

MILTON PLASTICS LIMITED

Regd. Office : Asian Bldg., 4th Floor,
17, R. Kamani Marg, Ballard Estate,
Mumbai - 400 001.

Tel. : 2262 3333 (8 Lines) 6129 4100

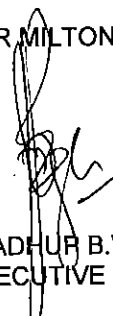
Fax : (91 - 22 - 2262 0967)

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FORM A

Format of covering letter of the annual audit report to be filed with the Stock Exchange

1.	Name of the Company	MILTON PLASTICS LIMITED
2.	Annual Financial Statements for the year ended	31 ST MARCH, 2013
3.	Type of Audit observation	NIL
4.	Frequency of observation	YEARLY / IN LIMITED REVIEW REPORT.
5.	To be signed by- EXECUTIVE DIRECTOR	FOR MILTON PLASTICS LIMITED  (MADHUR B. VAGHANI) EXECUTIVE DIRECTOR

MILTON PLASTICS LIMITED



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MILTON PLASTICS LIMITED

Board of Directors

- B.I.VAGHANI : Chairman
C.I.VAGHANI : Director
M.B.VAGHANI : Whole Time Director
VIREN BHIMANI : Independent Non Executive Director
DEVENDRA NEGI : Independent Non Executive Director

Registered Office

- : Asian Building,
4th Floor, R.Kamani Marg,
Ballard Estate, Mumbai 400 001

Works

- : 28/29, Nagar Road, Village Shikrapur
Dist. Pune 412208

Plot No.72, Dhanudyog Sahakari Sangh Ltd.
Village Piparia, Silvassa.

Solicitors

- : M/s.Law Charter,
Advocates, Solicitors & Notary
Mumbai.

Auditors

- : M/s. Mehta Chokshi & Shah
Chartered Accountants
Mumbai.

Bankers

- : Standard Chartered Bank

Share & Transfer Agent

- : M/s.Link Intime India Pvt.Ltd.
C-13, Pannalal Silk Mills Compound, LBS Road,
Bhandup (West),
Mumbai 400 078

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NOTICE

NOTICE Is hereby given that the Twentyfirst Annual General Meeting of the Members of MILTON PLASTICS LIMITED will be held at Registered office of the Company at Asian Building, 4th floor, R.Kamani Marg, Ballard Estate, Mumbai 400 001 on Friday, 27th September, 2013 at 9.30 a.m. to transact the following business: -

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2013 and the Profit and Loss Account of the Company for the year ended on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Shri Bansilal I. Vaghani, who retires by rotation, and being eligible, offers himself for reappointment.
3. To appoint a Director in place of Shri Devendra Negi, who retires by rotation, and being eligible, offers himself for reappointment.
4. To appoint Auditors of the Company and to fix their remuneration.

SPECIAL BUSINESS:

5. To consider and, if thought fit, to pass, with or without any modification(s), the following resolution as an Special Resolution.
"RESOLVED THAT pursuant to the provisions of section 269 read with schedule XIII and other applicable provisions, if any, of the companies Act, 1956 and subject to other approvals, if any, the company hereby approves the appointment of Shri Madhup B.Vaghani, as Whole Time Director of the Company on remuneration of Rs. NIL for a period of 5 years from 13th February, 2013.
"RESOLVED FURTHER THAT the Board of Directors be and is hereby authorised to do all such acts and deeds as may be considered necessary or desirable to implement this resolution."
6. To consider and, if thought fit, to pass, with or without any modification(s), the following resolution as an Special Resolution.
"RESOLVED THAT pursuant to Section 81 (1A) and other applicable provisions, if any, of the Companies Act, 1956 and the Memorandum and Articles of Association of the Company and subject to all requisite approvals, consents, permissions, sanctions, and further subject to and in accordance with Disclosure and Investor Protection Guidelines, 2000 issued by Securities and Exchange Board of India (hereinafter referred to as "SEBI") regarding preferential allotment of shares to select group of persons, Listing Agreements entered into with the Stock Exchanges and their regulations; and subject to such consents, approvals, permissions or sanctions (general or conditional) as may be required under any legislation or rules and regulations for the time being in force and subject to the necessary approvals of the Government of India, Reserve Bank of India and of such other appropriate authorities and institutions, as may be required under any statutory provisions, guidelines, rules, regulations, modifications as may be prescribed or imposed while granting such sanctions, approvals, consents, permissions, and which may be agreed to by the Board of Directors of the Company (hereinafter referred to as "the Board") fresh consent & once again approval of the Company be and is hereby accorded to the Board to offer, allot and issue on preferential basis 9,50,000 equity shares of Rs. 10/- each fully paid up at a par or at a premium determined as per the guidelines issued by SEBI and agreed to by the shareholders at the general meeting to

Shri Chiranjiv I Vaghani	5,80,000
Shri Dinesh I Vaghani	2,70,000
Shri Madhup B Vaghani	70,000
Shri Bansilal I Vaghani	30,000
Total	9,50,000



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AND RESOLVED FURTHER THAT:

1. The offer, issue and allotment of the aforesaid Equity Shares shall be made at such time or times and on such terms and conditions and with such modifications of the above terms and conditions as are permissible under law and as the Board may in its absolute discretion decide, subject however to the applicable statutory/regulatory provisions and the SEBI Guidelines on preferential issues.
2. The Equity Shares to be issued shall rank pari-passu with all existing Equity Shares of the Company.
3. The Board be and is hereby authorised to decide and/or modify the terms and conditions of the issue of the above-mentioned Equity shares.

"AND RESOLVED FURTHER THAT for the purpose of giving effect to this resolution, the Board be and is hereby authorised to do all such acts, deeds, matters and things and to take all steps and do all things and give such directions as may be necessary, expedient or desirable and also to settle any question or difficulties that may arise in such manner as the Board in its absolute discretion may deem fit and take all steps which are incidental and ancillary in this connection."

Registered Office:

Aslan Building, 4th floor, R.Kamani Marg,
Ballard Estate, Mumbai 400 001.

BY ORDER OF THE BOARD
For MILTON PLASTICS LIMITED

Date : 14th August, 2013

Place : Mumbai

B.I.VAGHANI
CHAIRMAN

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective must be received by the Company not less than 48 hours before the time of Meeting.
2. The Register of Members and Share Transfer Books of the Company will remain closed from 20th September, 2013 to 27th September, 2013 (both days inclusive).
3. A copy of explanatory statement under Section 173 (2) of the Companies Act, 1956 is annexed herewith.

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Explanatory Statement as required under Section 173(2) of the Companies Act, 1956.

ITEM NO. 5

The Board of Directors has appointed Shri Madhup B. Vaghani as Whole Time Director of the Company for a period of five years from 13th February, 2013 to 12th February, 2018 on Rs. NIL remuneration at their meeting held on 13th February, 2013. Pursuant to the provisions of Section 269 of the Companies Act, 1956, the appointment of Shri Madhup B. Vaghani as Whole Time Director of the Company is subject to your approval. Shri Madhup B. Vaghani is a commerce graduate and has over 26 years of experience in the field of marketing.

Except Shri Bansilal I. Vaghani and Shri Chiranjiv I. Vaghani being his relatives no other directors of the Company are interested in above resolution.

The Board request the shareholders to accord their approval.

This explanation may be considered as abstract of the terms of appointment of Shri Madhup B. Vaghani as Whole Time Director of the Company under the provisions of section 302 (1) of the Companies Act, 1956.

ITEM NO. 6

Explanatory Statement as required under Section 173(2) of the Companies Act, 1956.

- A) The Shareholders may recall that pursuant to the approval given by you on 28th March, 2002, the Company had issued and allotted on preferential basis 45,00,000 equity shares of Rs.10/- each fully paid up in the capital of the Company as per the following details:

Date of Allotment	Name of Allottees	No. of shares
06.05.2002	Sweet Solutions Ltd.	32,50,000
06.05.2002	Dinesh I Vaghani	1,50,000
06.05.2002	Yogini C Vaghani	1,05,000
06.05.2002	Yogesh I Vaghani	45,000
27.07.2002	Chiranjiv I Vaghani	5,80,000
27.07.2002	Dinesh I Vaghani	2,70,000
27.07.2002	Madhup B Vaghani	70,000
27.07.2002	Bansilal I Vaghani	30,000
Total		45,00,000

The Company made listing application to Bombay Stock Exchange Limited on 17th October, 2002 for listing of 45,00,000 equity shares.

- B) The Company received letter dated 30th December, 2002 from Bombay Stock Exchange Limited intimating that the Company should have allotted 9,50,000 equity shares on or before 27th June, 2002 within the period of three months from the date of resolution passed by the shareholders under section 81(1A) of the Companies Act, 1956, but the Company allotted the said shares due to oversight on 27th July, 2002. The Bombay Stock Exchange Limited therefore asked the Company to take no-objection/relaxation from SEBI with regard to the validity of the shareholders Resolution.
- C) The Company approached the SEBI and SEBI vide its letter dated 24th December, 2004 asked the Company to obtain fresh consent of the shareholders for issue and allotment of the said 9,50,000 equity shares.
- D) The said 9,50,000 equity shares will be issued at a price which is the higher of the average of the weekly high and low of the closing prices of the shares quoted on Bombay Stock Exchange Limited during the six months period from 27th February, 2013 to 27th August, 2013 and the average of the weekly high and low of the closing prices of the shares quoted on Bombay Stock Exchange Limited during two weeks period from 13th August, 2013 to 27th August, 2013.
- E) As on date, the Directors, promoters, their relatives, friends and associates hold 33.22 % of the equity of the Company.



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SHAREHOLDING PATTERN AFTER ALLOTMENT OF 9,50,000 EQUITY SHARES :

Category Code	Category of shareholder	No. of Share holders	Total No. of shares	Total shareholding as a % of total number of shares
				As a percentage of (A+B)
(I)	(II)	(III)	(IV)	(V)
(A)	Promoter and Promoter Group			
1	Indian			
(a)	Individuals/Hindu Undivided Family	5	1882359	15.0606
(b)	Central Government/State Government(s)	0	0	0.0000
(c)	Bodies Corporate	2	104907	0.8394
(d)	Financial Institutions / Banks	0	0	0.0000
(e)	Any Other (specify)	12	2164410	17.3173
	Sub Total (A)(1)	19	4151676	33.2173
2	Foreign			
(a)	Individuals (Non-Resident Individuals/ Foreign Individuals)	0	0	0.0000
(b)	Bodies Corporate	0	0	0.0000
(c)	Institutions	0	0	0.0000
(d)	Qualified Foreign Investors	0	0	0.0000
(e)	Any Other (specify)	0	0	0.0000
	Sub Total (A)(2)	0	0	0.0000
	Total Shareholding of Promoter and Promoter Group (A)=(A)(1)+(A)(2)	19	4151676	33.2173
(B)	Public shareholding			
1	Institutions			
(a)	Mutual Funds/UTI	5	394600	3.1572
(b)	Financial Institutions / Banks	0	0	0.0000
(c)	Central Government/State Government(s)	0	0	0.0000
(d)	Venture Capital Funds	0	0	0.0000
(e)	Insurance Companies	1	275	0.0022
(f)	Foreign Institutional Investors	0	0	0.0000
(g)	Foreign Venture Capital Investors	0	0	0.0000
(h)	Qualified Foreign Investors	0	0	0.0000
(i)	Any Other (specify)	0	0	0.0000
	Sub Total (B) (1)	6	394875	3.1594
2	Non-institutions			
(a)	Bodies Corporate	129	3535744	28.2892
(b)	(i) Individuals - shareholders holding nominal share capital up to Rs 1 Lakh	8333	2368966	18.9539
	(ii) Individual shareholders holding nominal share capital in excess of Rs. 1 Lakh	13	370273	2.9625
(c)	Qualified Foreign Investors	0	0	0.0000
(d)	Any Other			
	i Non Resident Indians (Repat)	188	154262	1.2342
	ii Non Resident Indians (Non Repat)	11	1589	0.0127
	iii Foreign Companies	3	2200	0.0176
	iv Clearing Member	18	18965	0.1517
	v Directors / Relatives	0	0	0.0000
	vi Trusts	1	1500000	12.0014
	Sub Total (B)(2)	8696	7951999	63.6234
	Total Public Shareholding Public Group (B)=(B)(1)+(B)(2)	8702	8346874	66.7827
	Total (A)+(B)	8721	12498550	100.0000

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- (F) The purpose and objects of and reasons for the preferential allotment:
The proposed issue and allotment of Equity Shares on Preferential basis is for the object of improving and augmenting the Working Capital requirements of the Company and consolidating its existing operations and reducing its debt. The Investors have expressed their confidence in the prospects of the Company and accordingly have proposed to subscribe to the share capital of the Company.
- (G) Consequent changes in the board of directors and change in control over the company: - No changes are expected in the Board of Directors as a consequence of the preferential allotment of equity shares. There shall not be any change in the control or the management of the Company or Board of directors as a consequence of the preferential allotment of equity shares.
- (H) Intention of promoters/directors/key management personnel to subscribe to the offer: -
The intention of the issue on preferential basis with an option to apply for and be allotted shares to the promoters/promoter group is to bring the fund for the object of the issue.
In respect of the resolution under item no. 6 the proposed allottees are interested and concerned to the extent of number of shares to be issued/allotted each of them respectively.
Your Directors recommend the above resolution at item no. 6 for your approval as Special Resolution as they consider the same to be in the interest of the Company.
- (I) The Intention of the Board of Directors to propose the said resolution to you is to ascertain the fresh price at which the said 9,50,000 equity shares to be issued to the proposed allottees in the manner mentioned in clause D of the explanatory statement and as directed by Sebi vide its letter dated 24th December, 2004 and guidelines issued by Sebi in regarding issue of shares on preferential basis to select group of persons then prevailing at the time of obtaining your approval on 27th March, 2002.

Details of Directors Seeking Appointment / Re-appointment at the Annual General Meeting.

Particulars	Bansilal J Vaghani	Devendra Negi	Madhup B Vaghani
Date of Birth	13.01.1937	24.05.1958	03.11.1961
Date of Appointment	01.05.1992	23.12.2005	13.02.2013
Qualifications	Graduate in Commerce	Graduate in Commerce	Graduate in Commerce
Expertise in specific functional area	Over 41 years of experience in the filed of trading and manufacturing of plastic goods.	Over 16 years career with nationalized bank & having rich experience in the field of banking and finance.	Over 26 years of experience in the field of marketing.
Directorships held in other public companies (excluding foreign Companies and Section 25 Companies)	N.A.	N.A.	N.A.
Memberships/Chairmanships of committee of other public companies (includes only Audit Committee and Shareholders/ investors Grievance Committee)	N.A.	N.A.	N.A.
Number of shares held in the Company	55000	0	756985



MILTON PLASTICS LIMITED

DIRECTORS' REPORT TO THE SHAREHOLDERS

Your Directors presents herewith the Twenty First Annual Report together with Audited Statement of Accounts for the year ended 31st March, 2013.

Financial Results

	For the year ended 31 st March, 2013 (Rs.in lacs)	For the year ended 31 st March, 2012 (Rs.in lacs)
Sales & Other Income	3865	3886
Gross Loss	(126)	(316)
Add: Depreciation	31	38
Interest	35	1098
Loss before Tax and Extraordinary Item	(192)	(1452)
Income From Extraordinary Item	4218	1973
Less: Provision for Tax	—	—
Profit / (Loss) after Tax	4026	521
	=====	=====

FINANCE & ACCOUNTS:

Operations and future outlook:

Your Company has achieved a sales turnover of Rs. 3865 lacs during the current year as against Rs.3886 lacs in the previous year.

Dividend:

In view of the accumulated losses, your Directors regret their inability to recommend any dividend for the financial year under review.

FIXED DEPOSIT:

Your Company has not accepted deposits from the public.

Audit Committee: -

The Company has reconstituted audit committee on 10th August, 2012 as required under the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the listing agreement executed with Bombay Stock Exchange Limited.

Employees and Industrial Relationship:

During the year under review the industrial relationship continued to be cordial. The Directors place on record their appreciation for the services rendered by the employees at all levels.

Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and outgo:

- i) **Conservation of Energy**
 - a) The Company has taken all measures to conserve the Energy by installing latest equipments for conservation of Energy.
 - b) The cumulative effect of the Energy conservation steps taken by the Company has considerably reduced the consumption of Energy and saved the cost of the Company.
 - c) The Company is not required to mention per unit consumption of Energy in form A.
- ii) Information relating to Technology absorption and Foreign Exchange earnings and outgo which forms part of this report is given in a separate statement annexed hereto in accordance with the provisions of section 217(1)(e) of the Companies Act, 1956 read with the Company's (Disclosure of Particulars in the Report of the Board of Directors) Rules, 1988.

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Employees:

Information in accordance with the provisions of Section 217(2A) of the Companies Act, 1956 read with the Company's (Particulars of Employees) Rules 1975, as amended, is not given since the Company did not have any employee covered by the said section.

Directors:

Shri Bansilal I. Vaghani, Director and Shri Devendra Negi, Director retire by rotation and being eligible offer themselves for re-appointment. The Board request the share holders to accord their approval.

Shri Madhup B. Vaghani was appointed as Whole Time Director by the Board of Directors at their meeting held on 13th February, 2013. His appointment is further subject to the approval of the shareholders in the ensuing Annual General Meeting. The Board request the share holders to accord their approval.

Directors' Responsibility Statement:

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

- i) In the preparation of Annual Accounts for the financial year ended 31st March, 2013 the applicable Accounting Standards have been followed.
- ii) Appropriate Accounting policies have been selected and applied consistently and have 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 as on 31st March, 2013 and loss of the Company for the period ended on that date.
- iii) Proper and sufficient care has been taken 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) The Annual Accounts have been prepared on a going concern basis.

Insurance:

Buildings, plant and machinery, Inventories at the factory of the Company have been insured adequately.

Corporate Governance:

As required under Clause 49 of the Listing Agreement with Bombay Stock Exchange Limited, Corporate Governance Report and Management Discussion and Analysis Report form part of this Annual Report.

Auditors:

The Auditors M/s Mehta Chokshi & Shah, Chartered Accountants, Mumbai, retire at the forthcoming Annual General Meeting and have offer themselves for reappointment.

Compliance Certificate:

A Certificate from the Practising Company Secretary regarding compliance of conditions of corporate governance as stipulated under Clause 49 of the Listing Agreement is attached to this report.

Acknowledgment:

Your Directors express their thanks to the Banks and Financial Institutions, Shareholders, Suppliers and Customers for their continuous support and co-operation to the company. Your Directors express their appreciation for the dedicated services of the employees, workmen and executives of the Company.

For and on behalf of the Board

Bansilal I Vaghani
Chairman



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ANNEXURE TO THE DIRECTORS REPORT:

Information as per Section 217 (1) (e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st March, 2013

A. DISCLOSURE OF PARTICULARS WITH RESPECT TO TECHNOLOGY ABSORPTION:

1. Research & Development (R & D)

(a) Specific areas in which R & D is carried out by the Company.

New product development, New manufacturing process development, Product upgradation, Cost reduction, Mould designing and development, New application of thermoplastic product, Water Purification System.

(b) Benefits derived as a result of the R & D.

(i) Company is in position to introduce varied new products every year to meet changing consumer preferences.

The Company is in position to cater to a wider segment of consumer durables and plastics based industrial products.

(c) Future Plan of Action.

(i) Emphasis is being laid on development & marketing of new product and value addition to existing range of products, for both export as well as domestic market.

(ii) Business Process Re – Engineering.

(d) Expenditure on Research & Development under the head "Product Design & Development Expenses" is being accounted under relevant heads of expenses.

2. Technology Absorption, Adaptation and Innovation.

(a) Efforts in brief, made towards technology absorption, adaptation and innovation, as enumerated in Section 1 above.

(b) Benefits, derived as a result of the above efforts, product up gradation, cost reduction & new products developments. As enumerated in Section 1 above.

B. FOREIGN EXCHANGE EARNINGS AND OUT GO : Total foreign exchange used for Rs. 1,65,639/- (Rupees One Lacs Sixty Five Thousand Six Hundred Thirty Nine only). Total foreign exchange earned Rs. nil.

For and on behalf of the Board

Place: Mumbai
Date: 30th May, 2013

Bansilal I Vaghani
Chairman

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MANAGEMENT DISCUSSION AND ANALYSIS REPORT.

1. INDUSTRY STRUCTURE AND DEVELOPMENTS

The industry of Moulded furniture is facing lots of constraints. The margins are reduced to lowest level and stiff competition from un-organised sector and local players adversely affected the turnover. The management is of the view that any investment and expansion in the present lying of moulded furniture will not provide any better results. The Company has continued its effort in product innovation considering the changing consumer preferences.

2. OPPORTUNITIES AND THREATS

Opportunities:

Concentration in Rural Market and exploring the export market.

Threats:

The Competition from unorganized / small scale sectors and new entrants in the open market.

3. SEGMENTWISE PERFORMANCE

The Company manufactures only thermoware products; hence no separate segment wise information is required to be given.

4. OUTLOOK

The Company is diversifying its presence in Rural market through strong distribution network. The Company is also exploring the potential in the international market.

5. RISKS AND CONCERNS

Competition from the unorganised small scale sector via cut-throat competition from the new entrants in the market, thereby squeezing the Company's profit margins.

6. INTERNAL CONTROL SYSTEMS

The Company has an adequate system of internal controls that ensures that all assets are protected against loss from unauthorized use or disposition and all transactions are recorded and reported in conformity with generally accepted accounting principles.

7. FINANCIAL PERFORMANCE

The Company has achieved a sales turnover of during the year Rs.3865/- lacs as against Rs.3886/- lacs in the corresponding previous year. During the year, the Company earned a profit of Rs.4026/- lacs as against Rs.521/- lacs in the corresponding previous year.

8. HUMAN RESOURCES AND INDUSTRIAL RELATIONS

The Industrial relations remained cordial during the year under review.

9. CAUTIONARY STATEMENT

Statements in this Report on Management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions are based on certain assumptions and expectations of future events. Actual results could differ materially from those expressed or implied. The Company assumes no responsibility to amend, modify or revise any of the statements on the basis of subsequent developments, information or events.

For and on behalf of the Board

Bansilal I.Vaghani
Chairman

Place: Mumbai
Date: 30th May, 2013



MILTON PLASTICS LIMITED

CERTIFICATE ON CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT WITH THE STOCK EXCHANGE

I have examined the compliance of conditions of Corporate Governance by MILTON PLASTICS LIMITED ("The Company"), for the year ended 31st March, 2013, as stipulated in clause 49 of the Listing Agreement of the Company entered into with the Stock Exchanges.

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

In my opinion and to the best of my information and according to the explanations given to me and the representations made by the Directors and the management, I certify that the Company has complied with the conditions of Corporate Governance as stipulated in the above mentioned Listed Agreements.

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

SHAILESH KACHALIA
Practising Company Secretaries

Place: Mumbai
Dated: 30th May, 2013

Proprietor
C.P. - 3888

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REPORT ON CORPORATE GOVERNANCE

Compliance with Corporate Governance regulations as laid down in Clause 49 of the Listing Agreement with Bombay Stock Exchange Limited, Mumbai Mandatory Requirements as prescribed in Annexure – 2 of the Listing Agreement.

MANDATORY REQUIREMENTS:

A. Company's Philosophy on Corporate Governance

Your Company is fully committed to good corporate governance practices as laid down by SEBI. It envisages attainment of a high level of transparency & accountability in the functioning of the Company and helps the management in the efficient conduct of the Company's affairs and in protecting the interest of various participants like shareholders, employees, lenders, clients etc. and at the same time places due emphasis on compliance of various statutory laws.

B. Board of Directors:

The Composition of Board of Directors was reconstituted at their board meeting held on 10th August, 2012. Present Composition of Board of Directors is as below:

Sr.No.	Name	Designation	Category
1	Bansilal I Vaghani	Chairman	Director and Non Executive Chairman
2	Chiranjiv I Vaghani	Director	Non Executive Director
3	Madhup B Vaghani	Director	Whole Time Director
4	Viren Bhimani	Director	Independent, non-executive Director
5	Devendra Negi	Director	Independent, non-executive Director

Board procedures :

A. Five board meetings were held in this period on the following dates:

11th May, 2012, 10th August, 2012, 24th August, 2012, 12th November, 2012 and 13th February, 2013

B. The names and categories of the Directors on the Board, their attendance at Board Meetings held during the year and the number of Directorship and Committee Chairmanships / Memberships held by them in other companies is given below. Other Directorship do not include alternate directorships, directorships of private limited companies and of companies incorporated outside India. Chairmanship / Membership of Board Committee include only Audit and Shareholders / Investors Grievance Committees. The Company also has a mandatory annual requirement for every director to inform the company about the Committees/Board member position he occupies in other Companies and notify the change, if any.



MILTON PLASTICS LIMITED

Name	Category	Attendance at Board Meeting in year 2012-13		Directorships in other Public Companies		Committee Position held in other Public Companies		Attendance at Last AGM
		Held	Attended	Chairman	Member	Chairman	Member	
Shri Bansilal I Vaghani	Chairman Non-Executive	5	5	NIL	NIL	NIL	NIL	Present
Shri Madhup B Vaghani	Whole Time Director	5	5	NIL	NIL	NIL	NIL	Present
Shri Chiranjiv I Vaghani	Non-Executive Director	5	5	NIL	NIL	NIL	NIL	Present
Shri Viren Bhimani	Independent Director Non Executive	5	NIL	NIL	NIL	NIL	NIL	Present
Shri Devendra Negi	Independent Director Non Executive	5	NIL	NIL	NIL	NIL	NIL	Present

Management:

The matters that are required to be discussed under Management Discussion and Analysis report has been included in the directors report to the shareholders. Whenever commercial transaction and financial transactions have been entered with Company, where Directors are interested, the nature of interest is being disclosed to the Board of Directors.

During the year under review, there were no transactions of any material financial and commercial transactions, which had personal interest of the management that had a potential conflict with the interest of the Company at large.

C. Audit Committee

Audit Committee as required by Clause 49 of the Listing Agreement was reconstituted on 10th August, 2012 comprising the following members.

Shri Bansilal I Vaghani	:	Chairman & Non Executive Director
Shri Viren Bhimani	:	Independent & Non Executive Director
Shri Devendra Negi	:	Independent & Non Executive Director

Name	Category	No. of meeting for year 2012- 2013	
		Held	Attended
Shri Bansilal I Vaghani	Non Executive Director	5	5
Shri Viren Bhimani	Chairman & Non Executive Director	5	5
Shri Devendra Negi	Non Executive Director	5	5

D. Remuneration Committee.

Remuneration Committee as required by Clause 49 of the Listing Agreement was reconstituted on 10th August, 2012 comprising following members.

SHRI BANSILAL I VAGHANI	:	Non Executive Director
SHRI VIREN BHIMANI	:	Chairman & Non Executive Director
SHRI DEVENDRANEGI	:	Non Executive Director

The company has not paid any remuneration to Whole Time Director.

The Company reimburses the out of pocket expenses incurred by Directors for the Company after the review of the same by the Committee members.

One Meeting was held on 6th February, 2013 regarding appointment of Shri Madhup B. Vaghani as whole time Director of the Company.

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E. Shareholders / Investors Grievance Committee

Shareholders / Investors Grievance Committee as required by Clause 49 of the Listing Agreement was reconstituted on 10th August, 2012 comprising following members.

SHRI BANSILAL I VAGHANI : Non Executive Director
 SHRI VIREN BHIMANI : Chairman & Non Executive Director
 SHRI DEVENDRANEGI : Non Executive Director

Name	Category	No.of meeting for year 2012-2013	
		Held	Attended
Shri Bansilal I Vaghani	Non Executive Director	5	5
Shri Viren Bhimani	Chairman & Non Executive Director	5	5
Shri Devendra Negi	Non Executive Director	5	5

Shri Pankaj Bhaya is the compliance officer, in terms of the listing agreement executed by the Company with the Stock Exchange. The Board had delegated power to approve the transfer of shares to Chairman.

The Company has paid Annual Listing Fees for the year 2013-14 to Bombay Stock Exchange Limited.

Details of Investors complaints received and redressed during the year 2012-2013 are as follows:

Received during the year	Resolved during the year	Closing Balance
10	10	0

F. General Body Meetings:

Location and time of last three AGMs held

Date of AGM	Time of AGM	Location
29th September, 2010	9.30 a.m.	Asian building, 4th floor, R.Kamani Marg, Ballard Estate, Mumbai 400 001
29th September, 2011	9.30 a.m.	Asian building, 4th floor, R.Kamani Marg, Ballard Estate, Mumbai 400 001
29th September, 2012	9.30 a.m.	Asian Building, 4th floor, R Kamani Marg, Ballard Estate, Mumbai 400 001



MILTON PLASTICS LIMITED

G. Related Party and other Disclosures :

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 interests of the Company at large.

None of the transactions with any of the related parties were in conflict with the interest of the Company.

The Company has not any Subsidiary Companies.

Disclosure of accounting treatment wherever applicable has been made in the Audited Financial Accounts for the year ended 31st March, 2013.

The Company has a laid down procedure to inform the Board Members about the risk assessment and minimization procedures of the material risks and they are being reviewed periodically.

The Company has complied with all the requirement of Stock Exchanges, Securities and Exchange Board of India (SEBI) and other statutory authorities on matter relating to capital markets during the last three years and consequently no penalties of strictures have been imposed on the Company by these authorities.

H. Means of Communication

The quarterly results are published in "Free Press Journal" an English daily, in all India edition and in "NAVSHAKTI" a vernacular Marathi daily, in Mumbai edition.

I. General Shareholder Information

* Annual General Meeting Date Time Venue	27th September, 2013 9.30 a.m. Asian Building, 4th floor, R.Kamani Marg, Ballard Estate, Mumbai 400 001
* Financial Calendar Financial reporting for the quarter ending June, 2013 Financial reporting for the quarter ending September, 2013 Financial reporting for the quarter ending December, 2013 Financial reporting for the quarter ending March, 2014	April to March End July, 2013 End October 2013 End January, 2014 End April, 2014
* Date of Book Closure	20th September, 2013 to 27th September, 2013 (both days inclusive)
* Dividend Payment Date	Not applicable
* Registered Office and Address for Correspondence	Asian Building, 4th floor, R.Kamani Marg, Ballard Estate, Mumbai 400 001 Phone – 2262 3333
* Listing on Stock Exchanges	Bombay Stock Exchange Limited, Mumbai The Ahmedabad Stock Exchange Ltd. New Delhi Stock Exchange Association Ltd. Hyderabad Stock Exchange Ltd.
* Stock Code The Bombay Stock Exchange Ltd.	526143

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Monthly Highest and Lowest Closing Quotations of the Equity Shares for the year 2012-13

Month	High (Rs.)	Low (Rs.)	Volume
April 2012	12.25	10.30	1,37,119
May 2012	12.00	9.43	3,64,283
June, 2012	12.40	9.53	2,12,851
July, 2012	11.20	9.47	1,96,564
August, 2012	10.84	9.21	1,53,842
September, 2012	10.45	9.01	4,02,148
October, 2012	12.65	9.11	951,855
November, 2012	15.81	11.50	13,75,497
December, 2012	13.50	11.19	4,05,790
January, 2013	14.75	11.11	5,94,657
February, 2013	12.50	9.43	2,50,855
March, 2013	10.67	8.40	1,47,004

* Registrar and Share Transfer Agent

M/s. Link Intime India Pvt.Ltd.
C-13, Pannalal Silk Mills Compound, LBS Road,
Bhandup (west), Mumbai 400 078.

* Share Transfer System

Share Certificates received for transfer in physical form and requests for Demat are generally registered / confirmed within 15 days of receipt of the same, provided the documents are clear in all aspects. The Company also provides simultaneous transfer cum Demat facility to its equity shareholders.

Distribution of holding and share holding pattern as on March, 31, 2013

No. of Equity Shares held	No. of Holders	% of Holders	No. of shares	% of Shares
Upto 500	7971	91.20	1186863	9.50
501 – 1000	379	4.34	326474	2.61
1001 – 2000	173	1.98	268808	2.15
2001 – 3000	63	0.72	160354	1.28
3001 – 4000	37	0.42	133894	1.07
4001 – 5000	33	0.38	155420	1.24
5001 – 10000	48	0.55	358408	2.87
10001 and above	36	0.41	9908329	79.28
Total	8740	100.00	12498550	100.00

Particulars of Shares held in physical / Electronic form as on March, 31, 2013

Particulars	Holders	Shares	% of shares
Shares in Physical Form	4636	5885665	47.09
Shares in Electronic form	4104	6612885	52.91
Total	8740	12498550	100.00



MILTON PLASTICS LIMITED

Shareholding Pattern as on March, 31, 2013

Category	No. of shares	% of shares
Indian Promoter	4151676	33.22
Mutual Funds and UTI	394600	3.16
Foreign Institutional Investor	0	0
Private Corporate Bodies	3545047	28.36
Indian Public	2731747	21.86
Financial Institutions	275	0.00
NRI / OCBs	157851	1.26
Trusts	1500000	12.00
Others	17354	0.14
Total	1,24,98,550	100.00

Outstanding GDRs/ADRs/Warrants or any convertible instruments.

The Company has not issued any GDR/ADR/Warrants.

J. Management Discussion and Analysis

A Statement of Management Discussion and Analysis is appearing elsewhere in this Annual Report in terms of the requirement of the Code of Corporate Governance.

K. Code of Conduct:

As required by the amended Clause 49 of the Listing Agreement, the Board of Directors of the Company has adopted a Code of Conduct for all Board Members and Senior Management of the Company. The members of the Board of Directors and Senior Management have affirmed compliance of the said Code during the year under review. The Annual Report of the Company does contain a declaration to this effect duly signed by the Whole Time Director as required by Clause 49 of the Listing Agreement.

L. CEO / CFO Certification

A Certificate from Whole Time Director has been placed before the Board in accordance with Clause 49 (V) of the Listing Agreement for the financial year ended 31st March, 2013

NON MANDATORY REQUIREMENTS

A. Chairman of the Board

The Company has a Non executive Chairman and reimburses expenses incurred by him in performance of his duties.

B. Remuneration Committee

The Company has constituted remuneration committee.

C. Shareholders Rights

The Company is not sending the half yearly results to each household of shareholders.

D. Postal Ballot

The Company will comply with the provisions of Postal Ballot in the matters necessary.

E. The Company has implemented Whistle Blower Policy.

Declaration on the Code of Conduct

All members of the Board of Directors of the Company and Senior Management of the Company have affirmed Compliance of the Code of Conduct for the year ended 31st March, 2013.

For and on behalf of the Board

Place: Mumbai
Date: 30th May, 2013

Bansilal I Vaghani
Chairman

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INDEPENDENT AUDITOR'S REPORT

To the Members of MILTON PLASTICS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **MILTON PLASTICS LIMITED** ("the Company"), which comprise the Balance Sheet as at March 31, 2013, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance and cash flows of the Company in accordance with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act"). This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

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

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:

- a) In the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2013;
- b) In the case of the Statement Profit and Loss, of the profit for the year ended on that date; and
- c) In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c) The Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account;
 - d) In our opinion, the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - e) On the basis of written representations received from the directors as on March 31, 2013, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2013, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.

For Mehta Chokshi & Shah
Chartered Accountants

R.T.Mehta
Partner
M.No:5445

Mumbai.
Dated: 30th May, 2013

Firm Registration No: 106201W



MILTON PLASTICS LIMITED

ANNEXURE

(Referred to in paragraph 1 of "Report on Other Legal and Regulatory Requirements" of our Independent Auditor's Report of even date on the accounts of **MILTON PLASTICS LIMITED** for the year ended 31st March, 2013)

1. (a) The complete records showing full particulars including quantitative details and location of fixed assets have not yet been compiled.
(b) We are informed that the physical verification of fixed assets was carried out by the management during the year and no material discrepancies were noticed by the management on such verification.
(c) In our opinion, the Company has not disposed off the substantial part of fixed assets during the year, which would affect the going concern status of the Company.
2. (a) As explained to us, inventories were physically verified during the year by the management at reasonable intervals.
(b) In our opinion and according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management were reasonable and adequate in relation to the size of the Company and the nature of its business.
(c) In our opinion and according to the information and explanation given to us, the Company has maintained proper records of its inventories and no material discrepancies were noticed on physical verification.
3. (a) According to the information and explanation given to us, the Company had granted loan to a company covered in the Register maintained under Section 301 of the Companies Act, 1956. The balance outstanding at year end is NIL. The maximum amount outstanding was Rs. 22.60 lacs.
(b) In our opinion and according to the information and explanation given to us, the above said loan given was free of interest and to that extent the same may be regarded as prima facie prejudicial to the interest of the Company.
(c) In our opinion and according to the information and explanation given to us, the above said loan given was receivable on demand.
(d) As there being no loans outstanding at the year end, the Clause 4(iii)(d) of the Order is not applicable.
(e) The Company has not taken any loan, secured or unsecured from any parties listed in the register maintained under Section 301 of the Companies Act, 1956. Therefore, the requirements of Clause 4(iii) (f) and (g) of the Order are not applicable.
4. In our opinion and according to the information and explanations given to us, there is an adequate internal control system commensurate with the size of the Company and the nature of its business for the purchase of inventory and fixed assets and sale of goods.
5. (a) To the best of our knowledge and belief and according to the information and explanations given to us, the transactions that need to be entered into the register in pursuance of Section 301 of the Act have been so entered.
(b) According to the information and explanations given to us, where such transactions, are in excess of Rs. 5 lacs in respect of each party, the transactions have been made at prices which are prima facie reasonable having regard to the prevailing market prices at the relevant time or the prices at which similar transactions have been made with other parties or as available with the Company.
6. In our opinion and according to the information and explanations given to us, the Company has not accepted any deposits from the public as defined under Sections 58A and 58AA or any other relevant provisions of the Companies Act, 1956 and the rules framed there under.
7. In our opinion the Company has an adequate internal audit system commensurate with the size and nature of its business.
8. The Central Government has not prescribed the maintenance of cost records under Section 209 (1) (d) of the Companies Act, 1956 in respect of any of the products manufactured by the Company.
9. (a) According to the records of the Company, the Company, except for Income Tax, is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees State Insurance, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, Cess and any other statutory dues applicable to it with the appropriate authorities. According to the information and explanations given to us, except for Income Tax dues of Rs. 1.61 lacs, there are no undisputed amounts payables in respect of aforesaid dues which were outstanding as at 31st March, 2013 for a period of more than six months from the date they became payable.

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(b) According to the information and explanations given to us, following are the disputed statutory dues that have not been deposited on account of matters pending before appropriate authorities:

NAME OF THE STATUTORY DUES	FORUM WHERE DISPUTE IS PENDING	UNPAID AMOUNT RS. IN LACS
Income Tax	Comm. of I. Tax(Appeals)	260.40
Excise Duty	CESTAT	2.83

10. The accumulated losses of the Company at the end of the financial year exceeded fifty percent of its net worth and the Company has incurred cash losses during the current year and in the immediately preceding financial year.
11. According to the information and explanations given to us and as per the audit in accordance with generally accepted auditing practices, in our opinion the Company has not defaulted in repayment of its dues to a financial institution or bank or debenture holders.
12. According to the information and explanations given to us and based on the documents and records produced before us, the Company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. In our opinion and according to information and explanations given to us, the Company is not a chit fund or nidhi/mutual benefit fund or society. Therefore clause 4(xiii) of the Order is not applicable to the Company.
14. In our opinion and according to information and explanations given to us, the Company is not dealing in shares, securities, debentures and other investments and therefore clause (xiv) of the Order is not applicable to the Company.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. To the best of our knowledge and belief, and according to the information and explanations given to us, term loan availed by the Company was prima facie, applied by the Company during the year for the purpose for which the loan was obtained.
17. According to the Cash Flow Statement and other records examined and the information and explanation given to us, on overall basis, funds raised on short term basis have prima facie, not been used during the year for long term investment.
18. During the year, the Company has not made any preferential allotment of shares to parties covered in the register maintained under Section 301 of the Act.
19. During the year, the Company has neither issued any debentures nor does it have any outstanding secured debentures.
20. During the year, the Company has not raised money through public issue.
21. To the best of our knowledge and belief and according to the information and explanations given to us, no fraud on or by the Company was noticed or reported during the year.

For Mehta Chokshi & Shah
Chartered Accountants

R.T.Mehta
Partner
M.No:5445

Firm Registration No: 106201W

Mumbai.
Dated: 30th May, 2013



MILTON PLASTICS LIMITED

BALANCE SHEET AS AT 31st MARCH, 2013

	NOTE NO.	AS AT 31ST MARCH, 2013		AS AT 31ST MARCH, 2012	
		Rupees	Rupees	Rupees	Rupees
I. EQUITY AND LIABILITIES					
1					
<u>Shareholder's Funds</u>					
(a) Share Capital	1	124,985,500		124,985,500	
(b) Reserves and Surplus	2	<u>(1,953,936,173)</u>		<u>(2,356,585,836)</u>	
			(1,828,950,673)		(2,231,600,336)
2					
<u>Non-Current Liabilities</u>					
(a) Long-Term Borrowings	3	1,319,531,980		1,186,745,154	
(b) Long-Term Provisions	4	<u>20,746,009</u>		<u>21,057,169</u>	
			1,340,277,989		1,207,802,323
3					
<u>Current Liabilities</u>					
(a) Short-Term Borrowings	5	823,103,776		831,932,538	
(b) Trade Payables		61,926,173		62,581,480	
(c) Other Current Liabilities	6	154,871,104		813,137,750	
(d) Short-Term Provisions	7	<u>712,024</u>		<u>936,475</u>	
			1,040,613,077		1,708,588,243
			<u>551,940,393</u>		<u>684,790,230</u>
TOTAL :-					
			<u>551,940,393</u>		<u>684,790,230</u>
II. ASSETS					
1					
<u>Non-Current Assets</u>					
(a) Fixed Assets					
(i) Tangible Assets	8	45,769,313		44,053,703	
(b) Non-Current Investments	9	14,532,000		14,532,000	
(c) Long-Term Loans and Advances	10	<u>199,273,513</u>		<u>301,998,696</u>	
			259,574,826		360,584,399
2					
<u>Current Assets</u>					
(a) Inventories	11	67,905,740		72,952,244	
(b) Trade Receivables	12	39,587,791		66,591,567	
(c) Cash and Cash Equivalents	13	4,619,197		3,057,065	
(d) Short-Term Loans and Advances	14	177,037,645		179,775,535	
(e) Other Current Assets	15	<u>3,215,194</u>		<u>1,829,420</u>	
			292,365,567		324,205,831
			<u>551,940,393</u>		<u>684,790,230</u>
TOTAL :-			<u>551,940,393</u>		<u>684,790,230</u>

Significant Accounting Policies
Notes form an integral part of Financial Statements 1-37

As per our attached report of even date
For MEHTA CHOKSHI & SHAH
Chartered Accountants

R.T. MEHTA
PARTNER
M. No. 5445
FRN No. 106201W

SHRI B. I. VAGHANI - Chairman
SHRI M. B. VAGHANI - Director

30th May, 2013, Mumbai

30th May, 2013, Mumbai

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STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31st MARCH, 2013

	NOTE NO.	FOR THE YEAR ENDED 31ST MARCH, 2013		FOR THE YEAR ENDED 31ST MARCH, 2012	
		Rupees	Rupees	Rupees	Rupees
INCOME					
Revenue From Operations	16		386,351,597		387,431,501
Other Income	17		234,809		1,177,087
Total Revenue			386,586,406		388,608,588
EXPENDITURE					
Cost of Materials Consumed	18		305,394,506		313,108,487
Purchases of Stock-in-Trade			6,803,333		5,845,670
Changes in Inventories of F.G., S.F.G. and Stock-in-Trade	19		(2,004,283)		(5,334,026)
Employees Benefit Expenses	20		16,614,870		15,950,459
Finance Costs	21		3,510,736		109,816,122
Depreciation & Amortization Expenses			3,148,068		3,868,087
Other Expenses	22		72,290,062		90,610,931
Total Expenses			405,757,292		533,865,730
Profit / (Loss) Before Extraordinary Items and Tax			(19,170,886)		(145,257,142)
Extraordinary Items (Refer Note No. 26.)			421,820,549		197,337,589
Profit Before Tax			402,649,663		52,080,447
Tax Expenses			-		-
Current Tax			-		-
Deferred Tax			-		-
Profit for the year			402,649,663		52,080,447
Earnings per Equity Share (Face Value of Rs. 10/-each) Basic and Diluted			32.22		4.17

Significant Accounting Policies
Notes form an integral part of Financial Statements 1-37

As per our attached report of even date
For **MEHTA CHOKSHI & SHAH**
Chartered Accountants

R.T. MEHTA
PARTNER
M. No. 5445
FRN No. 106201W

SHRI B. I. VAGHANI - Chairman
SHRI M. B. VAGHANI - Director

30th May, 2013, Mumbai



MILTON PLASTICS LIMITED

Notes on Financial Statements for the Year ended 31st March, 2013

	AS AT 31ST MARCH, 2013		AS AT 31ST MARCH, 2012	
	Rupees	Rupees	Rupees	Rupees
NOTE NO. 1 :				
SHARE CAPITAL :				
Authorised :				
2,50,00,000 Equity Share of Rs.10/-each		250,000,000		250,000,000
Issued, Subscribed and Paid Up				
12,497,100 (Previous year 12,497,100)				
Equity Shares of Rs.10/- each fully Paid up		124,971,000		124,971,000
Add: 2900 Equity Shares of Rs.10/- each Forfeited		14,500		14,500
(Amount Paid Up Rs.5/- per share)				
TOTAL :-		124,985,500		124,985,500
All of the above shares carry equal voting rights and there are no restrictions / preferences attached to any of the above shares.				
NOTE NO. 1.1 :				
Reconciliation of the number of shares outstanding				
As per Last Balance Sheet		No. of Shares		No. of Shares
Closing Balance		12,497,100		12,497,100
		12,497,100		12,497,100
NOTE NO. 1.2 :				
Name of Shareholders holding more than 5% shares				
	No. of Shares	%	No. of Shares	%
1 MADHUP BANSILAL VAGHANI	756,985	6.06	756,985	6.06
2 CHIRANJIV ISHWARLAL VAGHANI	1,066,184	8.53	1,067,285	8.54
3 DINESH ISHWARLAL VAGHANI	864,425	6.92	864,425	6.92
4 SWEET SOLUTIONS LIMITED	3,250,000	26.01	3,250,000	26.01
5 STRESSED ASSETS STABILIZATION FUND	1,500,000	12.00	1,500,000	12.00
	7,437,594	59.52	7,438,695	59.53
NOTE NO. 2 :				
RESERVE AND SURPLUS :				
Securities Premium Reserve		266,044,545		266,044,545
Less: Premium on Forfeited Shares		130,500		130,500
Closing Balance		265,914,045		265,914,045
General Reserve				
As per Last Balance Sheet		6,940,863		6,940,863
Closing Balance		6,940,863		6,940,863
Profit and Loss Account				
As per Last Balance Sheet				
Add : Profit for the year		(2,640,219,744)		(2,692,300,191)
Closing Balance		402,649,663		52,080,447
		(2,237,570,081)		(2,640,219,744)
IDBI OTF Grant for ODS Phase Out				
As per Last Balance Sheet		10,779,000		10,779,000
Closing Balance		10,779,000		10,779,000

The Company had during FY-1996-97 imported polyurethane dispensing unit, compatible of processing ozone friendly forming agent, valuing at Rs.1,07,79,000/- under the OTF conditional grant of World Bank through their co-ordinating agency viz. IDBI. The World Bank has conveyed/taken on record that the project has been physically and financially completed. IDBI has released the charged created pursuant to the deed of hypothecation dated April 30, 1996.

TOTAL :-

(1,953,936,173)

(2,356,585,836)

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Notes on Financial Statements for the Year ended 31st March, 2013

	AS AT 31ST MARCH, 2013 Rupees	AS AT 31ST MARCH, 2012 Rupees
NOTE NO. 3 :		
<u>LONG - TERM BORROWINGS :</u>		
<u>SECURED :</u>		
Term Loan From Bank (Refer Note No.1 of 28)	8,344,000	16,688,000
Funded Interest Term Loan in respect of the interest on OD & WCTL for the period from 1.10.2000 to 31.3.2002 as per the restructuring scheme, repayable in the 11th, 12th & 13th year (i.e March 2013, 2014 & 2015 @ Rs.83,44,000/- per year)		
Funded Interest Term Loan from Banks are secured by hypothecation of stocks of raw material, semi-finished goods, finished goods, book debts and personal guarantee of some of the Directors and also the second charge over the Fixed Assets of the Company.		
	1,080,057,154	1,170,057,154
Term Loan From Other (Refer Note No.3 of 28)		
Repayment of outstanding dues from sixty days after the expiry of five years from the date of sanction of Draft Rehabilitation Scheme (DRS) and shall be made not later than six years from date of the agreement dated 8th September, 2011.		
Term Loan from other are secured by hypothecation of stocks of raw material, semi-finished goods, finished goods, book debts and personal guarantee of some of the Directors and also the second charge over the Fixed Assets of the Company.		
	20,000,000	
<u>UNSECURED :</u>		
Debentures (Refer Note No.4 of 28)		
2,00,000 - 17% Redeemable Non Convertible Debentures of Rs. 100/- each fully paid-up.		
	211,130,826	
Int. Accrued & due on Debentures		1,186,745,154
TOTAL :-	1,319,531,980	1,186,745,154
NOTE NO. 4 :		
<u>LONG - TERM PROVISIONS :</u>		
Provision For Excise Duty	20,725,518	20,725,518
Provision For Employees Benefits:		331,651
Provision For Gratuity (Refer Note No. 29)	20,491	
TOTAL :-	20,746,009	21,057,169
NOTE NO. 5 :		
<u>SHORT - TERM BORROWINGS :</u>		
<u>SECURED :</u>		
From Banks (Refer Note No. 1 and 2 of 28)		831,932,538
1 Cash Credits and Overdrafts availed from Banks are secured by hypothecation of stocks of raw material, semi-finished goods, finished goods, book debts and personal guarantee of some of the Directors and also the second charge over the Fixed Assets of the Company.	823,103,776	
2 Cash Credit and Overdraft facility availed from Standard Chartered Bank, a member of the consortium of bankers, was restructured in the year 2002 by converting the limits in to Overdraft, Working Capital Term Loan and Funded Interest Term Loan. The Working Capital Term Loan has already been repaid. These restructured limits are secured by hypothecation of stocks of raw materials, semi-finished goods, finished goods, book debts, the second charge over the Fixed Assets of the Company and pledge of the shareholding of the promoters.		
TOTAL :-	823,103,776	831,932,538



MILTON PLASTICS LIMITED

Notes on Financial Statements for the Year ended 31st March, 2013

	AS AT 31ST MARCH, 2013		AS AT 31ST MARCH, 2012	
	Rupees	Rupees	Rupees	Rupees
NOTE NO. 6 :				
OTHER CURRENT LIABILITIES :				
Current Maturity of Long Term Debts				
(i) Secured Term Loan From Bank (Refer Note No.1 of 28)		12,053,000		8,344,000
(ii) Secured Corporate Loan From Others		-		421,820,549
(iii) Unsecured Debentures 2,00,000 - 17% Redeemable Non Convertible Debentures of Rs. 100/- each fully paid-up.		-		20,000,000
Int. Accrued & due on Debentures		-		222,468,144
Other Payables		142,818,104		140,505,057
TOTAL :-		154,871,104		813,137,750
NOTE NO. 7 :				
SHORT - TERM PROVISIONS :				
Provision For Leave Encashment (Refer Note No. 29)		712,024		936,475
TOTAL :-		712,024		936,475
NOTE NO. 9 :				
NON-CURRENT INVESTMENTS :				
OTHER INVESTMENTS :				
In Equity Shares - Quoted Fully Paid Up	No. of Shares		No. of Shares	
Dena Bank of Rs. 10/- each @ 30/- (Market Value Rs.438,060/-) (a)	4,900	147,000	4,900	147,000
	<u>4,900</u>	<u>147,000</u>	<u>4,900</u>	<u>147,000</u>
In Equity Shares - Unquoted Fully Paid Up				
Rising Star Plastics P. Ltd. of Rs. 100/- each	5,000	500,000	5,000	500,000
Milton Global Ltd. of Rs. 10/- each @ Rs. 20/- each	1,500,000	30,000,000	1,500,000	30,000,000
	<u>1,505,000</u>	<u>30,500,000</u>	<u>1,505,000</u>	<u>30,500,000</u>
Less: Provision for Diminution in Investments		16,115,000		16,115,000
(b)	<u>1,505,000</u>	<u>14,385,000</u>	<u>1,505,000</u>	<u>14,385,000</u>
In Preference Shares - Unquoted				
Indowind Energy Ltd. 12% Non-Covertible Cumulative of Rs.100 Lakh each	1	10,000,000	1	10,000,000
	<u>1</u>	<u>10,000,000</u>	<u>1</u>	<u>10,000,000</u>
Less: Provision for Diminution in Investments		10,000,000		10,000,000
(c)	<u>1</u>	<u>-</u>	<u>1</u>	<u>-</u>
TOTAL :- (d) =(a+b+c)	<u>1,509,901</u>	<u>14,532,000</u>	<u>1,509,901</u>	<u>14,532,000</u>
NOTE NO. 10 :				
LONG - TERM LOANS AND ADVANCES :				
DEPOSITS :				
Unsecured, considered good				
With Local Bodies		1,301,401		1,900,584
With Others		98,112		98,112
With Related Parties (Refer Note No. 31(b))		197,874,000		300,000,000
TOTAL :-		199,273,513		301,998,696

(AMT. IN RUPEES)

NOTE NO. 8 : FIXED ASSETS AS AT 31ST MARCH, 2013

SR. NO.	GROSS BLOCK			DEPRECIATION			NET BLOCK			
	AS AT 01.04.2012	Additions	Deletions/ Adjustments	AS AT 31.03.2013	UPTO 01.04.2012	Accumulated Depreciation On Deletions/ Adjustments	Depreciation for the year	UPTO 31.03.2013	AS AT 31.03.2013	AS AT 31.03.2012
TANGIBLE ASSETS :										
OWN ASSETS :										
1	797,559	-	-	797,559	-	-	-	-	797,559	797,559
2	29,295,338	-	-	29,295,338	16,860,788	-	978,463	17,839,251	11,456,087	12,434,550
3	181,147,324	2,160,160	-	183,307,484	174,237,785	-	583,579	174,821,364	8,486,120	6,909,539
4	165,945,091	1,623,440	-	167,568,531	154,359,786	-	595,213	154,954,999	12,613,532	11,585,305
5	14,053,016	51,004	-	14,104,020	11,568,190	-	276,309	11,844,499	2,259,521	2,484,826
6	9,635,851	3,034	-	9,638,885	9,076,108	-	69,538	9,145,646	493,239	559,743
7	6,746,424	-	-	6,746,424	6,409,105	-	-	6,409,105	337,319	337,319
8	8,680,954	126,490	-	8,807,444	6,561,138	-	287,770	6,848,908	1,958,536	2,119,816
9	19,157,626	899,550	-	20,057,176	17,892,073	-	151,794	18,043,867	2,013,309	1,265,553
10	15,066,981	-	-	15,066,981	14,047,189	-	36,066	14,083,255	983,726	1,019,792
11	1,910,444	-	-	1,910,444	1,005,752	-	90,746	1,096,498	813,946	904,692
12	4,821,475	-	-	4,821,475	1,186,466	-	78,590	1,265,056	3,556,419	3,635,009
TOTAL	457,258,083	4,863,678	-	462,121,761	413,204,380	-	3,148,068	416,352,448	45,769,313	44,053,703
PREVIOUS YEAR	490,857,022	1,635,756	35,234,695	457,258,083	422,273,190	12,936,897	3,868,087	413,204,380	44,053,703	68,583,832



MILTON PLASTICS LIMITED

Notes on Financial Statements for the Year ended 31st March, 2013

	AS AT 31ST MARCH, 2013		AS AT 31ST MARCH, 2012	
	Rupees	Rupees	Rupees	Rupees
NOTE NO. 11 :				
INVENTORIES :				
(As taken, valued and certified by the Management)				
Raw Materials				
Raw Materials in Transit		47,234,708		49,161,189
Finished Goods		839,376		5,975,964
Semi Finished Goods		14,247,259		10,292,311
Packing Materials		3,577,427		5,528,092
		2,006,970		1,994,688
TOTAL :-		67,905,740		72,952,244
NOTE NO. 12 :				
TRADE RECEIVABLES :				
(Unsecured, Considered Good)				
Exceeding six months				
Others		6,975,177		24,442,868
		35,939,614		56,278,699
Less: Provision for Doubtful Debts		42,914,791		80,721,567
		3,327,000		14,130,000
TOTAL :-		39,587,791		66,591,567
NOTE NO. 13 :				
CASH AND CASH EQUIVALENTS :				
Cash on Hand				
Bank Balances		97,381		71,179
Fixed Deposit With Banks		2,155,509		632,518
Fixed Deposit With Banks Include deposits of Rs. 3,52,441/- (Previous Year Rs.3,11,845/-) with Maturity of more than 12 months		2,366,307		2,353,368
TOTAL :-		4,619,197		3,057,065
NOTE NO. 14 :				
SHORT-TERM LOANS AND ADVANCES :				
LOANS :				
(Unsecured, Considered Good)				
Loans To Staff				
		380,000		394,700
ADVANCES :				
(Unsecured, Considered Good)				
Advances to Others				
		176,657,645		179,380,835
TOTAL :-		177,037,645		179,775,535
NOTE NO. 15 :				
OTHER CURRENT ASSETS :				
Deposits with Central Excise Authorities				
Advance Payment of Income-tax		2,812,601		1,445,909
		402,593		383,511
TOTAL :-		3,215,194		1,829,420

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Notes on Financial Statements for the Year ended 31st March, 2013

	FOR THE YEAR ENDED, 31ST MARCH, 2013		FOR THE YEAR ENDED, 31ST MARCH, 2012	
	Rupees	Rupees	Rupees	Rupees
NOTE NO. 16 :				
REVENUE FROM OPERATIONS :				
Sale of Products		479,504,897		465,841,767
Less : Excise Duty		93,153,300		78,410,266
TOTAL :-		<u>386,351,597</u>		<u>387,431,501</u>
NOTE NO. 16.1 :				
PARTICULARS OF SALE OF PRODUCTS :				
Thermoware Items		462,687,359		445,262,667
Household Items		2,085,699		7,037,516
Polymers		6,876,979		5,899,438
Others		7,854,860		7,642,146
TOTAL :-		<u>479,504,897</u>		<u>465,841,767</u>
NOTE NO. 17 :				
OTHER INCOME :				
Interest Income		212,909		210,202
Dividend Received		21,900		660
Miscellaneous Income		-		966,225
TOTAL :-		<u>234,809</u>		<u>1,177,087</u>
NOTE NO. 18 :				
COST OF MATERIALS CONSUMED :				
	Rupees	%	Rupees	%
Imported	305,394,506	100	313,108,487	100
Indigenous	-	-	-	-
TOTAL :-	<u>305,394,506</u>	<u>100</u>	<u>313,108,487</u>	<u>100</u>
PARTICULARS OF MATERIALS CONSUMED				
(Indigenous):				
Polymers		102,578,363		104,730,384
Insulation Materials		20,235,318		19,885,359
Master Batch		3,152,735		2,000,827
Colours		545,430		1,537,574
Steel		86,128,859		87,671,682
Refills		29,446,986		34,319,926
Foils		6,184,514		6,223,354
Packing Materials		39,343,575		44,525,480
Other B O P		17,778,726		12,213,901
TOTAL :-		<u>305,394,506</u>		<u>313,108,487</u>
NOTE NO. 19 :				
INCREASE/(DECREASE) IN STOCKS OF FINISHED GOODS AND SEMI-FINISHED GOODS :				
Closing Stock :				
Finished Goods	14,247,259		10,292,311	
Semi-Finished Goods	3,577,427		5,528,092	
		17,824,686		15,820,403
Less : Opening Stock :				
Finished Goods	10,292,311		7,504,872	
Semi-finished Goods	5,528,092		2,981,505	
		15,820,403		10,486,377
TOTAL :-		<u>2,004,283</u>		<u>5,334,026</u>
NOTE NO. 20 :				
EMPLOYEES BENEFIT EXPENSES :				
Salaries, Wages and Bonus		15,747,056		15,049,874
Contribution to Provident And Other Funds		431,257		418,417
Staff Welfare Expenses		436,557		482,168
TOTAL :-		<u>16,614,870</u>		<u>15,950,459</u>



MILTON PLASTICS LIMITED

Notes on Financial Statements for the Year ended 31st March, 2013

	FOR THE YEAR ENDED, 31ST MARCH, 2013		FOR THE YEAR ENDED, 31ST MARCH, 2012	
	Rupees	Rupees	Rupees	Rupees
NOTE NO. 21 :				
FINANCE COSTS :				
Interest Expenses		3,507,771		109,793,955
Bank Charges		2,965		22,167
TOTAL :-		3,510,736		109,816,122
NOTE NO. 22 :				
OTHER EXPENSES :				
MANUFACTURING EXPENSES :				
Stores and Tools Consumed	31,693		12,064	
Labour & Moulding Charges	39,685,337		39,353,388	
Power & Fuel	1,247,972		1,829,100	
Rates & Taxes	39,716		98,567	
Repairs & Maintenance - Factory Building	351,328		337,113	
Repairs & Maintenance - Machinery	675,239		607,166	
Repairs & Maintenance - Others	1,475,146		1,621,825	
Security Charges	991,136		1,003,295	
		44,497,567		44,862,518
SELLING & DISTRIBUTION EXPENSES :				
Freight and Transport Charges	7,561,363		6,334,494	
Commission and Discount	1,375,184		1,414,209	
Advertisement and Sales Promotion Expenses	62,155		34,553	
		8,998,702		7,783,256
OFFICE & ADMINISTRATIVE EXPENSES :				
Insurance	256,794		229,319	
Postage, Telegram and Telephones	515,812		552,144	
Travelling and Conveyance	1,034,639		1,019,751	
Consultancy, Professional, Legal and Other Charges	1,178,705		1,542,156	
Payment to Auditors	183,555		157,000	
Rent	3,486,867		2,793,182	
Provision for Diminution in Investments	-		26,115,000	
Bad Debts	9,426,928		399,194	
Miscellaneous Expenses	2,710,493		5,157,411	
		18,793,793		37,965,157
TOTAL :-		72,290,062		90,610,931
VALUE OF STORES AND TOOLS CONSUMED :				
	Rupees	%	Rupees	%
Imported	-	-	-	-
Indigenous	31,693	100	12,064	100
TOTAL :-	31,693	100	12,064	100
PAYMENT TO AUDITORS :				
For Statutory Audit		90,000		90,000
For Tax Audit		20,000		20,000
For Income Tax		25,000		25,000
For Certification		25,000		22,000
For Out of Pocket Exps		23,555		-
TOTAL :-		183,555		157,000
EXPENDITURE IN FOREIGN CURRENCY :				
Travelling Expenses		165,639		261,894
TOTAL :-		165,639		261,894

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SIGNIFICANT ACCOUNTING POLICIES OF BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS ACCOUNT

1. GENERAL:

Unless otherwise stated hereunder the financial accounts have been drawn up on Historical Cost Convention generally following accrual basis of accounting.

2. REVENUE RECOGNITION:

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

Sale of Products:

Revenue is recognized when the significant risks and rewards of ownership of the goods have passed to the buyer. Sales are disclosed net of sales tax/VAT, discounts and returns, as applicable.

3. FIXED ASSETS:

Tangible

Fixed Assets are recorded at cost of acquisition/construction, which comprises of purchase consideration and other directly attributable cost of bringing an assets to its working condition for the intended use.

4. DEPRECIATION:

Depreciation on Fixed Assets has been provided on Straight Line Method in accordance with the rates prescribed in Schedule XIV of the Companies Act, 1956 as amended by the Notification GSR 756 (E) dated 16.12.93 issued by the department of Company Affairs.

5. INVESTMENTS:

Long Term Investments are stated at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.

6. INVENTORIES:

Inventories are valued on the basis given below:

- (a) Raw Material - At lower of cost and net realizable value. Cost is determined on FIFO basis.
- (b) Semi Finished Goods - At lower of cost and net realizable value. Cost includes Raw Materials and Conversion Cost, except those purchased directly which are valued at cost.
- (c) Finished Goods - At lower of cost and net realizable value. Cost is determined using the absorption costing principles.
- (d) Packing Materials - At lower of cost and net realizable value. Cost is determined on weighted average basis.

7. EMPLOYEE BENEFIT SCHEMES:

- (a) Provident Fund- Eligible employees of the Company receive benefits under the Provident Fund which is a defined contribution plan, where both the employee and the Company make monthly contributions equal to specified percentage of the covered employee's salary. These contributions are made to the funds administered and managed by the Government. The Company's monthly contributions are charged to revenue in the period they are incurred.
- (b) Gratuity - In accordance with the Payment of Gratuity Act 1972, the Company provides for gratuity a defined retirement benefit plan ("the Gratuity Plan") covering eligible employees. Liabilities with regards to such Gratuity Plan are determined by actuarial valuation and the excess of actuarial valuation over the fund available as corpus under Company's LIC Group Gratuity Policy is provided and charged to revenue in the period along with the contribution made to the said policy.
- (c) Provision for unutilized Leave- The accrual for unutilized leave is determined for the entire available leave balance standing to the credit of the employees at the year end and charged to the revenue in the period.

8. FOREIGN CURRENCY TRANSACTIONS:

Transactions in Foreign Currency are accounted at the exchange rate prevailing on the date of the transaction. Year end balances of the foreign currency transactions are translated at the year end rate and the corresponding effect is given in the respective account.

9. EXCISE DUTY:

- (a) Excise duty is charged to Statement of Profit and Loss in the year of clearance of goods.
- (b) CENVAT credits on materials purchased for production are taken into account at the time of purchase and cenvat credits on purchase of capital items wherever applicable are taken into account as and when the assets are installed to the credit of respective purchase and asset accounts. The Cenvat credits so taken are utilised for payment of excise duty on goods manufactured. The unutilised Cenvat credit is carried forward in the books.



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10. EARNING PER SHARE:

In determining earnings per share, the Company considers the net profit/(loss) after tax for the year attributable to equity shareholders. The number of shares used in computing basic earnings per share is the weighted average number of shares outstanding during the year. The number of shares used in computing diluted earnings per share comprises the weighted average shares considered for deriving basic earnings per share, and also the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares.

NOTES TO BALANCE SHEET AND STATEMENT OF PROFIT AND LOSS :

23. Estimated amount of contracts remaining to be executed on capital account and not provided Rs. Nil. (Previous year Rs.Nil)

24. Contingent Liability In respect of:

	AS AT 31ST MARCH,2013 RUPEES IN LACS	AS AT 31ST MARCH,2012 RUPEES IN LACS
(a) Guarantee issued by Banks in favour of various Central & State Government Department and Local Bodies.	25.16	25.16
(b) Demands under Excise Act, disputed in appeal.	2.83	NIL
(c) Demands under Income Tax Act, disputed in appeal.	260.40	89.96

The demands at (b) and (c) above are payable with interest in case upheld against the Company.

The Company is contingently liable for excise duty of Rs.4,59,93,252/-, which demands were set aside by Central Excise and Service Tax Appellate Tribunal and appeals in respect whereof filed by Excise Department are pending before jurisdictional High Courts.

25. The Company's writ petitions before the High Court of Bombay disputing the Customs duty liability and applicable rate of customs duty on imported raw materials (for own consumption as well as sale on high seas basis) is pending disposal. Against this disputed liability the Company has furnished to the Customs Authority bank guarantee totaling Rs.19,57,376/- (previous year Rs.19,57,376/-). In respect of imported raw material sold on high seas basis there are advance recoveries made by the Company of Rs.10,33,628/- (Previous Year Rs.10,33,628/-) from the constituents towards the likely custom duty liability.

26. Extraordinary Items :

Extraordinary Items consists of following :

Waiver of Principal-Interest on OTS with IFCIL Rs. 421,820,549/-

During F.Y. 2009-10, the Company had entered into One Time Settlement (OTS) with IFCIL. In terms thereof the OTS amount of Rs.290 Lacs as full and final settlement of total outstanding dues towards Corporate Loan and outstanding interest was payable in instalments upto December, 2011. The Company had accordingly fully repaid the amount during F.Y.2011-12. However, IFCIL has acknowledged the same by issuing no dues certificate in the current year. In terms of the OTS, the Company has given effect of the waiver allowed by IFCIL in the accounts on obtaining the no dues certificate and the write back on such waiver is accounted as income from Extra Ordinary item which amounts to Rs.421,820,549/-.

27. Registration of the Company with Board for Industrial and Financial Reconstruction(BIFR):

The Company was declared a sick industrial undertaking in terms of Section 3(1)(0) of the Sick Industrial Companies (Special Provisions) Act, 1985.

The Company has submitted a Draft Rehabilitation Scheme to Hon'ble BIFR through its Operating Agency IFCI Ltd. on 22nd Feb, 2013.

The Company continues its manufacturing operations, and the accounts are prepared on going concern basis.

28. Borrowings from Banks and Term Lenders:

1. Restructuring by Standard Chartered Bank (SCB):

The Company's proposal for restructuring of borrowings was approved by SCB (member of consortium of lenders) in 2002. The liability of SCB in accordance with the aforesaid sanction was recognized in books of account of the Company. The Company is amortizing borrowings in accordance with restructuring scheme as sanctioned by SCB.

2. Recall of working capital facilities by Dena Bank (DB):

The Company has completed payment of one time settlement amount to Dena Bank. The Company will give effect to the settlement on completion of consequential formalities by Dena Bank and release of charge over assets of the Company held by Dena Bank.

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3. Assignment of Debts by Central Bank of India (CBI) to Itz Online Payments Limited (IOPL):

IOPL acting as Strategic Investor in the revival and rehabilitation plan of the Company, settled and took over debt held by CBI. Accordingly, borrowings of the Company from CBI is now stated towards IOPL.

4. Transfer of Non-Convertible Debentures by The Federal Bank Limited (FBL) to Itz Online Payments Limited (IOPL):

IOPL, the Strategic Investor investing in the revival and rehabilitation plan of the Company, purchased from FBL the non-convertible debentures held by FBL.

The amount in terms of debentures is now owed by the Company to IOPL. The Company is taking steps to amend terms of Debentures to enable their transferability in favour of IOPL.

29. As per Accounting Standard 15 "Employee benefits", the disclosures as defined in the Accounting Standard are given below:

Defined Contribution Plans

Contribution to Defined Contribution Plans, recognised as expense for the year is as under:

Particulars	2012-13	2011-12
Employer's Contribution to Provident Fund	189,145	166,072
Employer's Contribution to Pension Fund	182,961	181,770

Defined Benefit Plan

The employee's gratuity fund scheme managed by a Trust (Life Insurance Corporation of India for part of the organization) is a defined benefit plan. The present value of obligation is determined based on actuarial valuation using the Projected Unit Credit Method, which recognises each period of service as giving rise to additional unit of employee benefit entitlement and measures each unit separately to build up the final obligation. The obligation for leave encashment is recognised in the same manner as gratuity.

I) Reconciliation of opening and closing balances of Defined Benefit Obligation

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2012-13	2011-12	2012-13	2011-12
Defined Benefit Obligation at beginning of year	1,260,503	885,058	936,475	715,806
Current Service Cost	250,709	239,499	378,925	300,353
Interest Cost	96,245	70,805	-	-
Actuarial (gain)/loss	(528,157)	65,141	-	-
Benefits Paid	(114,894)	-	603,376	79,684
Defined Benefit Obligation at year end	964,406	1,260,503	712,024	936,475

II) Reconciliation of opening and closing balances of Fair value of Plan Assets

	Gratuity (Funded)	
	2012-13	2011-12
Fair Value of Plan Assets at beginning of year	953,372	874,653
Expected Return on Plan Assets	72,600	70,000
Actuarial gain/(loss)	9,501	8,719
Employer contribution	23,336	-
Benefits Paid	(114,894)	-
Fair Value of Plan Assets at year end	943,915	953,372
Actual Return on Plan Assets	(9,457)	78,719



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III) Reconciliation of Fair value of Assets and obligations

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	As at 31st March		As at 31st March	
	2013	2012	2013	2012
Fair Value of Plan Assets	943,915	953,372	-	-
Present value of obligation	964,406	1,260,503	712,024	936,475
Amount recognised in Balance Sheet	(20,491)	(307,131)	712,024	936,475

IV) Expenses recognised during the year

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2012-13	2011-12	2012-13	2011-12
Current Service Cost	250,709	239,499	378,925	300,353
Interest Cost	96,245	70,805	-	-
Expected Return on Plan Assets	(72,600)	(70,000)	-	-
Actuarial gain/(loss)	(537,658)	56,422	-	-
Net Cost	(263,304)	296,726	378,925	300,353

V) Investment Details

	% Invested	
	As at 31st March, 2013	As at 31st March, 2012
GOI securities	-	-
Public Securities	-	-
State Government Securities	-	-
Insurance Policies	97.88	75.63
Other (including bank balances)	2.12	24.37
	<u>100.00</u>	<u>100.00</u>

VI) Actuarial assumptions

	Gratuity (Funded)		Leave Encashment (Unfunded)	
	2012-13 1994-96 (Ultimate)	2011-12 1994-96 (Ultimate)	2012-13 1994-96 (Ultimate)	2011-12 1994-96 (Ultimate)
Mortality Table (LIC)				
Discount Rate (per annum)	0.08	0.08	0.08	0.08
Expected Rate of return on plan assets (per annum)	0.08	0.08	-	-
Rate of escalation in salary (per annum)	0.04	0.04	0.04	0.04

The estimates of rate of escalation in salary considered in actuarial valuation, take into account inflation, seniority, promotion and other relevant factors including supply and demand in the employment market. The above information is certified by the actuary.

The expected rate of return on plan assets is determined considering several applicable factors, mainly the composition of plan assets held, assessed risks, historical results of return on plan assets and the Company's policy for plan assets management.

30. The entire operation of the Company relates to only one segment viz. Thermoware Products. Hence as per AS(17) issued by ICAI, there is only one reportable segment.

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31. RELATED PARTY DISCLOSURE AS PER (AS-18) ISSUED BY ICAI:-

(a) List of Related Parties with whom transactions have taken place and Relationships:

Sr. No.	Name of the Related Party	Relationship
1.	Shri Chiranjiv I. Vaghani	Key Management Personnel
2.	Shri Madhup B. Vaghani	--- do ---
3.	Shri Dinesh I. Vaghani	Relatives of Directors.
4.	Shri Nilesh I. Vaghani	--- do ---

(b) Transactions during the year with Related Parties:

Nature of Transaction	Key Management Personnel	Relatives of Directors	Total
Loans, Advances & Deposits			
Balance as on 1st April, 2012	120,453,000	179,547,000	300,000,000
Given during the year	—	—	—
Returned during the year	—	102,126,000	102,126,000
Balance as on 31st March, 2013	120,453,000	77,421,000	197,874,000

32. The Company has not yet identified the total amount due to micro, small and medium scale enterprises.
33. The Basic Earning per share of the Company is Rs. 32.22 as defined in Accounting Standard 20 Issued by ICAI.
34. The Company does not have any deferred tax liability as envisaged in Accounting standard 22 issued by the ICAI.
35. Sundry Creditors and Sundry Debtors are subject to confirmation by the respective parties.
36. Figures of the previous year have been regrouped and reclassified wherever necessary.
37. The amounts in the Balance Sheet & Statement of Profit & Loss are rounded off to the nearest rupee.

Signatures to Notes to Financial Statements 1-37

As per our attached report of even date
For **MEHTA CHOKSHI & SHAH**
Chartered Accountants

R.T. MEHTA
PARTNER
M. No. 5445
FRN No. 106201W

SHRI B. I. VAGHANI - Chairman
SHRI M. B. VAGHANI - Director

30th May, 2013, Mumbai.

30th May, 2013, Mumbai.



MILTON PLASTICS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH, 2013

	YEAR ENDED 31ST MARCH, 2013	YEAR ENDED 31ST MARCH, 2012
	Rupees	Rupees
1 CASH FLOW FROM OPERATING ACTIVITIES		
Net Loss Before Tax & Extra Ordinary Items	(19,170,886)	(145,257,142)
LESS :		
(i) Depreciation	3,148,068	3,868,087
(ii) Interest paid	3,457,228	109,741,905
(iii) Cash Discount	1,037,887	1,190,573
	(A) <u>(11,527,703)</u>	<u>(30,456,577)</u>
LESS :		
(i) Interest Received	212,909	210,202
(ii) Dividend Received	21,900	660
	(B) <u>234,809</u>	<u>210,862</u>
CASH FROM OPERATIONS (A) - (B)	(C) <u>(11,762,512)</u>	<u>(30,667,439)</u>
ADJUSTMENTS FOR WORKING CAPITAL CHANGES :		
(i) Inventories	5,046,504	(3,775,686)
(ii) Receivables	27,003,776	41,363,567
(iii) Loans & Advances and Other Current Assets	104,096,382	7,460,872
	(D) <u>136,146,662</u>	<u>45,048,753</u>
ADD : Trade and Other Payables	1,122,128	(1,955,980)
	(E) <u>137,268,790</u>	<u>43,092,773</u>
NET CASH GENERATED FROM OPERATIONS AFTER WORKING CAPITAL CHANGES (C) - (E)	(F) <u>125,506,278</u>	<u>12,425,334</u>
LESS :		
(i) Income Tax Paid / (Refund)	19,082	23,876
	(G) <u>19,082</u>	<u>23,876</u>
NET CASH FROM OPERATING ACTIVITIES BEFORE EXTRA ORDINARY ITEM (F) - (G)	(H) <u>125,487,196</u>	<u>12,401,458</u>
Provision for Disputed Excise Duty	(I) -	(20,755,518)
NET CASH FROM OPERATING ACTIVITIES AFTER EXTRA ORDINARY ITEM (H) + (I)	(J) <u>125,487,196</u>	<u>(8,354,060)</u>
2 CASH FLOW FROM INVESTING ACTIVITIES		
(i) Sale/Adjustment of Fixed Assets	-	22,297,798
(ii) Dividend Received	21,900	660
(iii) Decrease/Diminution in Investments	-	26,115,000
	(K) <u>21,900</u>	<u>48,413,458</u>

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		YEAR ENDED 31ST MARCH, 2013 Rupees	YEAR ENDED 31ST MARCH, 2012 Rupees
LESS :			
(i) Purchase of Fixed Assets		<u>4,863,678</u>	<u>1,635,756</u>
	(L)	<u>4,863,678</u>	<u>1,635,756</u>
NET CASH FROM INVESTING ACTIVITIES (K) - (L)	(M)	<u><u>(4,841,778)</u></u>	<u><u>46,777,702</u></u>
3 CASH FLOW FROM FINANCING ACTIVITIES			
(i) Increase/(Decrease) in Short Term Borrowings		(8,828,762)	30,442,310
(ii) Interest Received		212,909	210,202
(iii) Waiver of Principal and Interest on OTS		<u>421,820,549</u>	<u>218,093,107</u>
	(N)	<u>413,204,696</u>	<u>248,745,619</u>
LESS :			
(i) Interest Paid		3,457,228	109,741,905
(ii) Cash Discount		1,037,887	1,190,573
(iii) Repayment of Term/Other Loans		<u>527,792,867</u>	<u>183,483,696</u>
	(O)	<u>532,287,982</u>	<u>294,416,174</u>
NET CASH FROM FINANCING ACTIVITIES (N) - (O)	(P)	<u><u>(119,083,286)</u></u>	<u><u>(45,670,555)</u></u>
NET CHANGE IN CASH & CASH EQUIVALENTS (J)+(M)+(P)		1,562,132	(7,246,913)
CLOSING BALANCE OF CASH & CASH EQUIVALENTS		4,619,197	3,057,065
OPENING BALANCE OF CASH & CASH EQUIVALENTS		3,057,065	10,303,978

As per our attached report of even date

For **MEHTA CHOKSHI & SHAH**
Chartered Accountants

R.T. MEHTA
PARTNER
M. No. 5445
FRN No. 106201W

30th May, 2013, Mumbai.

SHRI B. I. VAGHANI - Chairman
SHRI M. B. VAGHANI - Director

30th May, 2013, Mumbai.



MILTON PLASTICS LIMITED

NOTES

MILTON PLASTICS LIMITED

Regd. office :
Asian Building, 4th Floor, R. Kamani Marg,
Ballard Estate, Mumbai - 400 001.

ATTENDANCE SLIP

Name/s of the Member/s or Proxy (IN BLOCK LETTERS)	Regd. Folio No./ DP. ID-Client Id.	No. of Shares held

I hereby record my presence at the Twenty First Annual General Meeting of the Company held at Asian Building, 4th Floor, R. Kamani Marg, Ballard Estate, Mumbai - 400 001, on Friday, the 27th September, 2013 at 9.30 a.m.

SIGNATURE/S OF ATTENDING MEMBER/S OR PROXY:

- Notes : 1. Member/Proxy holder wishing to attend the meeting must bring the Attendance Slip to the Meeting and hand over at the entrance duly signed.
2. Member/Proxy holder desiring to attend the meeting should bring this copy of the Annual Report for reference at the meeting.

----- ✂ ----- TEAR HERE ----- ✂ -----

MILTON PLASTICS LIMITED

Regd. office :
Asian Building, 4th Floor, R. Kamani Marg,
Ballard Estate, Mumbai - 400 001.

PROXY FORM

I/We _____ of _____ in the District of _____ being Member/ Members of the above named Company, hereby appoint _____ of _____ in the district of _____ (or failing him) _____ of _____ in the district of _____ as my/our proxy to attend and vote for me/us and on my/our behalf at the Twenty First Annual General Meeting of the Company to be held on Friday, the 27th September 2013 and at any adjournment thereof.

Affix
Revenue
Stamp of
Rupee One

Signed _____ day of _____, 2013.

Signature of Shareholder

Regd. Folio No. / DP. ID-Client Id.: _____

No. of Shares held _____

Note : The proxy form should be deposited at the Registered office of the Company not later than 48 hours before the commencement of the meeting. The proxy need not be Member of the Company.

BOOK-POST

If undelivered please return to :

MILTON PLASTICS LIMITED

Asian Building, 4th Floor, R. Kamani Marg,
Ballard Estate, Mumbai - 400 001.