.       |
| <b>A. Cash flow from operation activities</b>                     |                |                     |               |                     |
| Net Profit before extra-ordinary items and tax:                   |                | 21,340,955          |               | 25,247,917          |
| <b>Add:-</b>  |                |                     |               |                     |
| Depreciation  | 12,927,427     |                     | 11,098,856    |                     |
| Interest paid   | 38,832,657     |                     | 32,955,988    |                     |
| Profit on Sale of Assets  | (2,741,980)    |                     |               |                     |
| Interest received   | (1,072,841)    |                     | (576,541)     |                     |
|   |                | <u>47,945,263</u>   |               | <u>43,478,303</u>   |
| Operating Profit before working capital changes                   |                | 69,286,218          |               | 68,726,220          |
| <b>Adjustments for :-</b>   |                |                     |               |                     |
| Trade and other receivables                                       | (23,868,474)   |                     | (18,326,933)  |                     |
| Inventories   | 2,612,472      |                     | (21,059,292)  |                     |
| Current liabilities   | 9,648,426      |                     | 21,417,467    |                     |
|   |                | <u>(11,607,576)</u> |               | <u>(17,968,758)</u> |
| <b>Cash generated from operations before extra-ordinary items</b> |                | 57,678,642          |               | 50,757,462          |
| Direct Taxes paid (fringe benefit tax)                            |                | (242,836)           |               | (244,797)           |
| Extra-ordinary items  |                |                     |               | 52,784              |
| <b>Net cash flow from operating activity</b>                      | <b>(A)</b>     | <b>57,435,806</b>   |               | <b>50,565,449</b>   |
| <b>B. Cash flow from investing activities:</b>                    |                |                     |               |                     |
| Purchase of fixed assets / Capital work-in-progress               | (31,162,180)   |                     | (28,842,575)  |                     |
| Proceeds from sale of assets                                      | 9,260,000      |                     |               |                     |
| Interest received   | 1,072,841      |                     | 576,541       |                     |
| <b>Net Cash used in investing activities</b>                      | <b>(B)</b>     | <b>(20,829,339)</b> |               | <b>(28,266,034)</b> |
| <b>C. Cash flow from financing activities:</b>                    |                |                     |               |                     |
| Proceeds from long term borrowings (Net)                          | (12,672,059)   |                     | 74,633        |                     |
| Proceeds from short term borrowings                               | 13,435,484     |                     | 8,015,137     |                     |
| Proceeds from Issue of Shares (including premium)                 | 5,740,000      |                     |               |                     |
| Interest paid   | (38,832,657)   |                     | (32,955,988)  |                     |
| <b>Net cash used in financing activities</b>                      | <b>(C)</b>     | <b>(32,329,232)</b> |               | <b>(24,866,218)</b> |
| <b>D. Net increase in cash and Cash equivalents</b>               | <b>(A+B+C)</b> | <b>4,277,234</b>    |               | <b>(2,566,803)</b>  |
| Cash & Cash equivalents as on 01.04.2008                          |                | 5,885,517           |               | 8,452,319           |
| Cash & Cash equivalents as on 31.03.2009                          |                | 10,162,752          |               | 5,885,517           |

**SUDERSHAN PARAKH**  
Managing Director

**BACHHRAJ PARAKH**  
Chairman

**E. BALASUBRAMANIAN**  
Company Secretary

### AUDITOR'S CERTIFICATE

We have examined the above cash flow statement of National Plastic Technologies Limited for the year ended 31 March 2009 which is based on and in agreement with the audited accounts for the relevant financial year. According to the information and explanations given to us, the aforesaid cash flow statement, prepared by the company is in accordance with the requirements of clause 32 of the listing agreement with the Stock Exchanges.

PLACE: Chennai  
DATE: 27.07.2009

**M/s C.A. PATEL & PATEL**  
Chartered Accountants  
**BHAVESH N PATEL**  
Partner

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## BALANCE SHEET ABSTRACT AND A COMPANY'S GENERAL BUSINESS PROFILE

### I. REGISTRATION DETAILS

Registration No: 1 7 4 1 3 State Code: 1 8

Balance Sheet Date: 3 1 0 3 0 9  
DATE MONTH YEAR

### II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. Thousands)

PUBLIC ISSUE

N I L

RIGHTS ISSUE

N I L

BONUS ISSUE

N I L

PRIVATE PLACEMENT

4 1 0 0

### III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS. (Amount in Rs. Thousands)

TOTAL LIABILITIES

3 2 9 0 5 7

TOTAL ASSETS

3 2 9 0 5 7

SOURCES OF FUNDS

PAID UP CAPITAL

6 0 7 8 3

RESERVES & SURPLUS

+ 1 7 5 5 9

SECURED LOANS

2 2 0 2 3 4

UNSECURED LOANS

1 3 9 8 1

DEFERRED TAX LIABILITY

1 6 5 0 0

APPLICATION OF FUNDS

NET FIXED ASSETS

2 2 7 1 9 8

INVESTMENTS

N I L

NET CURRENT ASSETS

1 0 1 8 5 9

MISC. EXPENDITURE

N I L

### IV. PERFORMANCE OF COMPANY (Amount in Rs. Thousands)

TURN OVER

5 5 9 8 1 2

TOTAL EXPENDITURE

5 3 8 4 7 1

PROFIT/LOSS BEFORE TAX

2 1 3 4 1

PROFIT/LOSS AFTER TAX

1 1 8 9 8

EARNINGS PER SHARE IN Rs.

2 0 3

DIVIDEND @ %

N I L

### V. Generic Names of Three Principal Products/Services of Company (as per Monetary terms)

Item Code No. (ITC Code)

8 7 0 8 1 0

Product Description

8 4 7 3 3 0

Auto Components

8 4 2 9 0 0

Computer Parts

Television Parts



# NATIONAL PLASTIC TECHNOLOGIES LTD.

## PROXY FORM

### NATIONAL PLASTIC TECHNOLOGIES LIMITED

Regd. Office: Thiru Complex, II Floor, 69(Old No.44), Pantheon Road, Egmore, Chennai - 600 008.

Folio No: / DP No:

No. of shares(s) held:

I / We .....  
of.....being a member/members of NATIONAL  
PLASTIC TECHNOLOGIES LIMITED hereby appoint.....  
of.....of failing him  
.....of.....  
as my / our proxy to vote for me/us and my/our behalf at the 20th Annual General  
Meeting to be held on Wednesday, the 30th September, 2009 at 11.30 AM at Sri Vidya  
Kalyan Mahal, 142, Lattice Bridge Road, Thiruvanmiyur, Chennai- 600 041  
or at any adjourment thereof.

Signed this .....day of .....2009.

Name:

Note: The proxy in order to be effective should be duly stamped, completed and signed  
and must be deposited at the Registered Office of the Company not less than 48 hours  
before the time for holding the aforesaid meeting. The Proxy need not be a member of the  
Company.

Affix a  
1 Rupee  
Revenue  
Stamp

## ATTENDANCE SLIP

### NATIONAL PLASTIC TECHNOLOGIES LIMITED

Regd. Office: Thiru Complex, II Floor, 69(Old No.44), Pantheon Road, Egmore, Chennai - 600 008.

PLEASE FILL ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE  
MEETING VENUE. Joint share holders may obtain additional Attendance Slip on request.

NAME AND ADDRESS OF THE SHAREHOLDER

Folio No/DP No:

No. of shares(s) held:

I hereby record my presence at the 20th Annual General Meeting of the Company held on  
Wednesday, the 30th September, 2009 at 11.30 AM at Sri Vidya Kalyan Mahal, 142, Lattice  
Bridge Road, Thiruvanmiyur, Chennai- 600 041

SIGNATURE OF THE SHAREHOLDER OR PROXY

Strike out whichever is not applicable

**Note: The company will not distribute any gift.**

Book-Post

To

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*If Undelivered please return to :*  
**NATIONAL PLASTIC TECHNOLOGIES LTD.**  
Reg. Office: Thiru Complex,  
II Floor, 69, (Old No.44) Pantheon Road,  
Egmore, Chennai - 600 008. ☎: 2855 3456

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