

**18th  
Annual Report  
2009 - 2010**



**fine Plast Polymers limited**

## **FINE PLAST POLYMERS LIMITED**

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## **FINE PLAST POLYMERS LIMITED**

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### **BOARD OF DIRECTORS:**

Mr. P MASTAN RAO : Chairman and Non-Executive Director  
Mr. J NAGABHUSHANARAO : Independent Director  
Mr. B V BHASKARAKRISHNA : Independent Director

Mr. D KISHORE : Chief Executive Officer  
Mr. CHDVV PRASAD : Chief Financial Officer

### **AUDIT COMMITTEE:**

Mr. B V BHASKARAKRISHNA : Chairman  
Mr. J NAGABHUSHANARAO : Member  
Mr. P MASTAN RAO : Member

### **REMUNERATION COMMITTEE:**

Mr. J NAGABHUSHANARAO : Chairman  
Mr. B V BHASKARAKRISHNA : Member  
Mr. P MASTAN RAO : Member

### **REGISTERED OFFICE:**

8-3-430/1/23, New No.1183, Street No.10,  
Yellareddyguda, Hyderabad - 500073.

### **FACTORY:**

S No.373/2, Pamur, Prakasam Dist,  
Andhra Pradesh

### **AUDITORS:**

M/s. Sanjeeva Rao & Associates  
Chartered Accountants  
Besides Axis Bank, S R Nagar  
Hyderabad- 500038

### **BANKERS:**

Canara Bank, IDBI Bank

### **LISTED AT:**

Bombay Stock Exchange Limited

### **REGISTRARS & SHARE TRANSFER AGENT:**

Aarathi Consultants Private Limited  
1-2-285, Domalguda, Hyderabad – 500029, AP

## **FINE PLAST POLYMERS LIMITED**

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### **NOTICE**

Notice is hereby given that the 18<sup>th</sup> Annual General Meeting of the Members of **Fine Plast Polymers Limited** will be held on Thursday, the 30<sup>th</sup> day of September 2010 at 11.00 AM at its Register Office at 8-3-430/1/23, New No.1183, Street No.10, Yellareddyguda, Hyderabad-500073, AP to transact the following business:

#### **ORDINARY BUSINESS:**

1. To receive, consider and adopt the Audited Balance Sheet as at 31<sup>st</sup> March, 2010 and Profit & Loss Account for the financial year ended on that date together, with the report of the Board of Directors and Auditors thereof.
2. To appoint a director in place of Mr. B V Bhaskara Krishna, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Statutory Auditors of the Company and fix remuneration.

**BY ORDER OF THE BOARD**

Hyderabad  
01-08-2010

**SD/-  
P MASTAN RAO  
DIRECTOR**

#### **NOTES:**

1. A MEMBER ENTITLED TO ATTEND AND TO VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective must be received at the company's registered office not less than 48 hours before the meeting.
2. The Register of Members and the Share Transfer Books will remain closed from Wednesday, **29<sup>th</sup> September 2010 to Thursday, 30<sup>th</sup> September 2010** (both days inclusive).
3. Members are requested to quote their Folio No. in their correspondence to avoid delay in communication.
4. Members/Proxies are requested to bring their copies of Annual Report and the attendance slip duly filed in for attending the meeting. Copies of the Annual Reports will not be provided at the Meeting.
5. The Company has designated an exclusive e-mail ID called info@fineplastpoly.com for redressal of shareholders' complaints/grievances.

### **ANNEXURE TO THE NOTICE**

#### **Details of Directors seeking re-appointment at the forthcoming AGM**

(In Pursuance of Clause 49 (IV) (G) (i) of the Listing Agreement)

<b>Particulars</b>	<b>Mr. B V Bhaskara Krishna</b>
Date of Birth	October 16, 1950
Date of Appointment	January 01, 2003
Expertise in specific functional areas	27 years of experience in the areas of Accounts, Finance and Auditing
Qualifications	Chartered Accountant
No. of Shares held as on March 31, 2010	NIL
Directorships held in other companies (excluding private limited and foreign companies)	1) Venkateswara Bio Fuels Ltd
Positions held in mandatory committees in other companies	NIL

## **FINE PLAST POLYMERS LIMITED**

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### **DIRECTORS' REPORT**

Your Directors have the pleasure of presenting this 18<sup>th</sup> Annual Report along with the Audited Financial Statements and the Auditor's Report thereon for the Financial Year ended 31<sup>st</sup> March 2010.

#### **FINANCIAL PERFORMANCE:**

(Rs. '000)

<b>Particulars</b>	<b>2009-10</b>	<b>2008-09</b>
Gross Total Income	1336	1102
Loss before financial expenses, depreciation and taxation	316709	928
Financial Expenses	0	42984
Depreciation	0	0
Loss Before Taxation	316709	43912
Provision of Taxes	0	0
Loss After Taxation	316709	43912

#### **OPERATIONS:**

The Company's operations during the year are very poor. Due to lack of sufficient working capital your Company has not performed well. The Company was registered with BIFR as sick Company in the year 2003.

The Directors are pleased to inform that the Company has cleared term loans from IDBI Bank Ltd and Canara Bank under one time settlement scheme (OTS) by borrowing funds from M/s. PKM Realtors, Pamuru. Because of this reason the Company reversed the interest which was debited to Profit and Loss Account during earlier years. Still there is accumulated loss of Rs.640.82 Lakhs for the year ended March 31, 2010. However, the net worth of the Company has become positive by Rs.45.04 Lakhs. Against the total term loan of Rs.500 Lakhs to both IDBI Bank Ltd and Canara Bank, OTS amount has been settled for an amount of Rs.174 Lakhs and hence your Company has transferred an amount of Rs.326 Lakhs to Capital Reserve.

#### **DIVIDEND:**

Your Directors do not recommend any dividend for the financial year due to accumulated losses.

#### **DIRECTORS:**

During the year Mr. B V Bhaskara Krishna retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment.

#### **DIRECTORS' RESPONSIBILITY STATEMENT:**

The Directors of your Company hereby report:

- (i) that in the preparation of Annual Accounts for the year ended 31<sup>st</sup> March, 2010, the applicable accounting standards have been followed along with the proper explanation relating to material departures:

## **FINE PLAST POLYMERS LIMITED**

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- (ii) that the directors have selected such accounting policies and applied them consistently and made judgments 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 ended 31<sup>st</sup> March, 2010 and of the profit and loss of the company for that period.
- (iii) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities:
- (iv) That the directors have prepared the annual accounts on a going concern basis.

### **FIXED DEPOSITS:**

During the Financial year, company has not accepted any deposits falling with the preview of Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

### **AUDITORS:**

M/s. Sanjeeva Rao & Associates, Chartered Accountants, the Statutory Auditors of your Company, who retires at the conclusion of the ensuing Annual General Meeting, and being eligible, expressed their willingness for re-appointment. The board recommends their re-appointment.

### **PARTICULARS OF EMPLOYEES:**

There are no employees drawing remuneration exceeding the limits as specified under the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

### **CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO:**

	<b>2009-10</b>	<b>2008-09</b>
<b>Conservation of Energy</b>		
<b>- Electricity</b>		
- Purchased Units in Lakhs	0.31	0.30
- Total Rupees in Lakhs	1.28	1.26
- Rate per Unit	4.12	4.15
- Own Generation	0	0
- Consumption per Unit of Production (in Kgs)	0.37	0.37
- Power consumption per Kg (in Units)	3.05	3.05
<b>Research and Development</b>	NA	NA
<b>Technology Absorption</b>	NA	NA
<b>Foreign Exchange Earnings and Outgo</b>	NIL	NIL

## **FINE PLAST POLYMERS LIMITED**

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### **SECRETARIAL COMPLIANCE CERTIFICATE:**

Certificate from the Practicing Company Secretary as stipulated in Section 383A of the Companies Act, 1956 read with the Companies (Compliance Certificate) Rules, 2001 and attached to the Directors' Report form a part of this Annual Report.

### **CORPORATE GOVERNANCE:**

A report on Corporate Governance, in accordance with Clause 49 of the Listing Agreement with the Stock Exchanges is set out separately for the information of the shareholders.

### **MANAGEMENT DISCUSSION AND ANALYSIS:**

Management Discussion and Analysis is set out separately for the information of the shareholders.

### **ACKNOWLEDGEMENTS:**

Your Directors take this opportunity to record their appreciation for the continuous support and co-operation extended by the customers and bankers. The Directors also acknowledge the confidence reposed by the investors and shareholders in the Company.

**BY ORDER OF THE BOARD**

Hyderabad  
01-08-2010

**SD/-  
P MASTAN RAO  
CHAIRMAN**

## **FINE PLAST POLYMERS LIMITED**

### **ANNEXURE TO DIRECTORS' REPORT**

#### **COMPLIANCE CERTIFICATE**

{Rule 3 of the Companies (Compliance Certificate) Rules, 2001 read with Section 383A of Companies Act, 1956}

To  
The Members of Fine Plast Polymers Ltd  
Hyderabad

#### Registration and Capital Details:

CIN	: L24134AP1992PLC014932
Authorized Capital	: 4,00,00,000/-
Subscribed Capital	: 3,28,05,000/-
Paid-up Capital	:3,15,01,000/-

We have examined the registers, records, books and papers of **FINE PLAST POLYMERS LIMITED** as required to be maintained under the Companies Act, 1956, (the Act) and the Rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial Year (12 months) ended 31<sup>st</sup> March, 2010. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company and its officers, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure **A** to this certificate, for the financial year 2009-10, as per the provisions and the rules made there under and all entries therein have been recorded for the said period.
2. The Company has filed the forms and returns as stated in Annexure **B** to this certificate, with the Registrar of Companies, Andhra Pradesh.
3. The Company being a Public Limited Company has the minimum prescribed paid up capital.
4. The Board of Directors met 8 times on 30-04-2009, 28-06-2009, 31-07-2009, 10-09-2009, 31-10-2009, 21-12-2009, 31-01-2010, and 10-03-2010, in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members from 29<sup>th</sup> September, 2009 to 30<sup>th</sup> September 2009 (both days inclusive) during the year under review.
6. The Annual General Meeting of the Company for the financial year ended on 31<sup>st</sup> March, 2009 was held on 30-09-2009 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra-ordinary General Meeting was held during the financial year under review.
8. The Company has not advanced any loans to its Directors and/or the persons or firms or companies referred to under Section 295 of the Act during year under review.



## FINE PLAST POLYMERS LIMITED

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9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act during the financial year under scrutiny.
10. The Company has made necessary entries in the register maintained under Section 301(3) of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, during the financial year under scrutiny, the company has not obtained any approval from the Board of Directors, members and previous approval of the Central Government.
12. The Company has not issued any duplicate share certificates during the financial year 2009-2010.
13. The Company has
  - i. not required to deliver all the certificates on transfer / transmission of Securities as there was not transfer/transmission of shares during the financial year.
  - ii. not required to deposit any amount of dividend in a separate bank account as the Company has not declared any Dividend during the financial year.
  - iii. not required to pay/post warrants for dividends to members as the Company has not declared any Dividend during the financial year and that there is unclaimed/unpaid dividend required to transfer to Unpaid Dividend Account of the Company.
  - iv. no amounts lying with it in unpaid dividend account or any application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years or more.
  - v. The Company has complied with requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and no appointment of directors, additional directors, alternate directors and directors to fill casual vacancies during the year under review.
15. The Company has not appointed Managing Director, Whole-time Director/Manager during the financial year under review.
16. The Company has not appointed any sole-selling agents during the financial year 2009-2010.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/ or such authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors disclosed their interest in other firms/Companies to the Board of Directors pursuant to the provisions of Section 299 of the Act and the rules made there under during the year under review.
19. The Company has not issued / allotted any shares during the financial year under review.
20. The Company has not bought back any shares during the year under review.

## **FINE PLAST POLYMERS LIMITED**

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21. There was no redemption of preference shares/Debentures during the year under review.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Act, during the financial year 2009-2010.
24. The Company has not borrowed any amount from its directors, members, public, financial institutions, banks and others during the financial year, falling within the purview of section 293(1)(d) of the Act.
25. The Company has not given any guarantees or made investments in other bodies corporate falling within the purview of the Section 372A of the Companies Act, 1956 during the financial year under review.
26. The Company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
28. The Company has not altered the provisions of the memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the memorandum with respect to share capital during the year under scrutiny.
30. The Company has not altered its Articles of Association during the year under scrutiny.
31. As per the information given by the Directors, there were no prosecutions initiated against or show cause notices received by the company during the financial year for offences under the Act.
32. The company has not received any money as security from its employees during the financial year.
33. The provisions of Section 418 of the Companies Act, 1956 are not applicable to the Company.

Hyderabad  
30-04-2010

**For A N Sarma & Co**  
Company Secretaries

**SD/-**  
**A N Sarma**  
Partner, CP No.7812

## **FINE PLAST POLYMERS LIMITED**

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### **ANNEXURE A TO THE COMPLIANCE CERTIFICATE**

#### **STATUTORY REGISTERS MAINTAINED DURING THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2010**

Register of Directors' U/s 303  
Register of Directors' Shareholdings U/s 307  
Register of Members U/s 150  
Minutes of Board Meetings U/s 193  
Minutes of Annual and Extra-Ordinary General Meetings U/s 193  
Register of contracts, firms and companies in which Directors are interested U/s 301  
Register of Charges U/s 143.

### **ANNEXURE B TO THE COMPLIANCE CERTIFICATE**

#### **FORMS AND RETURNS FILED DURING THE FINANCIAL YEAR ENDED 31<sup>ST</sup> MARCH, 2010**

The Company has not filed any Forms with the Registrar of Companies, Regional Director, Central Government and Company Law Board.

Hyderabad  
30-04-2010

**For A N Sarma & Co**  
Company Secretaries

**SD/-**  
**A N Sarma**  
Partner, CP No.7812

## **FINE PLAST POLYMERS LIMITED**

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### **MANAGEMENT DISCUSSION AND ANALYSIS**

(Forming part of Directors' Report)

#### **Industry Structure and Development:**

The extreme volatility experienced in the global markets during 2008-09 moderated to some extent during the year under review. However, uncertainty still looms large on the global business horizon. The developed economies of USA and Europe have pumped in trillions of dollars to stabilize their economies. The long term effects of these measures are yet to be seen. Volatility in commodity prices and foreign exchange rates is the order of the day. Though there are emerging signs of recovery, these are still not strong enough to instill confidence in the system as a whole. The economic crisis has hit countries like Greece and Iceland very badly and there is speculation about some other countries also facing similar crises. A delayed and sub-normal monsoon added to the overall uncertainty prevailing in the Indian economy at the beginning of the year under review. Despite this the Indian economy posted a remarkable recovery. The GDP growth tentatively assessed at over 6% is one of the highest in the world. The rural economy in India is fast growing giving an impetus to the demand for various products. Your Company's products, i.e., PVC Pipes & Fittings are mainly sold in the rural markets. This segment has seen volume growth of more than 20% during the year under review. The demand for PVC Pipes has been very strong during the year under review. The bulk of your Company's PVC Pipes production is sold in the rural markets for Agriculture and Irrigation.

#### **Transparency in Sharing Information:**

Transparency refers to sharing information and acting in an open manner. Processes, instructions and information are directly accessible to those concerned with them, and enough information is provided to understand and monitor them. Your Company believes in total transparency in sharing information about its business operations with all its stakeholders. Your Company strives to provide maximum possible information in the Management Discussion and Analysis in the Annual Report and also through other means to keep the stakeholders informed about the business performance.

#### **Strengths:**

- Strong Promoter and Management Team and Growing Infrastructure Industry.

#### **Opportunities:**

Rapid movement in the infrastructure industry.  
Massive investment in various economic activities which will boost the level of living of people.

#### **Threats:**

- Competition from existing players
- Delay in arranging capital to fund the additional products
- Increase in interest rate and cost of material would impact our results of operations Inherent risks of changes in government policies, laws, regulations etc.

#### **Internal Control:**

Parmatma has adequate internal control systems and procedure with regards to purchase of raw materials and other consumables. Parmatma has clearly defined roles and responsibilities for all the managerial positions and all operating parameters are monitored and controlled.

#### **Performance Review:**

During the fiscal year 2009-10 your company recorded total income of Rs.13.36 Lakhs and net loss of Rs.31.67 Crores due to accumulated interest on loans as compared to the total income of Rs.11.02 Lakhs and a net loss of Rs.4.39 Crores for the previous financial year.

Your directors are putting continuously efforts to increase the performance of Company and are hopeful that the performance in coming year will improve in faster way.

#### **Human Resource:**

Your company recognizes that the human resources are the most crucial factor for achieving sustained growth over the years. The management considers it's highly motivated and passion driven work force as it's partner in the growth of the company.

#### **Cautionary Statement:**

The statements contained above may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the company's operations include changes in economic environment, rise in input costs and competitive pressures.

## FINE PLAST POLYMERS LIMITED

### REPORT ON CORPORATE GOVERNANCE

(Forming part of Directors' Report)

The Company seeks to adopt good corporate governance practices and to ensure compliance with all relevant laws and regulations. The Company conducts its activities in a manner that is fair and transparent.

#### **I. BOARD OF DIRECTORS:**

##### **Composition of Board:**

As on March 31, 2010, Board consists of 3 Members of whom 2 are Independent Directors.

#### **II. BOARD MEETINGS:**

The Board of Directors met 8 times during the year on 30-04-2009, 28-06-2009, 31-07-2009, 10-09-2009, 31-10-2009, 21-12-2009, 31-01-2010, and 10-03-2010. The company has held at least one Board meeting in every three months. The maximum gap between any two meetings was less than four months, as stipulated under Clause 49.

The details of directors' attendance at Board Meetings, AGM and details of other directorships, committee chairmanships/memberships held by the Directors during the year are as follows:

Name of the Director	Category	No. of meetings held during the Tenure	No. of meetings Attended	Whether Attended Last AGM	No. of other directors hips *
P Mastan Rao	Promoter & Non-Executive Director	8	8	YES	-
B V Bhaskara Krishna	Independent Director	8	8	YES	1
J Nagabhushana Rao	Independent Director	8	8	YES	-

\*Excluding private, foreign and companies registered under Section 25 of the Companies Act, 1956.

#### **III. AUDIT COMMITTEE:**

##### **► Brief description of terms of reference**

The terms of reference as per Clause 49 of the Listing Agreement are as follows:

- a. To review the results announcement and the report and accounts at the end of a quarter, half year and the full year before submission to the board, focusing particularly on:
  - (i) any changes in accounting policies and practices.
  - (ii) Compliance with accepted accounting standards.
  - (iii) Major Judgmental Decisions; etc.
- b. To consider appointment of Statutory Auditors, internal auditors and to fix their remuneration and any matter of resignation and dismissal.
- c. To discuss with the statutory Auditor before the audit commences the nature and scope of the Audit.

## **FINE PLAST POLYMERS LIMITED**

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- d. To review the effectiveness of the system of internal financial control and discuss the same periodically with the statutory auditors.
- e. To discuss problems and reservations arising from the statutory audit, and any matters the statutory auditor may wish to discuss.
- f. To consider other topics as may be delegated by the board from time to time.

### **► Composition**

The committee comprise of the following 2 Non Executive Independent Directors under the Chairmanship of Mr. B V Bhaskara Krishna, an Independent Director:

Mr. B V Bhaskara Krishna	-	Chairman
Mr. J Nagabhushan Rao	-	Member
Mr. P Mastan Rao	-	Member

### **► Meetings during the financial year**

During the Financial year, the Audit Committee met 5 times on

30-04-2009, 28-06-2009, 31-07-2009, 31-10-2009, 31-01-2010

## **IV. REMUNERATION COMMITTEE:**

### **Terms of Reference:**

The terms of reference as per Clause 49 of the Listing Agreement are as follows

Determine and review the remuneration, performance, and related bonus of Directors.

### **► Composition**

Remuneration Committee of the Company consists of following non-executive directors, which is as follows:

Mr. J Nagabhushan Rao	-	Chairman
Mr. P Mastan Rao	-	member
Mr. B V Bhaskara Krishna	-	Member

### **► Remuneration paid to directors during the financial year**

No Remuneration paid to Directors..

Further none of the non-executive Directors holds any shares in the company.

## **V. INVESTORS GRIEVANCE COMMITTEE:**

### **► Brief description of terms of reference:**

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To look into various affairs relating to the shareholders with regard to redressal of complaints in relation to transfer of shares, non-receipt of share certificates, balance sheets, dividends etc.,

### ► Composition

The said Committee comprises of the following members:

Mr. P Mastan Rao	-	Chairman
Mr. B V Bhaskara Krishna	-	Member
Mr. J Nagabhushan Rao	-	Member

### ► Name and designation of Compliance officer:

Name	:	P Mastan Rao
Designation	:	Promoter Director

No. of shareholders complaints received during the financial year	:	Nil
No. of complaints solved to the satisfaction of the share holders	:	Nil
No. of pending	:	Nil

## VI. GENERAL BODY MEETINGS:

► Location and time where the last three AGMs held:

Year	Date	Location	Time
2008-09	30-09-2009	8-3-430/1/23, New No.1183, Street No.10, 430, Yellareddyguda, Hyderabad -500073, AP	11.00 A.M
2007-08	30-09-2008	8-3-430/1/23, New No.1183, Street No.10, 430, Yellareddyguda, Hyderabad -500073, AP	11.00 A.M
2006-07	29-09-2007	8-3-430/1/23, New No.1183, Street No.10, 430, Yellareddyguda, Hyderabad -500073, AP	11.00 A.M

- No Special Resolutions were passed in the previous three Annual General Meetings.
- No Ballots papers were used for voting at above meetings.
- No Special Resolutions passed last year through postal ballot (under Section 192A).
- No special resolution is proposed to be passed through postal ballot at the ensuing AGM.

## VII. DISCLOSURES:

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 interests of company at large. – NIL -

## FINE PLAST POLYMERS LIMITED

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Details on non-compliance by the company, penalties and strictures imposed on the company by stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years. - NIL-

### VIII. GENERAL SHAREHOLDER INFORMATION:

AGM: The 18<sup>th</sup> Annual General Meeting of the Company will be held on THURSDAY, 30<sup>th</sup> SEPTEMBER, 2010, at 11.00 A.M. Register Office at 8-3-430/1/23, New No.1183, Street No.10, 430, Yellareddyguda, Hyderabad-500073.

### FINANCIAL CALENDAR

Event	Dates
Financial Reporting for the 1 <sup>st</sup> quarter ending	Last Week of July, 20 10
Financial Reporting for the 2 <sup>nd</sup> quarter ending	Last Week of October, 20 10
Financial Reporting for the 3 <sup>rd</sup> quarter ending	Last Week of January, 20 10
Financial Reporting for the year ending	Last Week of April, 2011

### Means of Communication:

The un-audited quarterly results and audited results for the year are generally published in one English newspaper (Financial Express) and at least one vernacular newspaper (Andhra Prabha) shortly after its submission to the Stock Exchanges. The results are also displayed on the Company's web-site i.e. [www.fineplastpoly.com](http://www.fineplastpoly.com)

### Book Closure:

Wednesday, 29<sup>th</sup> September, 2010 to Thursday, 30<sup>th</sup> September 2010 (both days inclusive)

### Listing on Stock Exchanges:

The shares of the Company are listed at Bombay Stock Exchange Limited and the Listing Fees is due for payment from FY 2000-2001.

### Market Price Data:

The Trading in equity shares are suspended by BSE due to penal reasons with effect from February 5, 2001.

**Stock Code: BSE: 514336**

### Registrar and Transfer Agents

Aarathi Consultants Private Limited  
1-2-285, Domalaguda, Hyderabad- 500029  
Phones: 040-27638111, 040-66611921, Fax: 040-27632184  
Email: [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com)  
Website: [www.aarthiconsultants.com](http://www.aarthiconsultants.com)



## FINE PLAST POLYMERS LIMITED

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### Share Transfer System:

The Company is taking care to ensure that the Share Transfer work gets completed within the stipulated time of one month. The Board of Directors have delegated the power of approving transfer of Shares severally to Managing Director and one Director. The Board has also constituted a Share Transfer Committee which has been assigned the task of approving splitting of Shares, Issue of duplicate Share Certificates, consolidation of Share Certificates, change of status of a shareholder and other allied matters.

### Shareholding Pattern as on 31<sup>st</sup> March, 2010:

Category	No. of Shares held	Percentage
Promoters	1553000	47.34
Mutual Funds & UTI	0	NA
Banks, Financial Institutions, Insurance Companies, & FII	250000	7.62
Private Corporate Bodies	556900	16.98
Indian Public	915800	27.92
NRIs / OCBs	4800	0.15
Foreign Nationals	0	NA
Any other (please specify)	0	NA
<b>Total</b>	<b>3280500</b>	<b>100.00</b>

### Distribution of Shareholding as on 31<sup>st</sup> March, 2010:

Nominal Value of Shares in Rupees	No. of Shareholders	% of Shareholders	No. of Shares	% to Total
(1)	(2)	(3)	(4)	(5)
Up to 5000	1725	98.96	663100	20.22
5001 10000	4	0.23	36900	1.12
10001 20000	0	0	0	0
20001 30000	0	0	0	0
30001 40000	1	0.06	38500	1.17
40001 50000	1	0.06	47000	1.43
50001 100000	8	0.46	1645800	50.17
100001 and above	4	0.23	849200	25.89
<b>Total</b>	<b>1743</b>	<b>100.00</b>	<b>3280500</b>	<b>100.00</b>

### Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs / ADRs / Warrants / any convertible instruments.

### Dematerialization of Equity Shares:

As on March 31, 2010 all equity shares of the Company are in physical form.

## **FINE PLAST POLYMERS LIMITED**

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**Plant Location of the Company:**

S No.373/2, Pamur, Prakasam Dist, Andhra Pradesh

**Address for Investors Correspondence:**

Shareholders may address their communications/suggestions/grievances/queries pertaining to share transfer requests and other related matters to the Company's Registrar and Share Transfer Agents and/or to the Company at the following address:

**RTA:**

Aarathi Consultants Private Limited  
1-2-285, Domalaguda, Hyderabad- 500029  
Phones: 040-27638111, 040-66611921  
Fax: 040-27632184  
Email: [info@aarthiconsultants.com](mailto:info@aarthiconsultants.com)  
Website: [www.aarthiconsultants.com](http://www.aarthiconsultants.com)

**COMPANY:**

Fine Plast Polymers Limited  
D. No. 8-3-430/1/23, New No.1183, Street No.10, 430  
Yellareddyguda, Hyderabad- 500073, AP  
Email: [info@fineplastpoly.com](mailto:info@fineplastpoly.com)

**CEO/CFO Certification:**

As required by the clause 49 (V) of the Listing Agreement, the certificate from CEO/CFO was placed before the Board of Directors at their meeting held on 01-08-2010.

**Compliance Certificate of the Auditors:**

The Statutory Auditor has certified that the company has complied with the conditions of the Corporate Governance as stipulated in clause 49 of the listing agreement and the same forms part of the Annual Report. The Certificate from the statutory auditor will be sent to the stock exchange along with the Annual Report of the Company.

**DECLARATION ON COMPLIANCE WITH CODE OF CONDUCT**

As provided under Clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited, all Board members and Senior Management personnel have affirmed the compliance with Fine Plast Polymers Limited Code of Conduct for the year ended 31<sup>st</sup> March, 2010.

Hyderabad  
June 14, 2010

**SD/-  
D KISHORE  
Chief Executive Officer**

## **FINE PLAST POLYMERS LIMITED**

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### **CERTIFICATE BY CEO/CFO:**

We have reviewed the financial statements, read with the cash flow statement of Fine Plast Polymers Limited for the year ended March 31, 2010 and that to the best of our knowledge and belief, we state that:

- a) (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading.  
(ii) These statements present true and fair view of the company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- b) These are, to the best of our knowledge and belief, no transaction entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluating the effectiveness of internal control systems of the Company and have disclosed to the auditors and audit committee deficiencies in the design or operation of internal control, if any, and steps taken or proposed to be taken for rectifying these deficiencies.
- d) We have indicated to the auditors and audit committee:
  - (i) Significant changes in accounting policies made during the year and that the same haven disclosed suitably in the notes to the financial statements; and
  - (ii) There are no instances of fraud involving the management or an employee.

Hyderabad  
June 14, 2010

**SD/-  
D KISHORE**  
Chief Executive Officer

**SD/-  
CHDVV PRASAD**  
Chief Financial Officer

### **AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE:**

To  
The Members  
Fine Plast Polymers Limited

We have examined the compliance of conditions of corporate governance by Fine Plast Polymers Limited for the year ended on 31<sup>st</sup> March 2010 as stipulated in clause 49 of the listing agreement of the said company with concerned Stock Exchange.

The compliance of conditions of corporate governance is the responsibility of the management, our examination has been limited a review of the procedures and implementation thereof adopted by the company for ensuring the compliance the conditions of corporate governance. It is neither an audit not expression of opinion on the financial statements of the company

In our opinion and best of our information and according to the explanation given to us and the representations made the Directors and Management, we certify that the company has complied with the conditions of corporate governance as stipulated in the aforesaid listing agreement.

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

Hyderabad  
June 14, 2010

**For Sanjeeva Rao & Associates**  
Chartered Accountants

**SD/-  
K. Sanjeeva Rao**  
Partner

## FINE PLAST POLYMERS LIMITED

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### AUDITORS' REPORT

To,  
The Members of Fine Plast Polymers Ltd

1. We have audited the attached Balance Sheet of Fine Plast Polymers Ltd, Hyderabad. As at 31<sup>st</sup> March 2010 and also the Profit and Loss Account for the year ended on that date 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.
2. We have conducted our audit in accordance with 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 management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors Report) Order, 2003 and amendments thereto issued by the Central Government of India in terms of Sec 227(4A) of The Companies Act 1956, we annex hereto a statement on the matters specified in the paragraphs 4 and 5 of the said order, to the extent applicable to the Company.
4. We further report that :
  - (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
  - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
  - (iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
  - (iv) In our opinion, the Balance Sheet and Profit and Loss account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
  - (v) On the basis of written representations received from the directors, as on 31<sup>st</sup> March 2008, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31<sup>st</sup> March 2010 from being appointed as a director in terms of clause (g) of sub-section(1) of section 274 of the Companies Act, 1956;
5. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
  - (I) in the case of the Balance Sheet of the state of affairs of the Company as at 31<sup>st</sup> March 2010; and
  - (ii) in the case of Profit and Loss Account, of the Profit for the year ended on that date.

**For Sanjeeva Rao & Associates  
Chartered Accountants**

Hyderabad  
June 14, 2010

**SD/-  
K. Sanjeeva Rao  
Partner  
M No.211604**

## **FINE PLAST POLYMERS LIMITED**

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### **Annexure to Auditor's Report**

Annexure referred to in paragraph 2 of the auditor's report to the members of **Fine Plast Polymers Ltd.**, for the year ended 31st March, 2010

As required by the companies (Auditor Report) Order, 2003 and amendments thereto and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate we report that:

- (i)
  - a. The Company has maintained proper record showing full particulars including quantitative details and situations of fixed assets.
  - b. All the assets have been physically verified by the management in accordance with a phased program of verification, which in our opinion is reasonable, considering the size and the nature of business. The frequency of verification is reasonable and no material discrepancies have been noticed on such physical verification.
  - c. The assets disposed during the year are not significant and therefore do not affect the on going concern assumptions.
  
- (ii)
  - a. The inventories have been physically verified by the management during the year at reasonable intervals.
  - b. The procedure of physical verification of the inventories followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
  - c. The Company has maintained proper records of inventories and discrepancies noticed on physical verification of inventories as compared to books records were not material.
  
- (iii)
  - a. The Company has not granted unsecured loan to party covered in the register maintained under section 301 of the Companies Act, 1956.
  - b. In view of our comments in Para (iii) (a) above, clauses 4 (iii) (b) (c) and (d) of the said order are not applicable to the Company.
  - c. The Company has taken unsecured loan from seven parties covered in the register maintained under section 301 of the Companies Act, 1956 on all basis. The Maximum amount outstanding during the year was Rs.2,04,89,355/- and the year ended balance was also Rs.2,04,89,355/-. The Company has borrowed an amount of Rs.166 Lakhs from PKM Realtors to settle the dues to Canara Bank and IDBI Bank as per the DRS proposal submitted to BIFR for rehabilitation of the Undertaking.
  - d. The other terms and conditions on which the loans have been taken are prima facie, not prejudicial to the interest of the Company;
  - e. In view of our comments in para (iii) (c) and (d) above, clause (iii) (g) of the said order is not applicable to the Company
  
- (iv)
  - a. There are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventories, fixed assets and for the sale of goods and services. During the course of our audit no major weakness has been observed in the internal control system.

## FINE PLAST POLYMERS LIMITED

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- (v)
- a. There are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventories, fixed assets and for the sale of goods and services. During the course of our audit no major weakness has been observed in the internal control system.
  - b. The transactions made in pursuance of contract or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 has been recorded in the register.
- (vi)
- a. The Company has not accepted any deposits from the public within the meaning of the sections 58A, 58AA or any other relevant provision of the Act and the rules framed there under any directives report issued by the Reserve Bank of India. No order in relation thereto has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vii) The Company has no internal audit system commensurate with its size and nature of its business.
- (viii) The Central Government has not prescribed for maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for the Company.
- (ix)
- a. According to the records of the Company, the Company has to pay the undisputed statutory dues of Rs. 68,619/- towards PF (Employees), PF (Employer) of Rs. 77,492/- and Sales Tax of Rs.1,50,713/-. Other than those there are no any other undisputed statutory dues including Employees State Insurance, Income Tax, Wealth Tax, Service Tax, Custom Duty and Excise Duty, Cess have regularly deposited with the appropriate authorities.
  - b. There are disputed amounts of Rs.5,94,732/- towards sales tax and of Rs. 10,55,114/- plus further interest from 1-8-08 towards ESI (which was not quantified) which have remained outstanding as at 31st March, 2010 for a period more then six months from the date they became payable.
- (x) The Company has accumulated losses of Rs.640.82 Lakhs at the end of the financial year 2009-10 and it has incurred losses in current financial year of Rs.3167.09 Lakhs due to interest reversal of the interest already charged on loans taken from banks and financial institutions.
- (xi) The Company has settled its dues to banks and financial institutions under OTS scheme and presently there are no dues to the banks and financial institutions.
- (xii) The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
- (xiii) The provisions of any Special Statute applicable to Chit Fund, Nidhi Fund or Mutual Benefit Fund/Societies are not applicable to the Company.

## **FINE PLAST POLYMERS LIMITED**

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- (xiv) In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in shares, securities, debentures and other investments.
- (xv) The Company has not given any guarantee for loan taken by others from banks and financial institutions.
- (xvi) In our opinion, the term loan have been applied for the purpose for which they were raised.
- (xvii) On an overall examination the Balance Sheet of the Company, we report that no fund raised on short term basis have been used for long term investment.
- (xviii) The Company has not issued any equity shares and debentures during the year.
- (xix) The Company has not raised any money by way of public issue during the year.
- (xx) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year.

**For Sanjeeva Rao & Associates  
Chartered Accountants**

Hyderabad  
June 14, 2010

**SD/-  
K. Sanjeeva Rao  
Partner**

## FINE PLAST POLYMERS LIMITED

### BALANCE SHEET AS AT 31ST MARCH, 2010

PARTICULARS	Sch	As at 31st March, 2010		As at 31st March, 2009	
		Rs.	Rs.	Rs.	Rs.
<b><u>SOURCES OF FUNDS</u></b>					
<b>SHAREHOLDER'S FUNDS</b>					
a) SHARE CAPITAL	1	31,501,000		31,501,000	
b) RESERVES & SURPLUS	2	37,085,951		2,985,951	
			<b>68,586,951</b>		34,486,951
<b>LOAN FUNDS</b>					
a) SECURED LOANS	3			367,622,589	
b) UNSECURED LOANS	4			3,431,533	
			<b>20,489,355</b>		371,054,122
TOTAL			<b>89,076,306</b>		405,541,073
<b><u>APPLICATION OF FUNDS</u></b>					
<b>FIXED ASSETS</b>					
GROSS BLOCK	5	109,936,528		109,936,528	
Less: DEPRECIATION		84,374,181		84,374,181	
			<b>25,562,347</b>		25,562,347
<b>INVESTMENTS</b>					
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>					
a) INVENTORIES	7	475,705		178,400	
b) SUNDRY DEBTORS		129,259		88,616	
c) CASH & BANK BALANCES		47,505		227,822	
d) LOANS & ADVANCES		120,455		88,118	
		772,924		582,956	
Less: CURRENT LIABILITIES & PROVISIONS	8	1,340,700		1,395,192	
			<b>(567,776)</b>		(812,236)
<b>MISCELLANEOUS EXP (to the extent not written off or adjusted)</b>					
	9				
<b>PROFIT &amp; LOSS ACCOUNT</b>					
			<b>64,081,735</b>		380,790,962
TOTAL			<b>89,076,306</b>		405,541,073
<b>NOTES TO ACCOUNTS</b>					
	16				
AS PER OUT REPORT OF EVEN DATE					
<b>FOR SANJEEVA RAO &amp; ASSOCIATES</b>		<b>FOR AND ON BEHALF OF THE BOARD</b>			
Chartered Accountants					
SD/- K. S ANJEEVA RAO Partner M.No. 211604 Hyderabad 14-06-2010		SD/- P.M.RAO Director		SD/- J. NAGABHUSHANA RAO Director	
		SD/- D. KISHORE CEO		SD/- CHDVV PRASAD CFO	



## FINE PLAST POLYMERS LIMITED

### PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH, 2010

PARTICULARS	Sch	Year Ended 31st March, 2010 Rs.	Year Ended 31st March, 2009 Rs.
<b>INCOME</b>			
SALES		1,335,768	968,379
Write back a/c		17,604,621	-
Other Income	10	400	-
INCREASE/(DECREASE) IN STOCK	11	321,280	133,397
<b>TOTAL INCOME</b>		<b>19,262,069</b>	<b>1,101,776</b>
<b>EXPENDITURE</b>			
<b>RAW MATERIAL CONSUMED</b>	12	<b>843,656</b>	838,711
MANUFACTURING EXPENSES	13	220,601	236,725
ADMINISTRATIVE & SELLING EXPENSES	14	55,620	954,163
FINANCIAL EXPENSES	15		42,984,661
DEPRECIATION		-	-
<b>TOTAL EXPENDITURE</b>		<b>1,119,877</b>	<b>45,014,260</b>
Interst reversal on a/c of OTS		298,517,968	
<b>PROFIT / (LOSS) BEFORE TAX</b>		<b>18,142,192</b>	-43,912,484
PRIOR PERIOD ADJUSTMENTS		49,067	-
NET PROFIT		316,709,227	-43,912,484
<b>PROFIT / (LOSS) BROUGHT FORWARD</b>		<b>(380,790,962)</b>	-336,878,478
BALANCE IN PROFIT AND LOSS ACCOUNT AS PER LAST BALANCE SHEET		<b>(380,790,962)</b>	(336,878,478)
<b>LOSS CARRIED TO BALANCE SHEET</b>		<b>(64,081,735)</b>	<b>(380,790,962)</b>
<b>NOTES TO ACCOUNTS</b>	16		
AS PER OUT REPORT OF EVEN DATE			
<b>FOR SANJEEVA RAO &amp; ASSOCIATES</b>		<b>FOR AND ON BEHALF OF THE BOARD</b>	
Chartered Accountants			
<b>SD/-</b> <b>K. S ANJEEVA RAO</b> Partner M.No. 211604 Hyderabad 14-06-2010	<b>SD/-</b> <b>P.M.RAO</b> Director  <b>SD/-</b> <b>D. KISHORE</b> CEO	<b>SD/-</b> <b>J. NAGABHUSHANA RAO</b> Director  <b>SD/-</b> <b>CHDVV PRASAD</b> CFO	

## FINE PLAST POLYMERS LIMITED

### CASH FLOW STATEMENT FOR THE YEAR ENDED 31-3-2010

(Rs. In Lacs)

PARTICULARS	Year Ended 31-3-2010	Year Ended 31-3-2009
<b>A. Cash Flow from Operating Activities:</b>		
<b>INFLOW:</b>		
Net Profit	3167.09	
Capital Reserve	340.99	
Preliminary Expenses	0	0
Depreciation	0	0
Secured Loans		429.84
Unsecured Loans	170.58	
Inventories		
Current Liabilities		0.16
Investments		0
Sundry Debtors		1.33
Cash and Bank Balances	1.8	0.37
Loans and Advances		3.93
	<u>3680.46</u>	<u>441.3</u>
<b>OUTFLOW:</b>		
Operating Loss		439.12
Secured Loans	3676.22	
Unsecured Loans		0.81
Inventory	2.97	1.33
Cash and Bank Balances		
Sundry Debtors	0.4	
Loans and Advances	0.32	
Current Liabilities	0.55	
Fixed Assets		
	<u>3680.46</u>	<u>441.3</u>
<b>B. Cash Flow from Financing Activities</b>		
Proceeds from issue of Share Capital	Nil	Nil
Proceeds from Long term borrowings	Nil	Nil
Repayment of Finance Lease Liabilities	Nil	Nil
Dividends Paid	Nil	Nil

AS PER OUT REPORT OF EVEN DATE

**FOR SANJEEVA RAO & ASSOCIATES**  
Chartered Accountants

SD/-  
**K. S ANJEEVA RAO**  
Partner  
M.No. 211604  
Hyderabad  
14-06-2010

**FOR AND ON BEHALF OF THE BOARD**

SD/-  
**P.M.RAO**  
Director  
SD/-  
**D. KISHORE**  
CEO

SD/-  
**J. NAGABHUSHANA RAO**  
Director  
SD/-  
**CHDVV PRASAD**  
CFO

## FINE PLAST POLYMERS LIMITED

### SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2010

PARTICULARS	As at 31st March, 2010		As at 31st March, 2009
	Rs.	Rs.	Rs.
<b>SCHEDULE - 1</b>			
SHARE CAPITAL :			
<b>Authorised Capital</b> 4,000,000 Equity Shares of Rs. 10/- each		40,000,000	40,000,000
<b>Issued Capital</b> 3,392,200 Equity Shares of Rs. 10/- each		33,922,000	33,922,000
<b>Subscribed Capital</b> 3,280,500 Equity Shares of Rs. 10/- each		32,805,000	32,805,000
<b>Paid Up Capital</b> 3,280,500 Equity Shares of Rs. 10/- each Less : Calls in Arrears on 260,800 equity shares	32,805,000 1,304,000	31,501,000	31,501,000
TOTAL		31,501,000	31,501,000
<b>SCHEDULE - 2</b>			
<b>RESERVES &amp; SURPLUS</b>			
General Reserve	1,650,000		1,650,000
State Subsidy	1,335,951		1,335,951
Capital Reserve (OTS)	34,100,000		1,335,951
TOTAL		37,085,951	2,985,951
<b>SCHEDULE - 3</b>			
<b>SECURED LOANS</b>			
Working Capital Loan From Canara Bank (Secured by equitable mortgage of Land and Buildings and Hypothecation of Plant and Machinery, Stocks, Consumables and bookdebts and guaranteed by Promoter Directors in their personal capacities)	-	-	79,676,999
Term Loans From Canara Bank (Secured by Hypthecation of Machinery and guaranteed by promoter Directors in their personal capacities)	-	-	17,410,214
Term Loan from IDBI (Secured by <i>paripassu</i> Hypothecation of Machinery and guaranteed by Promoter Directors in their Personal capacities)	-	-	252,930,755
Others : (Secured by the assets acquired under their purchase agreement with Non Banking Financial Companies and guaranteed by the Chairman & MD in his personal capacity)	-	-	17,604,621
TOTAL	-	-	367,622,589

## FINE PLAST POLYMERS LIMITED

### SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2010

PARTICULARS	As at 31st March, 2010		As at 31st March, 2009
	Rs.	Rs.	Rs.
<b>SCHEDULE - 4</b>			
<b><u>UNSECURED LOANS</u></b>			
a) From Directors		-	-
b) From Others		20,489,355	3,431,533
TOTAL		20,489,355	3,431,533
<b>SCHEDULE - 6</b>			
<b><u>INVESTMENTS Quoted (at cost)</u></b>			
		Nil	Nil
TOTAL		Nil	Nil
<b>SCHEDULE - 7</b>			
<b><u>CURRENT ASSETS, LOANS &amp; ADVANCES</u></b>			
<b>A) Inventories</b> (as Valued and Certified by the Management)			
Raw Materials	8,867		
Finished Goods	466,838		178,400
Consumables		475,705	
Finished Scrap			
TOTAL		475,705	178,400
<b>B) Sundry Debtors</b> (Unsecured but considered good) Outstanding for more than six months			
		129,259	88,616
TOTAL		129,259	88,616
<b>C) Cash &amp; Bank Balances</b>			
Cash on Hand	10,903		219,805
Balances with Scheduled banks in Current accounts	36,602		8,017
TOTAL		47,505	227,822
<b>D) Loans &amp; Advances</b> (Unsecured but considered good)			
TA & DA advances to staff	47,339		
Deposits with Govt. Depts	85,035		85,035
Other Current Assets (Vat)	(11,919)		3,083
TOTAL		120,455	88,118

**FINE PLAST POLYMERS LIMITED**

**COMPUTATION OF DEPRECIATION UNDER THE PROVISIONS OF COMPANIES ACT, 1956 FOR THE YEAR ENDING 31ST MARCH, 2010**

**Schedule - 5**

**FIXED ASSETS**

PARTICULARS	GROSS BLOCK						DEPRECIATION			NET BLOCK	
	Rate	As at 01.04.09 Rs	Additions Rs	As at 31.03.10 Rs	Upto 01.04.09 Rs	For the Period Rs	Delitions	Upto 31.03.10 Rs	As at 01.04.09 Rs	As at 31.03.10 Rs	
Land		1,078,932	-	1,078,932	-	-	-	-	1,078,932	1,078,932.00	
Buildings	10%	5,698,920	-	5,698,920	2,981,877	-	3,253,581	-	2,717,043	2,445,339.00	
Plant and Machinery	13.91%	102,716,545	-	102,716,545	77,184,499	-	80,736,006	-	25,532,046	21,980,539.00	
Furniture & Fixtures	18.10%	171,026	-	171,026	128,331	-	136,058	-	42,695	34,968.00	
Office Equipment	18.10%	112,430	-	112,430	84,873	-	89,861	-	27,557	22,569.00	
Computers	40.00%	158,675	-	158,675	158,675	-	158,675	-	-	-	
<b>TOTAL</b>		<b>109,936,528.00</b>	<b>-</b>	<b>109,936,528</b>	<b>80,538,255</b>	<b>-</b>	<b>84,374,181</b>	<b>-</b>	<b>29,398,273</b>	<b>25,562,347</b>	

## FINE PLAST POLYMERS LIMITED

### SCHEDULES FORMING PART OF BALANCE SHEET AS AT 31ST MARCH, 2010

PARTICULARS	As at 31st March, 2010		As at
	Rs.	Rs.	31st March, 2009 Rs.
<b>SCHEDULE - 8</b>			
<b><u>CURRENT LIABILITIES &amp; PROVISIONS</u></b>			
(Refer Note No.10)			
Creditors for Trade	166,652		164,000
Creditors for others	46,459		46,459
Outstanding Expenses	1,127,589		1,184,734
TOTAL		1,340,700	1,395,192
<b>SCHEDULE - 9</b>			
<b><u>MISCELLANEOUS EXPENDITURE</u></b>			
(to the extent not written off or adjusted)			
Preliminary Expenses		Nil	Nil
Additions during the year			
Less : Preliminary Expenses Written off during the year		Nil	Nil
TOTAL		Nil	Nil

## FINE PLAST POLYMERS LIMITED

### SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

PARTICULARS	Year Ended 31st March, 2010		Year Ended 31st March, 2009
	Rs.	Rs.	Rs.
<b>SCHEDULE - 10</b>			
<b><u>OTHER INCOME:</u></b>			
OTHER INCOME		400	Nil
TOTAL		400	Nil
<b>SCHEDULE - 11</b>			
<b><u>INCREASED / DECREASE IN FINISHED GOODS</u></b>			
Opening Stock			45,000
Scrap & Finished Goods	145,557		-
Add: Purchases	-		45,000
	145,557		178,397
Less: Closing Stock	466,837		
TOTAL		321,280	133,397
<b>SCHEDULE - 12</b>			
<b><u>RAW MATERIALS CONSUMED :</u></b>			
Opening Stock	34,400		838,711
Add : Purchases	818,122		838,711
	852,522		838,711
Less : Closing Stock of Raw Material	8,866		-
	843,656		838,711
TOTAL		843,656	838,711
<b>SCHEDULE - 13</b>			
<b><u>MANUFACTURING EXPENSES:</u></b>			
Power		127,624	125,559
Wages		91,084	107,039
Freight Charges		1,893	4,127
Rent, Rates & Taxes		-	-
Excise duty		-	-
TOTAL		220,601	236,725

## FINE PLAST POLYMERS LIMITED

SCHEDULES FORMING PART OF PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31ST MARCH, 2010

PARTICULARS	Year Ended 31st March, 2010		Year Ended 31st March, 2009
	Rs.	Rs.	Rs.
<b>SCHEDULE - 14</b>			
<b><u>ADMINISTRATIVE AND SELLING EXPENSES</u></b>			
Repairs & Maintenance	14,150		20,900
Loss on sale of shares	1,288		520,000
Coolie Charges	4,384		-
Legal Charges	8,000		2,000
Factory Maintenance	-		58,869
Telephone Charges	5,185		2,379
Freight Outward	4,087		3,225
Courier charges	2,226		1,222
Sales Discount	-		320
TA & DA Expenses	3,680		472
Plastic Bags	3,496		756
Printing & Stationery	300		20,910
Rent	-		16,000
Bad debts written off a/c	-		299,858
Factory Expenses	4,579		1,778
Bank Charges	2,745		3,974
Audit Fees	1,500		1,500
TOTAL		55,620	954,163
<b>SCHEDULE - 15</b>			
<b><u>FINANCIAL EXPENSES</u></b>			
Interest on			
Canara Bank T/L	-		2,138,096
Canara Bank Working Capital	-		9,784,894
IDBI Term Loan	-		31,061,671
TOTAL		-	42,984,661



## **FINE PLAST POLYMERS LIMITED**

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### **SCHEDULE -16**

#### **NOTES TO ACCOUNTS**

##### **1. Significant Accounts Policies:**

**a) System of Accounting:** The Company follows Mercantile system of accounting and recognizes Income and expenditure on accrual basis. The accounts are prepared on historical cost basis and as a going concern. Accounting policies not referred to otherwise are consistent with generally accepted accounting principles.

##### **b) Fixed Assets:**

Fixed Assets are stated at cost less depreciation

##### **c) Depreciation :**

Depreciation has been provided on straight line method at the rates specified in the schedule XIV of the companies Act, 1956.

##### **d) Inventories :**

- i) Stocks of raw materials and consumables are valued at cost.
- ii) Finished goods are valued at direct cost plus production and administrative overheads or net realizable value, whichever is lower.

##### **e) Sales/Turn over**

Sales/Turn Over for the year includes sale value of goods and sales tax. Sales in the state of A.P. are exclusive of Sales Tax since tax holiday is sanctioned to the company for the states at A.P.

##### **f) Modavbat**

Modavbat benefit is accounted for by reducing from purchase of raw materials and adjusted against excise duty liability levied by Excise Department.

##### **g) Excise Duty :**

Liability on account of Excise Duty in respect of Finished Goods laid in factory is accounted as and when cleared.

##### **h) Investments**

Investments are stated at cost.

##### **l) Preliminary Expenses**

The Preliminary expenses are being amortised over a period of 10 years commencing from the year 1993-94.

## FINE PLAST POLYMERS LIMITED

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### j) Retirement benefits to employees :

Retirement benefits to employees will be provided as and when relevant acts are applicable to the company.

2. In the opinion of the Board of Directors of the company, The current assets, loans advance and deposits are approximately of the value stated in the accounts, if realized in the ordinary course of business, unless otherwise stated. The provision for all known liabilities is adequate and not excess of the amount reasonably necessary.

3. Previous year figures have been regrouped/rearranged/reclassified whenever necessary.

### 4. Managerial Remuneration :

	As on 31-03-2010 Rs.	As on 31-03-2009 Rs.
Managing Director's & Executive Director' Remuneration	0	0

### 5. Auditors Remuneration

Audit Fee	1500	1500
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6. Confirmation of certain parties for amount due to them/due from them as per the accounts of the Company have not been received, necessary adjustments if any will be made when the accounts are reconciled and settled.

7. Additional information required under part-II of the Schedule – VI to the Companies Act, 1956 (as certified by the management of the Company).

	As on 31-03-2010 MTS	As on 31-03-2009 MTS
a) Opening Stock of Finished Goods (production)	2.62	0.68
b) Closing Stock of Finished Goods PVC pipe Fittings (Own Productuion) (Trade Purchase)	6.86	2.62
c) Closing Stock of Raw Material PVC Resin	0.2	0

## FINE PLAST POLYMERS LIMITED

### PARTICULARS REGARDING CAPACITY AND PRODUCTION

i)	Installed capacity (as certified by the Management)					
	PVC pipe Fittings		1338 TPA		778PPA	
ii)	ACTUAL PRODUCTION		31-03-2010		31-03-2009	
	PVC pipe Fittings				12.70	
iii)	SALES					
	Name of the Product					
			Sales as on 31-03-2010		Sales as on 31-03-2009	
			Qty	Value	Qty	Value
			MTS	Rs.	MTS	Rs.
	PVC pipe Fittings (Mfg.)	12.97	843,656	12.57	968,379	
iv)	Consumption of raw materials		As on 31-03-2010		As on 31-03-2009	
			Qty	Value	Qty	Value
			MTS	Rs.	MTS	Rs.
	Name of the Product					
	PVC Resin	12.78	843,656	12.33	838,711	
	Chemicals					

9. The Company has not incurred any expenditure in foreign currency during the year.

10. The Company has not earned any income in foreign currency during the year.

AS PER OUT REPORT OF EVEN DATE

FOR SANJEEVA RAO & ASSOCIATES  
Chartered Accountants

SD/-  
K. S ANJEEVA RAO  
Partner  
M.No. 211604  
Hyderabad  
14-06-2010

FOR AND ON BEHALF OF THE BOARD

SD/-  
P.M.RAO  
Director  
SD/-  
D. KISHORE  
CEO

SD/-  
J. NAGABHUSHANA RAO  
Director  
SD/-  
CHDVV PRASAD  
CFO

# FINE PLAST POLYMERS LIMITED

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

(SUBMITTED IN FORM OF SCHEDULE VI OF THE COMPANIES ACT, 1956)

### I. REGISTRATION DETAILS

Registration No.

0 1 - 1 4 9 3 2

Balance sheet Date : 31-03-2010

State Code

0 1

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

Allotment Money

0 0 0 0 0 0 0

Rights Issue

0 0 0 0 0 0 0

Bonus Issue

0 0 0 0 0 0 0

Private Placement

0 0 0 0 0 0 0

### III. POSITION OF MABILISATION AND DEPLOYMENT OF FUNDS (Amony in Rs. Thousands)

Total Liabilities

8 9 0 7 5

Total Assets

8 9 0 7 5

### SOURCES OF FUNDS

Paid up capital

3 1 5 0 0

Reserve & Surplus

3 7 0 8 6

Secured Loans

0 0 0 0 0 0 0

Unsecured Loans

2 0 4 8 9

### APPLICATION OF FUNDS

Net Fixed Assets

2 5 5 6 2

Investments

0 0 0 0 0 0 0

Net Current Assets

5 6 9

Miscellaneous Expenditure

0 0 0 0 0 0 0

Accumulated Losses

6 4 0 8 2

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

Turn Over

1 3 3 6

Total Expenditure

1 1 1 9

Profit / Loss Before Tax

3 1 6 7 0 9

Profit / Loss After Tax

3 1 6 7 0 9

Earnings per Share in Rs.

9 8 . 9 7

Divended Rate (%)

N i L

### V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF COMPANY

(as per monetary terms)

Items Code No. (IITC Code)

3 9 1 7 2 2 0 0

Product Description

P	V	C	P	I	P	E	F	I	T	T	I	N	G	S

AS PER OUT REPORT OF EVEN DATE

FOR SANJEEVA RAO & ASSOCIATES

Chartered Accountants

SD/-  
K. S ANJEEVA RAO  
Partner  
M.No. 211604  
Hyderabad  
14-06-2010

FOR AND ON BEHALF OF THE BOARD

SD/-  
P.M.RAO  
Director  
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D. KISHORE  
CEO

SD/-  
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Director  
SD/-  
CHDVV PRASAD  
CFO

**FINE PLAST POLYMERS LIMITED**

D.No. 8-3-430/1/23, New No.1183, Street No.10, 430, Yellareddyguda, Hyderabad- 500073, AP

**ATTENDANCE SLIP**



Regd. Folio No. : \_\_\_\_\_

No. of Shares held : \_\_\_\_\_

Name of the Shareholder/Proxy Present: \_\_\_\_\_

I hereby record my presence at the 18<sup>th</sup> Annual General Meeting of the members of the company to be held on Thursday, the 30<sup>th</sup> day of September 2010 at 11.00 AM at D. No. 8-3-430/1/23, New No.1183, Street No.10, 430, Yellareddyguda, Hyderabad- 500073, AP

Shareholders/Proxy's Signature \_\_\_\_\_

Note:

Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall.



**FINE PLAST POLYMERS LIMITED**

D.No. 8-3-430/1/23, New No.1183, Street No.10, 430, Yellareddyguda, Hyderabad- 500073, AP

**PROXY FORM**

Regd. Folio No. : \_\_\_\_\_

No. of Shares held : \_\_\_\_\_

I/We \_\_\_\_\_ of \_\_\_\_\_

being a Member(s) of above named company, hereby appoint \_\_\_\_\_ of

\_\_\_\_\_ or failing him/her \_\_\_\_\_ of

\_\_\_\_\_ as my/our proxy to attend and vote for me/us, on my/our behalf at the



18<sup>th</sup> Annual General Meeting of the Company to be held on Thursday, the 30<sup>th</sup> day of September 2010 at 11.00 A.M at the Registered Office of the Company at D. No. 8-3-430/1/23, New No.1183, Street No.10, 430, Yellareddyguda, Hyderabad- 500073, AP and at any adjourned meeting thereof.

Signed \_\_\_\_\_ this \_\_\_\_\_ of 2010.

Signature of the Shareholder \_\_\_\_\_

Affix  
Re.1/-  
Revenue  
Stamp.

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

# **Fine Plast Polymers limited**

8-3-430/1/23, New No. 1183, Street No. 10, 430, Yellaredyguda,  
Hyderabad - 500 073. A.P. Phone : 040-23750495