

# TPL PLASTECH LIMITED

## ANNUAL REPORT 2010-2011

### BOARD OF DIRECTORS

SANJAYA KULKARNI

*Chairman & Independent Director*

KAMLESH JOISHER

*Whole Time Director*

M. K. WADHWA

*Non-Executive & Independent Director*

JAGDISH BHUTA

*Non-Executive & Independent Director*

DR. G.N. MATHUR

*Non-Executive & Independent Director*

*(Nominee of Time Technoplast Limited)*

VISHAL JAIN

*Non-Executive & Independent Director*

### MANAGEMENT

MANOJ SHARMA : *Chief Financial Officer*

NIKLANK JAIN : *Company Secretary*

M.V. SURESH : *Manager - Marketing*

RAHUL SHARMA : *Manager - Commercial*

VIKRAM BHATT : *Manager - Plant*

### AUDITORS

#### LODHA & COMPANY

Chartered Accountants, Mumbai

### REGISTRAR & SHARE TRANSFER AGENTS

Link Intime India Pvt. Ltd.

C-13, Pannalal Silk Mills Compound,

L.B.S. Road, Bhandup (W), Mumbai – 400 078

Tel No. 022-25963838

### EIGHTEENTH ANNUAL GENERAL MEETING

- Saturday, 17<sup>th</sup> September, 2011
- 11.30 A.M.
- Survey No. 377/1,  
Plot No. 22, Kachigam,  
Daman (U.T.) – 396 210

### BANKERS

IDBI Bank Ltd.

Kotak Mahindra Bank Ltd.

Standard Chartered Bank

### REGISTERED OFFICE

213, Sabri, Kachigam,

Daman (U.T.) - 396 210

### CORPORATE OFFICE

VTM -2, Office No. 102,

C. Mehra Industrial Estate, Saki Naka,

Andheri-Kurla Road, Mumbai - 400 072

Tel. 022-40624200, Fax : 022-28510087

### WORKS

Plot No. 5, Government Industrial Estate,

Khadoli Village, Silvassa - 396230

Dadra & Nagar Haveli - (U.T.)

Lane No -5, Phase- 2,

SIDCO Industrial Complex,

Bari Brahmna Industrial Estate, Jammu (J&K)

Survey No. 54B & 55C, Village Alakh Devi,

Tahsil Gadarpur, Distt. U.S. Nagar, (Uttarakhand)

Survey No. 217/2, Village Kotda,

Taluka Anjar, Distt. Bhuj (Kutch), (Gujarat)

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## NOTICE

NOTICE is hereby given that the **18th Annual General Meeting** of the Members of **TPL PLASTECH LIMITED** will be held on Saturday, the 17th day of September, 2011 at Survey No. 377/1, Plot No. 22, Kachigam, Daman (U.T.) – 396 210 at 11.30 A.M. to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at and the Profit and Loss Account of the Company for the year ended 31st March, 2011 and the Reports of Directors' and the Auditors' thereon.
2. To declare Final dividend.
3. To appoint a Director in place of Dr. G.N. Mathur, who retires by rotation and being eligible, offers himself for re-appointment.
4. To appoint a Director in place of Shri Jagdish Bhuta, who retires by rotation and being eligible, offers himself for re-appointment.
5. To appoint the Statutory Auditors of the Company to hold office from the conclusion of this meeting until the conclusion of the next Annual General Meeting, and to authorize Board of Directors to fix their remuneration.

By Order of the Board of Directors  
For **TPL Plastech Ltd.**

**Niklank Jain**  
Company Secretary

### Registered Office

213, Sabri Kachigam,  
Daman (U.T.) – 396 210  
Place : Mumbai  
Date : 2nd August, 2011

### 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 THE PROXY NEED NOT BE A MEMBER OF THE COMPANY.**
2. The Register of Members and the share Transfer Books of the Company will remain closed from Monday, 12th September 2011, to Saturday 17th September 2011 (both days inclusive)
3. Information in respect of unclaimed Dividend when due for transfer to the Investors Education

& Protection Fund (IEPF) with reference to dividend for the financial year is given below:

Financial Year Ended	Date of Declaration of Dividend	Last date for claiming unpaid Dividend	Due date for transfer to IEPF
31.03.2007	26.10.2006	25.10.2013	24.11.2013
31.03.2008	05.09.2008	04.09.2015	03.10.2015
31.03.2009	05.09.2009	04.09.2016	03.10.2016
31.03.2010	04.09.2010	03.09.2017	02.10.2017

Shareholders who have not so far encashed the Dividend Warrant(s) are requested to seek issue of duplicate warrant(s) by writing to the Company. Also note that no claim shall lie against the said fund or the Company in respect of any amounts which were unclaimed and unpaid after a period of 7 (Seven) years from the date that they first become due for payment and no payment shall be made in respect of any such claim.

4. In order to avail the facility of Electronic Clearing System (ECS) for receiving direct credit of dividend to his / their respective account with Bank(s), the members holding shares in physical form are requested to provide their Bank Account details to the Company's Registrar and Transfer Agent - Link Intime India Pvt Ltd. In the absence of ECS facilities, the Company will print the bank account details, if available, on the payment instrument for distribution of dividend.
5. Members who would like to receive notice, letters, annual reports, documents and any other correspondence by electronic mode are requested to register their e-mail addresses and changes therein, from time to time, with the Company's Registrar and Transfer Agent in respect of share held in physical form and with the respective Depository Participants (DP) where the shares are held in demat form. Shareholders holding shares in physical form can send their e-mail address for registration to [rnt.helpdesk@linkintime.co.in/info@tnpl.net](mailto:rnt.helpdesk@linkintime.co.in/info@tnpl.net) in quoting the folio Number and Name of the Company.
6. The Dividend, if sanctioned, will be paid to those eligible Shareholders, whose names stand in the Register of members as on 17th September, 2011.
7. The proxy form duly completed and signed should be deposited at the Registered office of the Company not later than 48 hours before the commencement of the meeting.

8. Members of the Company holding shares in the physical mode and who have multiple account(s) in identical name(s) or holding more than 1(one) share certificate in the same name under different ledger folio(s) are requested to apply for consolidation of such folio(s) and send the relevant share certificates to the company's Registrar and Share Transfer Agents-M/s. Link Intime India Pvt. Ltd (Formerly known as Intime Spectrum Registry Limited).
9. Members attending the meeting are requested to complete the enclosed attendance slip and to deliver the same at the entrance of the meeting hall.
10. As a measure of economy, copies of the Annual Report will not be distributed at the Annual General Meeting. Members are therefore requested to bring their copies of the Annual Report at the time of attending the Meeting.
11. Members desirous of obtaining any information, concerning the accounts and operations of the Company are requested to address their queries to the Company Secretary so as to reach the Company, at least 10 days before the date of the Annual General Meeting, in order to enable the management to keep the information ready at the meeting.
12. All document referred to in the accompanying Notice are open for inspection at the Registered Office of the Company between 10.00 A. M. and 12.00 Noon, on any working day.
13. Section 109A of the Companies Act, 1956 has extended the Nomination facility to individuals holding shares in Companies. Shareholders holding shares in the physical mode and wishing to avail this facility may please write to the Company for the prescribed nomination form.
14. Members holding shares in dematerialized form are requested to bring their Client ID and DP-ID nos. for easier identification of attendance at the meeting.
15. Information on Directors seeking re-appointment as required under Clause 49 (IV) (G) (i) of the Listing Agreement entered into with the Stock Exchange.:

### **Item No. 3**

Dr. G.N. Mathur, aged 64 years, is one of the most renowned polymer technologists having associated with the finest institutions in the country such as HBTI Kanpur, DRDO, etc. He is currently working as Professor, Dept. of Chemical Engineering at IIT, Kanpur.

Dr. Mathur has been associated with some of the path breaking and futuristic projects in polymer

space and shall contribute significantly in the Company's present business and future plans. He is appointed on the Board of the Company as Nominee Director of Time Technoplast Limited.

Details of other Directorships held	Membership of Committee	Status (Chairman/Member)
NED Energy Limited	-	-
Shri Lakshmi Cotsyn Limited.	-	-
Kanpur Plastic Pack Limited	-	-
EMA India Limited	Shareholder's Investor's Grievance Committee	Member

Dr. G. N. Mathur does not hold any equity shares in the Company in their own name or for any other persons on a beneficial basis.

The Directors commend the resolution at item no. 3 for the approval of the members.

None of the Directors, except Dr. G. N. Mathur is concerned or interested in the said resolution.

### **Item no. 4**

Mr. Jagdish Bhuta, aged 54 years, is associated with polymer industry for over 32 years. He has pioneered some of the innovative plastic products and has successful business on his own.

Mr. Bhuta is associated with the promoters of Time Technoplast Limited., for over 12 years. He shall bring to the Board rich experience in plastic processing, polymer sourcing and business administration.

Details of other Directorships held	Membership of Committee	Status (Chairman/Member)
ACE Moldings Ltd.	-	-

Mr. Jagdish Bhuta does not hold any equity shares in the Company in their own name or for any other persons on a beneficial basis.

The Directors commend the resolution at item no. 4 for the approval of the members.

None of the Directors, except Mr. Jagdish Bhuta is concerned or interested in the said resolution

By Order of the Board of Directors  
For **TPL Plastech Ltd.**

**Niklank Jain**  
Company Secretary

### **Registered Office**

213, Sabri Kachigam,  
Daman (U.T.) – 396 210

Place : Mumbai

Date : 2nd August 2011

## DIRECTORS' REPORT

To,

The Members,

**TPL PLASTECH LIMITED**

Mumbai.

Your Directors present the **EIGHTEENTH ANNUAL REPORT** on the Business and Operations of the Company and the Audited Statement of Accounts for the year ended 31st March, 2011.

### FINANCIAL HIGHLIGHTS:

Particulars	Year Ended	
	31.03.2011	31.03.2010
	(₹ Lakhs)	
Sales	10733.94	7915.55
Less Excise Duty	975.57	600.26
<b>Net Sales</b>	<b>9758.37</b>	7315.29
Profit/(Loss) before Interest and Depreciation	1409.92	1060.60
Less : Interest	300.67	171.18
: Depreciation	263.37	190.14
<b>Profit/(Loss) for the year before tax</b>	<b>845.88</b>	699.28
Provision for Taxation		
- Current Tax	(167.63)	(232.87)
- Wealth Tax	(0.19)	-
- Deferred Tax	(178.71)	(8.34)
- MAT Credit Adjustment	73.61	-
<b>Net Profit after tax</b>	<b>572.96</b>	458.07
Provision for Tax for Earlier year written back	-	0.10
Add: Exceptional Items	330.29	-
<b>Net Profit</b>	<b>903.24</b>	458.17

### OPERATIONS:

During the year under review, your Company has achieved a Gross Turnover of ₹ 10733.94 lacs, thereby registering a growth of 35.61% as compared to the Gross Turnover of ₹ 7915.55 lacs of the previous year.

The Company has earned a Net profit after tax of ₹ 572.96 lacs, thereby registering an increase of 25.05% as compared to the Net Profit after tax of ₹ 458.17 lacs of the previous year

### DIVIDEND:

Your directors are pleased to recommend a final dividend @ ₹ 2.00 per share i.e. @ 20% (previous Year – 20%), subject to approval of the shareholders at the ensuing Annual General Meeting.

The total amount of dividend for the year shall be ₹ 156.01 lacs as against ₹ 156.01 lacs for the previous year. Dividend distribution tax paid/ payable by the Company for the year would amount to ₹ 25.31 lacs.

### NEW PROJECT

#### Pantnagar

The Directors are pleased to inform that the new unit set up at Pantnagar has commenced with its commercial production. The total cost of ₹ 1228 Lacs being infused through the Internal Accruals of the Company and External borrowings from Bank. The unit avail the benefits of the Income Tax & Sales tax exemptions.

#### Kutch

During the year Company is setting up a new unit at Kutch District, Gujarat to cater the growing demand of the Region and your director are expects start up of commercial production in the current financial year.

Your Directors are confident that implementation and commissioning of on going and new projects shall take the company further on growth path and prosperity.

### FIXED DEPOSITS:

During the year under review, the Company has not accepted any deposits within the meaning of Section 58-A of the Companies Act, 1956.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGOINGS:**

Information pursuant to Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of Particulars in the Report of the Board of Directors) Rules 1988 is given in Annexure "A" to this report.

### **PARTICULARS OF EMPLOYEES:**

During the year under review the Company had no employees whose particulars are required to be furnished under Section 217 (2A) of the Companies Act, 1956.

### **DIRECTORS:**

In accordance with the provisions of the Companies Act, 1956 and in accordance with the Articles of Association of the Company, Dr. G. N. Mathur & Mr. Jagdish Bhuta, Directors of the Company, retires by rotation at the ensuing Annual General Meeting of the company and being eligible, offers himself for re appointment as Non- Executive Independent Director of the company.

As required, the requisite details of Directors seeking re-appointment are included in this Annual Report.

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

Pursuant to Section 217 (2AA) of the Companies Act, 1956, as amended by the Companies (Amendment) Act, 2000, the Board of Directors of the Company confirm that:

- (i) In the preparation of the Annual Accounts for the year ended 31st March, 2011, the applicable accounting standards have been followed along with proper explanation relating to material disclosures.
- (ii) 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 as at 31st March, 2011 and of the Profit of the Company for the financial year ended 31st March, 2011.
- (iii) The Directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for safeguarding the assets of the

Company and for preventing and detecting frauds and other irregularities.

- (iv) That the annual accounts for the year ended 31st March 2011 have been prepared on a going concern basis.

### **AUDITORS:**

The Auditors M/s Lodha & Co, Chartered Accountants, will retire at the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment. A certificate from the Auditors has been received to the effect that their re-appointment, if made, would be within prescribed limits under Section 224 (1B) of the Companies Act, 1956. Members are requested to consider their re-appointment and authorize the Board to fix their remuneration.

### **CORPORATE GOVERNANCE**

During the year under review, your Company has taken adequate steps to ensure that all mandatory provisions of Corporate Governance as stipulated in clause 49 of the Listing Agreement have been complied with. A separate Report on Corporate Governance along with the Auditors' Certificate on its compliance is given in "Annexure B" to this Report.

### **PERSONNEL:**

Your Directors are pleased to inform you that employee relations continue to be cordial and peaceful both at the factory and the office during the year under review.

### **ACKNOWLEDGEMENT:**

Your Directors place on record their sincere appreciation for the co-operation and assistance received from the Company's bankers, its shareholders, customers and suppliers.

Your Directors also wish to place on record their appreciation for the devoted services of the executives, staff and workers of the Company and look forward to their continued support.

### **For and on behalf of the Board of Directors**

<b>Sanjaya Kulkarni</b> Chairman	<b>Kamlesh Joisher</b> Whole Time Director
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Date : 21st May, 2011

Place : Mumbai

## ANNEXURE "A" 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 the Board of Directors) Rules, 1988 and forming part of the Directors' Report for the year ended 31st of March, 2011.

### A. CONSERVATION OF ENERGY:

a) Energy conservation measures taken include the following:-

- Provided better load management.
- Provided Automatic Power factor Control Unit.
- Installed sophisticated Power Saving Equipments.
- Distribution losses reduced through proper improved maintenance.
- Energy Audit through daily power consumption monitoring report.
- Renovation and proper preventive maintenance has been carried out in the Sub-station and other apparatus thereby reducing break downs.
- Installed computerized machines, equipments and apparatus.
- Carried out electrical inspection from competent government authorities.
- Provided Power controlled voltage stabilizers.
- Provided environment protection, Stack height for Diesel Generator as per standards.
- Reduced break-downs through proper preventive maintenance using standard motors, equipments, cabling and industrial high frequency machines.

b) **Additional Investments and proposals, if any, being implemented for reduction and conservation of energy.**

- Managed the production within the capacity of 1000KVA
- Managed to reduce the running hours of DG through proper maintenance in the sub-station.
- Replaced New Electrical accessories.
- Provided electronic metering systems.
- Provided New PLC controlled systems.
- Provided proper maintenance of the sub station.

- Provided proper awareness, handling instructions through adopting ISO 9001: 2000 standards to increase quality and productivity.

c) **Impact of measures taken at (a) and (b) above for reduction of energy consumption and consequent impact on the cost of production of goods.**

The Company has taken various steps for energy consumption which resulted in reducing the overall cost of production, control of maximum demand, power factor and consumption of power from previous years.

d) **Power and Fuel Consumption.**

DESCRIPTION	Year ended 31st March 2011	Year ended 31st March 2010
<b>a) Electricity</b>		
- Unit Purchased	8,925,128	6,500,860
- Total Amount (₹)	29,604,870	34,182,800
- Rate Per Unit (₹)	3.32	5.26
<b>b) Own generation through Diesel generator</b>		
- Unit Generated	762,384	198,510
- Quantity of diesel used (Ltrs.)	220,668	58,200
- Total Amount (₹)	8,722,024	2,090,034
- Cost per unit (₹)	11.44	10.53
- Hours run	3,452	518
<b>c) Consumption per unit of Production</b>		
- Total Production including Job Work (Kg.)	10,509,339	7,845,182
- Electricity (₹)	29,604,870	34,182,800
- D.G. (₹)	8,722,024	2,090,034
- Total Amount (₹)	38,326,894	36,005,468
- Cost per Kg. (₹)	3.65	4.62

### B. TECHNOLOGY ABSORPTION:-

#### Research and Development (R &D)

a) **Specific Areas in which R & D carried out in the Company:-**

- Quality Policy by ISO 9001
- Material Handling /Safety Measures
- Packing & Forwarding
  - Mould Modification for better product design
  - Printing & Bungs modification
  - Introduction of Open Top Barrels
  - Introduction of Liners

**b) Benefits**

- Introduction of quality management policy has resulted in improvement in Productivity/Process efficiency and yield.
  - Deliver products and services conforming at all times to enabled standards.
  - Creation of an environment that encourages our employees and sub-contractors to produce quality goods.
  - Operate in safe and environment friendly atmosphere.
  - Modifications of existing systems through scientific management has resulted in improvement in factory operations.
  - Consolidation of data and analytical system has enabled timely execution of laps / modification and alterations.
- Improvement of quality standardization of factory environment, market requirement and higher degrees of consumer satisfaction.
  - Mould Modification resulting in increased demand and increased productivity.

**c) Future Plan of Action:**

The Company will continue to define quality in products, distribution and introduction of new products.

**d) Expenditure on R & D:**

Expenditure on R & D is an on going process at every stage of operation and forms part of the regular activities of the Company and hence the cost element in the form of R & D is not easily identifiable.

**C. Foreign Exchange Earnings and Outgoings:**

Total Foreign Exchange earned - Nil

Total Foreign Exchange used-₹ 4,426.53 lacs

## REPORT ON CORPORATE GOVERNANCE FOR THE YEAR 2010-11

(As required under the Revised Clause 49 of the Listing Agreement entered into with the Stock Exchanges)

Corporate Governance broadly refers to a set of rules and practices designed to govern the behavior of corporate enterprises. It refers to a system by which Companies are governed, controlled and managed. A detailed Report on Corporate Governance as per the format prescribed by SEBI and incorporated in Clause 49 of the Listing Agreement is set out below.

### 1. COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE:

The Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to better them and adopt the best practices. It is firmly believe that good corporate governance practices would ensure efficient conduct of the affair of the Company and help the Company achieve its goal of maximizing value for all its stakeholders. To create a culture of good corporate governance, your company has adopted practices that comprise performance accountability, effective management control, constitutions of Board Committees as a part of the internal control system, fair representations of professionally qualified, non-executive and independent Directors on the Board, adequate and timely disclosure of information and the timely discharge of statutory duties. We take pleasure in reporting that your Company has complied in all respect with the features of Corporate governance specified in clause 49 of the Listing Agreement.

### 2. BOARD OF DIRECTORS :-

#### COMPOSITION AND CATEGORY:-

The Company has an optimum combination of Executive and Non-Executive Directors. The Board of Directors at present comprises of 6 (Six) Directors i.e. 1(one) Executive Director and 5 (Five) Non-Executive Directors. The Board is headed by a Non-Executive Chairman – Mr. Sanjaya Kulkarni. All the members of the Board are eminent professionals, drawn from amongst persons with experience in business and industry, finance, law, technology and public enterprises.

The Board's composition is in accordance with the requirements of Clause 49 (i)(A) of the Listing Agreement.

None of the Directors on the Board is a member of more than 10 (ten) committees and Chairman of more than 5 (five) committees as per clause 49(i)(c)(ii) across all companies in which they are Directors.

The Composition of the Board of Directors during the year as well as details of outside directorships and other board committees of which the Company's Directors are members is as under:

Name of the Director	Category	No. of other Directorships (excluding TPL Plastech Ltd.) **	No. of membership of other Board Committees (other than TPL Plastech Ltd.)	No. of other Board Committees for which Chair person (other than TPL Plastech Ltd.)
Sanjaya Kulkarni	Independent & Non-Executive	5	4	2
M. K. Wadhwa	Independent & Non-Executive	1	-	2
Jagdish Bhuta	Independent & Non-Executive	1	-	-
Dr. G. N. Mathur	Independent & Non-Executive	5	1	-
Kamlesh Joisher	Executive	-	-	-
Vishal Jain <sup>§</sup>	Independent & Non-Executive	-	-	-
Surbhil Jain*	Independent & Non-Executive	2	-	-
Megha Jain*	Alternate Director of Surbhil Jain	-	-	-

\$ Appointed as additional director w.e.f. 03.08.2010

# Resigned w.e.f. 03.08.2010

\*\* excluding directorships in private & foreign companies.

**Notes :**

- i. Independent Director means a director as defined under Revised Clause 49 of the Listing Agreement
- ii. Only two committees viz; Audit Committee and Shareholders/Investors Grievance Committee have been considered as per Revised Clause 49 of the Listing agreement.

None of the Directors holds any shares in the Company except Mr. Kamlesh Joisher who holds 2000 shares of the Company.

The meetings of the Board of Directors are scheduled well in advance and usually held in Mumbai. The Board meets at least once a quarter inter- alia, to review the quarterly performance and financial results and the gap between two meetings is not more than four months. The notice and detailed agenda alongwith the draft of relevant resolutions, documents and explanatory notes, wherever required are sent well in advance to all the Directors.

The information generally provided to the Board for its consideration and approvals are as specified in clause 49 of the listing agreement wherever applicable and materially significant. Such information is submitted well in advance with the agenda papers and in very exceptional cases only some issues are tabled during the course of the Board Meetings.

**BOARD MEETINGS AND ANNUAL GENERAL MEETINGS:**

During the financial year ended 31st March, 2011, 4(Four) Board Meetings were held on 20.05.2010, 03.08.2010, 30.10.2010, and 31.01.2011.

The last AGM i.e. the 17th Annual General Meeting of the Company was held on 4th September, 2010.



Details of attendance of each Director at the Board Meetings and at the Annual General Meeting are given below:

<b>Name of the Director</b>	<b>No. of Board Meetings Attended</b>	<b>Whether attended last AGM held on 04.09.2010</b>
Sanjaya Kulkarni	4	Yes
M. K. Wadhwa	3	No
Jagdish Bhuta	4	No
Dr. G. N. Mathur	1	No
Kamlesh Joisher	4	Yes
Vishal Jain	3	No
Surbhil Jain*	-	NA
Megha Jain* (Alternate Director of Surbhil Jain)	-	NA

\* Resigned w.e.f. 03.08.2010

### 3. **BOARD COMMITTEES:-**

*The Board has constituted the following committees of Directors:*

#### **I AUDIT COMMITTEE:**

The Audit Committee of the Company is constituted pursuant to the provisions of the Companies Act, 1956 and the Listing Agreement with the Stock Exchanges. The Audit Committee comprises of three Non-Executive Independent Directors, Mr. Sanjaya Kulkarni, Chairman of the Committee, Mr. M. K. Wadhwa & Mr. Jagdish Bhuta. members of the Committee.

The terms of the reference of the Audit Committee are in conformity with the statutory guidelines, which inter alia include;

- Overview of the Company's financial reporting process and ensuring correct, adequate and credible disclosure of financial information;
- Reviewing with management the financial statements before submission to the Board with special emphasis on accounting policies and practices, compliance with accounting standards and other legal requirements;
- Reviewing the adequacy of the Internal Audit and compliance functions, including their policies, procedures, techniques and other regulatory requirements;
- Any other terms of reference as may be included from time to time.

The Company continued to derive benefit from the deliberations in the Audit committee meetings since member are experienced in the areas of finance, accounts, taxations, corporate laws and the industry. It ensures accurate and timely disclosures that maintain the transparency, integrity and quality of financial control and reporting.

The Audit Committee has met 4 (Four) times during the year on 20.05.2010, 03.08.2010, 30.10.2010, and 31.01.2011.

<b>Name of the Member</b>	<b>No. of Audit Committee Meetings attended</b>
Sanjaya Kulkarni	4
M. K. Wadhwa	3
Jagdish Bhuta	4

#### **II SHAREHOLDERS/INVESTORS GRIEVANCE COMMITTEE:-**

##### **A. COMPOSITION AND DETAILS OF SHAREHOLDERS/INVESTORS GREVANCE COMMITTEE:**

The Composition of the Shareholders/Investors Grievance Committee and the attendance of each member during the year 2010-2011 is detailed below:-

Name of the Director	Executive/Non-Executive	No. of Committee Meetings Attended
M. K. Wadhwa	Non-Executive-Chairman	9
Jagdish Bhuta	Non-Executive	9
Kamlesh Joisher	Executive	9

During the year 2010 - 2011 the Committee held 9 (Nine) meetings on 15.04.2010, 15.05.2010, 15.07.2010, 31.08.2010, 30.10.2010, 30.11.2010, 15.02.2011, 15.03.2011 and 31.03.2011

## B. FUNCTION OF THE COMMITTEE

- Approves and monitors transfers and transmission of shares, splitting and consolidation of shares and issue of duplicate share certificates.
- Monitors redresses of complaints received from shareholders relating to transfer and transmission of shares, issue of duplicate share certificates, non-receipt of Annual Reports, dematerialization of shares etc.
- The committee looks into the shareholders and investors grievance that are not settled/authorised by the sub committee comprising of Shri Kamlesh Joisher, Director and Shri Niklank Jain, Company Secretary of the Company.
- The Sub Committee authorized to approve the Shares transfers, Dematerialization of Shares and keep monitor on Investors Grievances on non receipts of Shares Certificates, transfers, dividend warrants, revalidation of dividends warrants, changes of address etc & meets frequently to resolve Shareholders grievances and approve transfer of shares.

## C. Status of Shareholders/Investors Grievances and their Redressal:

No. of Complaints Received	:	35
No. of Complaints Resolved	:	35
Pending Complaints	:	Nil

## D. Name and Designation of Compliance Officer:

Mr. Niklank Jain – Company Secretary is the Compliance Officer of the Company.

## III. REMUNERATION COMMITTEE :

The Remuneration Committee comprises of 3 (Three) Non-Executive Independent Directors as members viz. Mr. Sanjaya Kulkarni, Mr. M. K. Wadhwa and Mr. Vishal Jain. Mr. Sanjaya Kulkarni is the Chairman of the Committee.

During the year 2010 - 2011 no meeting was held

The scope and function of the Remuneration Committee covers the requirements of the Code of Corporate Governance of the Listing Agreement and the provisions of Schedule XIII and any other provisions, if any, of the Companies Act, 1956. The broad terms of reference of the Committee are to recommend to the Board the remuneration package including perquisites payable to the Company's Whole Time Director.

## 4. REMUNERATION OF DIRECTORS:

### A. Remuneration Policy:

Payment of remuneration to the Whole Time Director was duly approved by the Remuneration Committee, the Board and the Shareholders of the Company.

The Remuneration (including perquisites and benefits) paid to the Whole Time Director during the year ended 31st March, 2011 was as follows:

Name of the Director	Salary/Benefits	Stock Option
Kamlesh Joisher -Whole Time Director	₹ 1,918,768/- *	-

\*The aforesaid remuneration excluding contribution to Gratuity.

The Non-Executive Directors of the Company do not draw any remuneration from the Company other than sitting fees for attending Board and Committee meetings.

**B. Details of Sitting Fees paid to Non - Executive Directors for attending Board and Committee Meetings during the year 2010-2011 are given below: -**

Name	Board Meeting (₹)	Committee Meetings (₹)*	Total (₹)
Sanjaya Kulkarni	10,000	6,000	16,000
M. K. Wadhwa	7,500	15,000	22,500
Jagdish Bhuta	10,000	16,500	26,500
Dr. G. N. Mathur	2,500	Nil	2,500
Vishal Jain	7,500	Nil	7,500
Surbhil Jain	Nil	Nil	Nil
Megha Jain	Nil	Nil	Nil
<b>TOTAL</b>	<b>37,500</b>	<b>37,500</b>	<b>75,000</b>

Note : (\*)

Includes Shareholders/Investors Grievance Committee Meeting and Audit Committee Meeting

The Company did not have any pecuniary relationship or transactions with Non-Executive Directors except payment of sitting fees, reimbursement of expenses incurred for travel etc. for attending Board/ Committee Meetings. Notice period, severance fees and performance-linked incentive are not stipulated in their terms of appointments.

**5. GENERAL BODY MEETINGS:**

**a) Details of Previous Three Annual General Meetings:**

Financial Year	Date of Meeting	Time	Location
2009-2010	04.09.2010	11.30 a.m.	Survey No. 377/1, Plot No. 22, Kachigam, Daman (U.T.) - 396210.
2008-2009	05.09.2009	11.30 a.m.	Survey No. 377/1, Plot No. 22, Kachigam, Daman (U.T.) - 396210.
2007-2008	05.09.2008	12.00 Noon.	Survey No. 377/1, Plot No. 3-6, Kachigam, Daman (U.T.) - 396210.

**b) Special resolutions passed in the previous three AGMs are as below:**

2007-08	No
2008-09	Appointment of Mr. Bhavin Joisher son of Mr. Kamlesh Joisher, Whole Time Director
2009-10	Amendment of Common Seal Clause

**c) Whether any Resolutions were put through Postal Ballot last Year ?**

No.

**d) Whether any Resolutions are proposed to be carried out by Postal Ballot this Year?**

No

**6. OTHER DISCLOSURES:**

- During the year under review, besides the transactions reported in the Notes to the Accounts for the year, there were no other related party transactions of material nature by the Company with its promoters, directors, management or relatives etc.
- No penalties/strictures have been imposed on the Company by the Stock Exchanges or SEBI or any Statutory Authority on any matter related to Capital Markets during the last three years.
- The Company has duly complied with all the mandatory requirements.
- Compliance with Non-mandatory requirements is furnished separately under the heading "Non-mandatory Requirements".

**7. MEANS OF COMMUNICATION:**

- a. Quarterly Unaudited Financial Results are published in the "Free Press Journal," "Navshakti" & "Sandesh" newspapers. The Annual Audited Accounts are also like-wise published. The half yearly Report is not sent separately to each household of the Shareholders. Annual Reports are sent to all shareholders at their addresses registered with the Company.
- b. No presentation to any institutional investors or analysts has been made during the year ended 31st March, 2011.

**8. CODE OF CONDUCT**

The Board of Directors has laid down a Code of Conduct for all the Board members and Senior Management of the Company to ensure adherence to a high ethical professional conduct by them in the discharge of their duties. All the Board members and Senior Management personnel have affirmed compliance with the Code of Conduct for the year 2010-11.

**9. GENERAL SHAREHOLDER INFORMATION:**

- a) **AGM Date, Time and Venue** : September 17th, 2011 at 11.30 A.M. at  
Survey No. 377/1,  
Plot No. 22, Kachigam,  
Daman (U.T.) – 396 210
- b) **Financial Calendar:**
  - Unaudited First Quarter results : Before 15th August, 2011
  - Unaudited Second Quarter results : Before 15th November 2011
  - Unaudited Third Quarter results : Before 15th February, 2012
  - Unaudited Fourth Quarter results : Before 15th May 2012
  - Audited Annual results for year the ended 31st March, 2012 : Before 30th May, 2012
- c) **Book Closure Date** : Monday September 12th, 2011 to Saturday September 17th, 2011. (both days inclusive)
- d) **Listing on Stock Exchange** : The Bombay Stock Exchange.
- e) **Stock Code**  
Bombay Stock Exchange : 526582
- f) **Payment of Annual Listing Fees** : Listing Fees for the financial Year 2011-2012 has been paid to the stock exchange within the prescribed time limit.
- g) **Dividend payment** : Dividend, if any declared in the Annual General meeting, will be paid within 21 days of the date of declaration to those shareholders, whose names appear on the Register of members on the date of Book closure

h) **Stock Market Data :**

MONTH	BOMBAY STOCK EXCHANGE	
	HIGH (₹)	LOW (₹)
April ' 10	70.60	55.45
May ' 10	67.30	54.20
June ' 10	65.00	50.40
July ' 10	57.40	50.00
August ' 10	85.80	52.25
September ' 10	83.75	68.25
October ' 10	114.70	70.30
November ' 10	76.90	50.60
December ' 10	63.40	46.20
January ' 11	63.75	50.10
February ' 11	65.40	45.00
March ' 11	73.45	53.75

- i) **Share Transfer Agents:** The Company has appointed Link Intime India Pvt. Ltd. having their office at C-13, Pannalal Silk Mills Compound, L B S Road, Bhandup (West), Mumbai- 400 078 as the Registrar & Transfer Agents. All Shareholder related services including transfer, demat of shares is carried out by the Registrar & Share Transfer Agents.
- j) **Share Transfer System:** The share transfer requests are processed by the Company's Registrar and Share Transfer Agents as mentioned above.
- k) **Distribution of Shareholdings as on 31st March, 2011:**

Shares of Nominal Value (In ₹)	No. of Shareholders	% to Total Shareholders	Share Amount (In ₹)	% to Equity
0001 - 5,000	6,915	95.2348	8,547,290	10.9576
5,001 - 10,000	172	2.3688	1,369,290	1.7554
10,001 - 20,000	76	1.0467	1,166,040	1.4949
20,001 - 30,000	46	0.6335	1,164,900	1.4934
30,001 - 40,000	13	0.1790	462,870	0.5934
40,001 - 50,000	7	0.0964	324,410	0.4159
50,001 - 100,000	19	0.2617	1,259,650	1.6149
100,001 & above	13	0.1790	63,708,550	81.6745
<b>TOTAL</b>	<b>7,261</b>	<b>100.0000</b>	<b>78,003,000</b>	<b>100.0000</b>

l) **Shareholding Pattern as on 31st March, 2011:**

Category	No. of Share held	% to total Shares	No. of Shareholders	% to total shareholders
<b>PROMOTERS</b>	<b>5,850,126</b>	<b>75.00</b>	<b>1</b>	<b>0.014</b>
<b>NON-PROMOTERS:</b>				
Mutual Funds	8,300	0.11	3	0.041
NRI'S, OCB'S & FII'S	4,359	0.06	14	0.193
Private Corporate Bodies	429,400	5.50	98	1.350
Public	1,508,115	19.33	7,145	98.402
<b>TOTAL</b>	<b>7,800,300</b>	<b>100.00</b>	<b>7,261</b>	<b>100.000</b>

**m) Status of Dematerialization of Shares as on 31st March, 2011.**

Particulars	No. of Shares	% to Total Capital
NSDL	6,700,312	85.90
CDSL	401,033	5.14
PHYSICAL	698,955	8.96
<b>TOTAL</b>	<b>7,800,300</b>	<b>100.00%</b>

- n) **Company ISIN No.** : INE413G01014.
- o) **Registered Office** : 213, Sabari, Kachigam, Daman (U.T.) – 396 210
- p) **Works** : 1. Plot No. 5 Government Industrial Estate  
Khadoli Village Silvassa  
Dadra & Nagar Haveli-U.T
2. Lane No -5, Phase- 2, SIDCO Industrial Complex,  
Bari Brahmna Industrial Estate, Jammu (J&K)
3. Survey No. 54B & 55C, Village Alakh Devi,  
Tahsil Gadarpur, Distt. U.S. Nagar, Uttarakhand
4. Survey No. 217/2, Village Kotda, Taluka Anjar,  
Distt. Kutch (Gujarat)
- q) **Address for Correspondence** : 1. VTM – 2, Office No. 2, C' Mehra Industrial Estate,  
Saki Naka, Andheri – Kurla Road,  
Mumbai – 400 072  
Tel. No.: 022-40624200 Fax No. 022-28510089
2. Shareholders correspondence should be  
Addressed to:  
Link Intime India Pvt. Ltd.  
C-13, Pannnalal Silk Mills Compound, LBS Road,  
Bhandup (West), Mumbai, Pin – 400 078.  
Tel No. 022-25963838

**r) GDRs/ADRs**

The Company has not issued any GDRs/ADRs.

**s) Management Discussion and Analysis Report:**

The Management Discussion and Analysis Report is given as an Annexure to the Directors' Report.

**t) Risk Management Framework:**

The Board members discuss about the risk assessment and minimization procedures.

**10. NON-MANDATORY REQUIREMENTS:****The Company has adopted Remuneration Committee:**

The Company has set up a Remuneration Committee as per the details under Item no. 3 – III of this report.

**Other Requirements:**

The Company is yet to adopt the other non-mandatory requirements like sending of the half yearly financial performance including summary of significant events in past six months to shareholders, restricting the tenure of the independent directors in the aggregate to a period of nine years on the Board of the Company, unqualified financial statements, training of Board members, mechanism of evaluation of Non-executive Board members and Whistle Blower Policy and would be complied with at an appropriate time later.

11. Compliance Certificate from Auditors, CEO Certificate pursuant to Clause 49(V) of the Listing Agreement and declaration by CEO regarding code of conduct are annexed to this Report.

**For and on behalf of the Board**

Place : Mumbai  
Date : 21st May, 2011

**Sanjaya Kulkarni**  
Chairman

**Kamlesh Joisher**  
Whole Time Director

## MANAGEMENT DISCUSSION & ANALYSIS

### BUSINESS ENVIRONMENT

The global economic recovery slowly gained momentum in the F.Y. 2010-11, While growth in the emerging economics remained strong. India's economy continued to enjoy a significant growth path driven by strong domestic demand during 2010-11. The economy recorded a healthy growth in 2010-11 propelled by increased agricultural production resulting into increased rural income and the industrial production is expected to clock around 8% growth.

The growth path of Indian economy is expected to persist in the coming year on account of continuing uncertainties about energy and commodity prices. Inflation again a challenging for the Indian economy and the key risks are tighter monetary condition and rising prices which is eating away most of the disposal income of the customers.

### REVIEW OF OPERATION:

During the year under review, your Company has achieved a Gross Turnover of ₹ 10733.94 lacs, thereby registering a robust growth of 35.61% as compared to the Gross Turnover of ₹ 7915.55 lacs of the previous year.

The Company registered operating profit of ₹ 1409.92 Lacs against 1060.60 Lacs in the previous year, an increase of 32.94% over the previous year.

The Company has earned a Net profit after tax of ₹ 572.96 lacs, registering an increase of 25.05% as compared to the Net Profit after tax of ₹ 458.17 lacs of the previous year.

### FUTURE OUTLOOK, OPPORTUNITIES AND THREATS:

The demand for the Company's product is increasing steadily and the Company has increased capacities to sufficient levels. The Company is looking at newer sectors to make optimum use of its resources and shall take steps to ensure increased top and bottom lines.

To meet the growing demand of the packaging industry in the Eastern and Northern region and to capture new markets, Company has set up greenfield plants in Jammu and Pantnagar and the Commercial production has been started.

You Company also setting up a new unit at Kachch District, Gujarat to cater the growing demand of the western Region and expects to start up the production in the current financial year.

Your company remains fully focused on the domestic market which offers huge business potential for its present and future products. The growth on the back of a shift in preferences amongst end consumers towards an effective substitute for metal drums and growing tendency amongst MNCs especially chemical manufacturers to relocate the production facilities to India & China in view of environmental concerns in developed countries. There is enough scope for replacement of steel drums due to superior performance of plastic alternatives.

The company's business is depended on the growth of end-user industries such as chemicals, dyestuff, FMCG, bulk pharmaceuticals etc. Any such slowdown in the future may have impact on the Company's performance.

The main raw material are derivative of crude oil, which exposes the Company to the volatility in the raw material prices. Although the company has an arrangement with most of its customers wherein the increase in prices of raw materials can be passed on, generally the pass-on happens with a lag effect. This could adversely impact margin till the price are actually passed on.

The Company is currently expanding its manufacturing capacities at Kuchch, any delay in the commission of the project may impact financial setimates of the Company.

**RISKS AND CONCERNS:**

All key functions and divisions of the Company are independently responsible to monitor risks associated within their respective areas of operations such as production, treasury, insurance, legal and others areas like health, safety and environment. Foreign exchange rate volatility also has an impact on the business. The Company has identified various risks and put in place requisite procedures to mitigate the same.

**INTERNAL CONTROL SYSTEMS AND THEIR ADEQUACY:**

The management maintains adequate internal controls commensurate with the nature and size of the operations of the Company, which is designed to provide reasonable assurance that assets are safeguarded, transactions are correctly executed and recorded in accordance with managements' authorization and accounting policies.

The Company's internal control system provides high levels of system based check and controls. Regular internal audits and checks ensure that responsibilities are executed efficiently. The Audit Committee of the Board of Directors actively review the adequacy and effectiveness of internal control systems and suggests improvement for strengthening them from time to time.

The Statutory Auditors independently evaluate internal checks and controls during the conduct of their audit. They also participate in Audit Committee meetings to express their opinion on issue of concern.

**HUMAN RESOURCES / INDUSTRIAL RELATIONS:**

TPL's strength continues to be its employees. Delegation and empowerment is provided to senior managers to enable the concepts of "ownership" to be instilled in them. This ensures full commitment and dedication from each employee and is working very satisfactorily.

The Company continuously strives to upgrade the skills and motivation levels of its human resources through various mechanisms. Efforts are made in developing them in keeping with organizational goals and priorities and at the same time caring for their individual aspirations and growth.

The efforts put in by employees at all levels are highly commendable and have contributed immensely to the excellent performance of the Company.

The Company has been continuously focusing on people and processes to encourage and realize their full potential. Cordial and harmonious relations with employees continued to prevail throughout the year under review.

**HEALTH SAFETY AND ENVIRONMENT**

The Company is committed to conduct its operations with due regards to the environment and providing a safe and healthy workplace for employees. The collective endeavor of the employees at all levels is directed towards sustaining and continuously improving standards of environment, occupational health and safety in a bid to attain and exceed defined benchmarks.

**CAUTIONARY STATEMENT:**

Statement in the management Discussion and Analysis describing the Company's objectives, projections, estimates, expectations or predictions may be forward looking statements within the meaning of applicable laws and regulations. Actual results could differ materially from those expressed or implied. Important factors that could influence the Company's operations include input availability and prices, demand and pricing of finished goods in the Company's principal markets, changes in government regulations, tax laws, economics developments within the country and other incidental factors.



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**AUDITOR'S CERTIFICATE ON COMPLIANCE OF CONDITIONS OF CORPORATE GOVERNANCE;**

To

The Members of

**TPL PLASTECH LIMITED**

1. We have examined the compliance of the conditions of Corporate Governance by **TPL PLASTECH LIMITED** for the year ended 31st March, 2011 as stipulated in Clause 49 of the Listing Agreement of the said Company with Stock Exchanges in India.
2. The Compliance of the conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to a review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of conditions of the Corporate Governance as stipulated in the said Clause. It is neither an audit nor an expression of opinion on the financial statements of the Company.
3. In our opinion and to the best of our information and explanations given to us and based on the representations given by the Management of the Company, we certify that the Company has generally complied with the conditions of Corporate Governance as stipulated in the above mentioned Listing Agreement.
4. We further 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.

**For Lodha & Company**

Chartered Accountants

**( R.P.BARADIYA )**

PARTNER

Membership No. 44101

Firm Registration No- 301051E

Place : Mumbai

Date : 21st May 2011

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**DECLARATION BY CHIEF EXECUTIVE OFFICER**

I, Kamlesh Joisher, Whole Time Director of TPL Plastech Limited hereby certify and acknowledge that all the members of the Board of Directors and the Senior Management Personnel of the Company have complied with the Code of Conduct of the Company and have already given the annual affirmation of the compliance with the Code of Conduct.

**For TPL Plastech Limited**

**Kamlesh Joisher**

Whole Time Director

Place : Mumbai

Dated : 21st May, 2011

**CERTIFICATE PURSUANT TO CLAUSE 49 (V) OF THE LISTING AGREEMENT**

We, Mr. Kamlesh Joisher – Whole Time Director and Mr. Manoj Sharma– Chief Financial Officer of the Company hereby certify that:

- (a) We have reviewed financial statements and the cash flow statement for the year ended 31st March, 2011 and that to the best of our knowledge and belief:
  - (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
  - (ii) these statements together present a true and fair view of the company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) To the best of our knowledge and belief, no transactions have been entered into by the company during the year 2010-11 which are fraudulent, illegal or violative of the company's code of conduct.
- (c) We accept responsibility for establishing and maintaining internal controls for financial reporting and we have evaluated the effectiveness of internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee those deficiency of which we are aware in the design or operation of internal control systems and have taken the required steps to rectify the deficiency.
- (d) We have informed the auditors and the Audit Committee:
  - i. about significant changes in internal control over financial reporting during the year;
  - ii. that there have been no significant changes in accounting policies during the year;
  - iii. that there have been no instances of significant fraud of which we have become aware and the involvement therein of the management or an employee having a significant role in the Company's internal control system over financial reporting.

**For TPL Plastech Limited**

**Sd/-**  
**Kamlesh Joisher**  
Whole Time Director

**Sd/-**  
**Manoj Sharma**  
Chief Financial Officer

Place : Mumbai  
Dated : 21st May, 2011

**AUDITORS' REPORT**

To,  
The Members of  
**TPL PLASTECH LIMITED**

1. We have audited the attached Balance Sheet of TPL PLASTECH LIMITED as at 31st March, 2011 and the Profit & Loss Account and also Cash Flow Statement of the Company 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 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 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 (Auditor's Report) Order, 2003 issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956 (hereinafter referred to as the 'Act'), we enclose in the Annexure a statement on the matters specified in paragraphs 4 & 5 of the said Order.
4. Further to our comments in the Annexure referred to in paragraph (3) above, 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 purposes of our audit;
  - b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of the books;
  - c) The Balance Sheet, Profit and Loss Account and the Cash Flow Statement dealt with by this report are in agreement with the books of account;
  - d) In our opinion, the Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report have been prepared in compliance with the accounting standards referred to in Section 211(3C) of the Act, to the extent applicable;
  - e) On the basis of written representations received from the directors as on 31st March, 2011 and taken on record by the Board of Directors, we report that none of the Directors is disqualified as on 31st March, 2011 from being appointed as a Director in terms of the Section 274 (1) (g) of the Act;
  - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with "Significant Accounting Policies and Notes to Accounts" in Schedule 'O' and other notes appearing elsewhere in the accounts 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:
    - i) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March, 2011;
    - ii) in the case of the Profit & Loss Account, of the profit of the Company for the year ended on that date; and
    - iii) in the case of Cash Flow Statement, of the Cash Flows of the Company for the year ended on that date.

**For Lodha & Company**  
Chartered Accountants

**( R.P.BARADIYA )**  
PARTNER

Membership No. 44101  
Firm Registration No- 301051E

Place : Mumbai  
Date : 21st May, 2011

**ANNEXURE REFERRED TO IN PARAGRAPH 3 OF OUR REPORT OF EVEN DATE TO THE MEMBERS OF TPL PLASTECH LIMITED ON THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2011**

On the basis of such checks as we considered appropriate and according to the information and explanations given to us during the course of audit, we state that:

1.
  - a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
  - b) The fixed assets have been physically verified by the management at the end of the year and according to the information and explanations given to us, no discrepancies were noticed on such verification.
  - c) During the year, no substantial part of the fixed assets has been disposed off by the Company.
2.
  - a) The inventory has been physically verified by the management at reasonable intervals during the year. Inventory lying with third parties and in transit have been verified by the management with reference to the confirmations received from them and/or subsequent receipt of goods.
  - b) In our opinion and according to the information and explanations given to us, the procedures for physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the Company and nature of its business.
  - c) The Company is maintaining proper records of inventory. No material discrepancies were noticed on physical verification of inventories as compared to book records.
3. The Company has not taken or granted any loans, secured or unsecured, from / to companies, firms or other parties covered in the register maintained under Section 301 of the Act.
4. In our opinion and according to the information and explanations given to us, having regard to the explanations that purchase & sale of certain items of fixed assets and inventory are of special nature for which suitable alternative sources do not exist for obtaining comparative quotations, 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 for the sale of goods and services. Further, on the basis of our examination of the books and records of the Company and according to the information and explanations given to us, we have neither come across nor we have been informed of any continuing failure to correct major weaknesses in the aforesaid internal control system.
5. According to the information and explanations given to us, the Company has not entered in to any contracts or arrangements referred to in Section 301 of the Act required to be entered in the register under that Section.
6. The Company has not accepted any deposits within the meaning of Sections 58A and 58AA or any other relevant provisions of the Act and rules framed thereunder.
7. In our opinion, the Company has an internal audit system commensurate with the size of the Company and nature of its business.
8. The Central Government has not prescribed for the maintenance of cost records under section 209 (1) (d) of the Act for the product manufactured by the Company.
9.
  - a) The Company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Service Tax, Customs `Duty, Excise Duty, Cess and other material statutory dues applicable to the Company with the appropriate authorities. As explained to us, there are no undisputed amounts payable in respect of the aforesaid statutory dues were outstanding as at the last day of the financial year for a period of more than six months from the date they became payable.

- (b) According to the information and explanations given to us, there are no dues of Income Tax, Wealth Tax, Sales Tax, Service tax, Customs Duty, Excise Duty and Cess which have not been deposited on account of any dispute, except the following :

Name of the Statute	Nature of Dues	Period to which it relates	Amt. in ₹	Forum where dispute is pending
Central Excise Act, 1944	Service Tax	2005 - 2011	2,867,132	Commissioner of Central Excise - Vapi

10. The Company neither has any accumulated losses at the end of the financial year nor has it incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. The Company has not defaulted in repayment of dues to banks.
12. According to the information and explanations given to us and based on documents produced to us, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
13. The Company is not a chit fund or a nidhi mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Order are not applicable to the Company.
14. The Company is not a dealer or trader in shares, securities, debentures and other investments. Therefore, the provisions of clause 4 (xiv) of the order are 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 and financial institutions.
16. According to the information and explanations given to us, in our opinion, the term loans were applied for the purpose for which the same were obtained.
17. According to the information and explanations given to us and on an overall examination of the cash flow statement and balance sheet of the Company, in our opinion, the funds raised on short term basis have not been applied for long term investments.
18. During the year, the Company has not made any preferential allotment of shares to parties and companies covered and recorded in the Register maintained under Section 301 of the Act.
19. The Company has not issued any debentures.
20. The Company has not raised any money by way of public issue during the year or in the recent past.
21. 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 and according to the information and explanations given to us, we have neither come across any instance of fraud on or by the Company, noticed or reported during the year, nor have we been informed of such case by the management.

**For Lodha & Company  
Chartered Accountants**

**( R.P.BARADIYA )  
PARTNER**

**(Membership No. 44101)**

**Firm Registration No- 301051E**

**Place : Mumbai  
Date : 21st May, 2011**

**BALANCE SHEET AS AT 31ST MARCH, 2011**

	Schedule	As at 31st March, 2011 ₹	As at 31st March, 2010 ₹
<b>SOURCES OF FUNDS :</b>			
<b>SHAREHOLDERS' FUNDS</b>			
Share Capital	A	78,003,000	78,003,000
Reserves & Surplus	B	165,470,771	93,277,676
		<u>243,473,771</u>	<u>171,280,676</u>
<b>LOAN FUNDS</b>			
Secured Loans	C	326,418,664	246,741,576
		<u>326,418,664</u>	<u>246,741,576</u>
Deferred Tax Liability (net)		43,582,681	8,540,400
<b>TOTAL</b>		<u>613,475,116</u>	<u>426,562,652</u>
<b>APPLICATION OF FUNDS :</b>			
<b>FIXED ASSETS</b>			
Gross Block	D	547,744,824	312,401,081
Less : Depreciation		<u>137,528,990</u>	<u>163,476,624</u>
Net Block		410,215,834	148,924,457
Capital Work-in-Progress		16,071,121	133,219,261
		<u>426,286,955</u>	<u>282,143,718</u>
<b>CURRENT ASSETS, LOANS AND ADVANCES</b>			
Inventories	E	107,406,585	47,799,836
Sundry Debtors	F	237,417,945	173,424,841
Cash and Bank Balances	G	4,252,941	4,584,302
Loans and Advances	H	44,850,503	50,709,759
		<u>393,927,974</u>	<u>276,518,738</u>
<b>LESS : CURRENT LIABILITIES AND PROVISIONS</b>			
Current Liabilities	I	186,282,056	111,723,586
Provisions	I	20,457,757	20,376,218
<b>Net Current Assets</b>		<u>187,188,161</u>	<u>144,418,934</u>
<b>TOTAL</b>		<u>613,475,116</u>	<u>426,562,652</u>
SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS	O		

SCHEDULES REFERRED TO ABOVE FORM AN INTEGRAL PART OF THE BALANCE SHEET

As per our attached report of even date

For and on behalf of the Board

For **LODHA & COMPANY**

Chartered Accountants

**(R.P.BARADIYA)**

Partner

**Place** : Mumbai

**Dated** : 21st May, 2011

**Sanjaya Kulkarni**

Chairman

**Manoj Sharma**

Chief Financial Officer

**Kamlesh Joisher**

Whole Time Director

**Niklank Jain**

Company Secretary

**PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2011**

	Schedule	For the Year ended on 31.03.2011 ₹	For the Year ended on 31.03.2010 ₹
<b>INCOME</b>			
Sales		1,073,393,693	791,554,620
Less : Excise Duty		97,556,742	60,026,201
		<u>975,836,951</u>	<u>731,528,419</u>
Other Income	J	213,314	2,347,285
Increase / (Decrease) in Stocks	K	19,524,181	(7,364,652)
<b>TOTAL</b>		<u>995,574,446</u>	<u>726,511,052</u>
<b>EXPENDITURE</b>			
Raw Materials Consumed	L	716,498,191	509,092,913
Manufacturing and Other Expenses	M	138,084,099	111,357,783
Interest and Finance Charges	N	30,066,946	17,117,733
Depreciation		26,337,564	19,014,771
<b>TOTAL</b>		<u>910,986,800</u>	<u>656,583,200</u>
<b>Profit / (Loss) For The Year Before Tax</b>		<b>84,587,646</b>	69,927,852
<b>Provision for Taxation</b>			
Current Tax		(16,763,432)	(23,276,294)
MAT Credit Adjustment		7,360,883	-
Wealth Tax		(18,812)	-
Deferred Tax		(17,871,309)	(834,259)
<b>Profit / (Loss) For The Year After Tax</b>		<b>57,294,976</b>	45,817,299
Exceptional Items (Refer Note no- o in schedule O)		33,029,448	-
<b>Net Profit</b>		<b>90,324,424</b>	45,817,299
Balance of Profit brought forward from previous year		84,692,176	60,566,542
		<u>175,016,600</u>	106,383,841
<b>Less Appropriations :</b>			
Proposed Dividend		(15,600,600)	(15,600,600)
Corporate Tax on Dividend		(2,530,729)	(2,591,065)
Transfer to General Reserve		(7,000,000)	(3,500,000)
Balance of Profit Carried to Balance Sheet		<u>149,885,271</u>	<u>84,692,176</u>
<b>Basic and Diluted EPS before Exceptional items</b>		<b>7.35</b>	5.87
<b>Basic and Diluted EPS after Exceptional items</b>		<b>11.58</b>	5.87
(Face value of ₹ 10 per share)			
SIGNIFICANT ACCOUNTING POLICIES AND NOTES O			
TO ACCOUNTS			
SCHEDULES REFERRED TO ABOVE FORM AN INTEGRAL PART OF THE PROFIT AND LOSS ACCOUNT			

As per our attached report of even date

For and on behalf of the Board

For **LODHA & COMPANY**

Chartered Accountants

**(R.P.BARADIYA)**

Partner

**Place** : Mumbai**Dated** : 21st May, 2011**Sanjaya Kulkarni**

Chairman

**Manoj Sharma**

Chief Financial Officer

**Kamlesh Joisher**

Whole Time Director

**Niklank Jain**

Company Secretary

**CASH FLOW STATEMENT FOR THE YEAR ENDED ON 31ST MARCH, 2011**

	For the Year ended on 31.03.2011 ₹	For the Year ended on 31.03.2010 ₹
<b>A. CASH FLOW FROM OPERATING ACTIVITIES :</b>		
Net Profit before tax and extra ordinary items	84,587,646	69,927,852
Adjustments for:		
Depreciation	26,337,564	19,014,770
Interest	30,066,946	17,117,733
Profit / (Loss) on sale of Fixed Assets (Net)	167,367	2,064,427
<b>Operating Profit /(Loss) before Working Capital Changes</b>	<b>141,159,523</b>	108,124,782
Adjustments for:		
Trade and other Receivables	(51,069,440)	(91,711,911)
Inventories	(59,606,749)	28,245,974
Trade Payables	73,518,287	(18,712,501)
<b>Cash generated from operations</b>	<b>104,001,621</b>	25,946,344
Income Tax	(15,636,183)	(23,212,940)
<b>Net cash from operating activities</b>	<b>88,365,438</b>	2,733,404
<b>B. CASH FLOW FROM INVESTING ACTIVITIES :</b>		
Purchase of Fixed Assets & capital advances	(122,766,613)	(122,089,012)
Sale of Fixed Assets	2,318,866	8,521,255
<b>Net Cash used in investing activities</b>	<b>(120,447,747)</b>	(113,567,757)
<b>C. CASH FLOW FROM FINANCING ACTIVITIES :</b>		
Interest	(30,066,946)	(17,117,733)
Proceeds / (Repayments) of borrowings (net)	79,677,088	147,885,724
Dividend & Dividend Tax Paid	(18,191,665)	(18,251,922)
<b>Net Cash used in financing activities</b>	<b>31,418,477</b>	112,516,069
Net increase / (decrease) in cash and cash equivalents (A+B+C)	<b>(663,832)</b>	1,681,716
Cash and cash equivalents at the beginning of the year	4,060,050	2,378,334
Cash and cash equivalents at the end of the year	<b>3,396,218</b>	4,060,050

**Notes :**

- 1) The above Cash Flow Statement has been prepared under the 'Indirect Method' as set out in the Accounting Standard -3 on Cash Flow Statement prescribed by Companies (Accounting Standards) Rules,2006.
- 2) Cash & cash equivalents exclude fixed / margin deposit ₹ 856,723 (previous year ₹ 524,252)
- 3) Previous year's figures have been regrouped / rearranged wherever necessary to conform with current year's presentation.

As per our attached report of even date

For and on behalf of the Board

For **LODHA & COMPANY**

Chartered Accountants

**(R.P.BARADIYA)**

Partner

**Place** : Mumbai**Dated** : 21st May, 2011**Sanjaya Kulkarni**

Chairman

**Manoj Sharma**

Chief Financial Officer

**Kamlesh Joisher**

Whole Time Director

**Niklank Jain**

Company Secretary



**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011**

	As at 31st March, 2011 ₹	As at 31st March, 2010 ₹
<b>SCHEDULE 'A'</b>		
<b>SHARE CAPITAL</b>		
<b>Authorised :</b>		
10,000,000 Equity Shares of ₹ 10 each	<u>100,000,000</u>	<u>100,000,000</u>
<b>Issued, Subscribed and Paid up:</b>		
7,800,300 Equity shares of ₹ 10 each fully paid up	<u>78,003,000</u>	<u>78,003,000</u>
[ Of the above, 5,850,126 shares are held by the Holding Company ]		
<b>SCHEDULE 'B'</b>		
<b>General Reserve</b>		
Opening Balance	8,585,500	5,085,500
Add: Transferred during the Year	<u>7,000,000</u>	<u>3,500,000</u>
Closing Balance	15,585,500	8,585,500
Profit & loss Account (As per annexed Account)	<u>149,885,271</u>	<u>84,692,176</u>
	<u>165,470,771</u>	<u>93,277,676</u>
<b>SCHEDULE 'C'</b>		
<b>SECURED LOANS</b>		
<b>From Banks</b>		
i. Working Capital facilities	123,247,587	32,459,951
ii. Term Loans	203,171,077	214,281,625
1. Working Capital facilities including non - fund based facilities are secured by hypothecation of stock of raw materials, finished goods, stock in process and book debts, ranking pari passu among banks interse, both present & future and also further secured by way of 2nd pari passu charge on fixed assets.		
2. Term Loan of ₹ 180,950,000 (Previous Year ₹ 180,950,000) is secured by way of equitable mortgage/ hypothecation of immovable & movable assets situated at Silvassa & Pant Nagar and is guaranteed by the Holding Company.		
3. Term Loan of ₹ 22,221,077 (Previous Year ₹ 33,331,625) is secured by way of equitable mortgage/ hypothecation of immovable & movable assets situated at Jammu and is guaranteed by the Holding Company.		
<b>TOTAL</b>	<u>326,418,664</u>	<u>246,741,576</u>

**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011****SCHEDULE - 'D'****FIXED ASSETS**

(Amount in ₹)

PARTICULARS	GROSS BLOCK				DEPRECIATION					NET BLOCK	
	As On 01/04/10	Additions During The Year	Deductions During The Year	As On 31/03/2011	As On 01/04/10	For The Year	Adjustment	Dep written back #	As On 31/03/11	As On 31/03/11	As On 31/03/10
Lease Hold Land	25,927,790	-	-	25,927,790	393,564	356,293	-	-	749,857	25,177,933	25,534,226
Free Hold Land	8,106,610	803,711	-	8,910,321	-	-	-	-	-	8,910,321	8,106,610
Building	47,038,834	53,434,794	-	100,473,628	28,432,918	3,035,043	-	11,881,037	19,586,924	80,886,704	18,605,916
Plant & Machinery	200,162,977	156,833,561	2,093,860	354,902,678	119,047,960	16,808,528	611,507	34,184,928	101,060,053	253,842,625	81,115,017
Laboratory Testing Equipment	82,654	398,927	-	481,581	52,125	24,289	-	26,000	50,414	431,167	30,529
Electric Installation	4,123,788	5,839,837	-	9,963,625	2,054,892	403,797	-	910,409	1,548,280	8,415,345	2,068,896
Dies & Moulds	20,159,236	17,490,636	2,477,150	35,172,722	9,651,311	4,560,924	1,473,270	1,801,966	10,936,999	24,235,723	10,507,925
Office Equipments	860,814	469,335	-	1,330,149	377,382	134,559	-	172,795	339,146	991,003	483,432
Computers	1,258,961	562,503	-	1,821,464	768,305	258,693	-	194,190	832,808	988,656	490,656
Furniture & Fbxture	683,494	256,873	-	940,367	451,013	187,201	-	30,999	607,215	333,152	232,481
Vehicles	3,995,923	3,824,576	-	7,820,499	2,247,153	568,237	-	998,096	1,817,294	6,003,205	1,748,770
<b>Total</b>	<b>312,401,081</b>	<b>239,914,753</b>	<b>4,571,010</b>	<b>547,744,824</b>	<b>163,476,623</b>	<b>26,337,564</b>	<b>2,084,777</b>	<b>50,200,420</b>	<b>137,528,990</b>	<b>410,215,834</b>	<b>148,924,458</b>
Previous Year	293,727,007	33,915,168	15,241,094	312,401,081	149,117,266	19,014,769	4,655,412	-	163,476,623	148,924,458	
Capital Work- In- Progress at cost pending allocation. (See note n of Schedule O)										16,071,121	133,219,261
# See Note no. 'o' schedule 'O'										<b>426,286,955</b>	<b>282,143,719</b>

As at 31st  
March, 2011  
₹As at 31st  
March, 2010  
₹**SCHEDULE 'E'****INVENTORIES**

(As taken, valued and certified by the Management)

Raw Materials	61,331,156	21,440,329
(Including In Transit ₹ Nil, Previous Year ₹ 5,994,141)		
Components & Accessories	5,641,002	5,449,261
Work-in-Process	8,259,935	8,119,344
Finished Goods	32,174,492	12,790,902
	<u>107,406,585</u>	<u>47,799,836</u>

**SCHEDULE 'F'****SUNDRY DEBTORS - (UNSECURED)**

Outstanding for a period exceeding six months;

Considered Good	2,403,794	4,103,796
Others ;		
Considered good	235,014,151	169,321,045
	<u>237,417,945</u>	<u>173,424,841</u>

**SCHEDULES FORMING PART OF THE BALANCE SHEET AS AT 31ST MARCH, 2011**

	As at 31st March, 2011 ₹	As at 31st March, 2010 ₹
<b>SCHEDULE 'G'</b>		
<b>CASH AND BANK BALANCES</b>		
Cash on Hand	277,655	141,648
Balances with Scheduled Banks in:		
a) Current Accounts	1,245,682	2,637,689
b) Unclaimed Dividend Accounts	1,872,881	1,280,713
c) Fixed Deposit Accounts Including interest accrued there on (Receipts lodged with Govt. Department)	856,723	524,252
	<u>4,252,941</u>	<u>4,584,302</u>
<b>SCHEDULE 'H'</b>		
<b>LOANS AND ADVANCES</b>		
(Unsecured, Considered Good)		
Inter Corporate Loan (Including Interest receivable)	-	20,161,384
Advances recoverable in cash or in kind or for value to be received	5,670,573	3,378,048
Income Tax & MAT Refund Receivable	7,396,879	-
Balances With Central Excise/Service tax	28,048,481	13,148,841
Vat Credit Receivable	2,501,677	12,649,293
Deposits	1,232,893	1,372,193
	<u>44,850,503</u>	<u>50,709,759</u>
<b>SCHEDULE 'I'</b>		
<b>CURRENT LIABILITIES AND PROVISIONS</b>		
<b>CURRENT LIABILITIES :</b>		
Sundry Creditors		
Dues to Micro, Small & Medium Enterprises (Refer note no I of Schedule 'O')	-	-
Others	172,984,373	103,874,546
Other Liabilities	8,762,588	3,748,278
Interest Accrued But Not Due	2,662,214	2,820,049
Unclaimed Dividend*	1,872,881	1,280,713
* There is no amount due and outstanding to be credited to Investor Education and Protection Fund	<u>186,282,056</u>	<u>111,723,586</u>
<b>PROVISIONS :</b>		
Proposed Dividend	15,600,600	15,600,600
Corporate Tax on Dividend	2,530,729	2,591,065
Provision for Taxes (Net Of taxes paid of ₹ 15,632,141; Previous Year ₹ 23,223,105)	1,245,412	63,354
Employee Benefits	1,081,016	2,121,199
	<u>20,457,757</u>	<u>20,376,218</u>

**SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2011**

	For the Year ended on 31.03.2011 ₹	For the Year ended on 31.03.2010 ₹
<b>SCHEDULE 'J'</b>		
<b>OTHER INCOME</b>		
Sundry Balances / Provisions Written Back (net)	45,947	282,858
Profit on sale of Fixed Assets (net)	167,367	2,064,427
	<u>213,314</u>	<u>2,347,285</u>
<b>SCHEDULE 'K'</b>		
<b>INCREASE / (DECREASE) IN STOCK</b>		
(Refer note no m (B) in Schedule 'O' regarding trial run stocks)		
Closing Stock		
Finished Goods	32,174,492	10,032,782
Work-in-Process	8,259,935	7,726,493
	<u>40,434,427</u>	<u>17,759,275</u>
<b>(A)</b>		
Less : Opening Stock		
Finished Goods	10,032,782	5,350,987
Work-in-Process	7,726,493	19,772,940
Transferred from trial run production	3,150,971	-
	<u>20,910,246</u>	<u>25,123,927</u>
<b>(B)</b>		
<b>TOTAL</b>	<b>(A-B)</b> <u>19,524,181</u>	<u>(7,364,652)</u>
<b>SCHEDULE 'L'</b>		
<b>RAW MATERIALS CONSUMED</b>		
Opening Stock	14,808,401	46,862,707
Add: Purchases	756,389,018	477,038,607
Add: Transferred due to trial run production	6,631,928	-
Less : Closing Stock (Including purchase in Transit)	61,331,156	14,808,401
<b>TOTAL</b>	<u>716,498,191</u>	<u>509,092,913</u>

**SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT FOR THE YEAR ENDED ON 31ST MARCH, 2011**

	For the Year ended on 31.03.2011 ₹	For the Year ended on 31.03.2010 ₹
<b>SCHEDULE 'M'</b>		
<b>MANUFACTURING AND OTHER EXPENSES</b>		
Salaries, Wages and Bonus	22,164,005	13,599,902
Contribution to Provident and Other Funds	1,284,424	654,467
Staff Welfare Expenses	1,059,281	554,909
Power and Fuel	38,326,894	36,272,834
Labour Charges - Component	2,065,076	2,329,175
Repairs and Maintenance:		
Plant and Machinery	5,502,472	4,953,903
Buildings	182,786	129,232
Others	1,388,984	751,056
Insurance	1,525,133	631,875
Rates and Taxes	189,252	152,814
Rent	1,556,900	716,000
Directors' Sitting Fees	75,000	71,000
Freight, Forwarding and Handling Charges	43,916,512	32,281,741
Screen Printing Charges	3,973,776	3,242,102
Selling Expenses	313,379	259,205
Sales Commission	1,566,620	2,023,449
Rebates and Discounts	3,818,713	4,652,541
Increase / (Decrease) In Excise duty on stock	1,797,711	529,523
Miscellaneous Expenses	7,377,181	7,552,055
<b>TOTAL</b>	<b>138,084,099</b>	<b>111,357,783</b>
<b>SCHEDULE 'N'</b>		
<b>INTEREST AND FINANCE CHARGES</b>		
Interest on :		
Working Capital	9,503,418	5,820,724
Term loan	18,371,319	8,333,492
Finance Charges	5,012,738	4,674,591
<b>TOTAL</b>	<b>32,887,475</b>	<b>18,828,807</b>
Less : Interest Received	2,820,529	1,711,074
(Tax Deducted At Source ₹ 275,641 Previous Year ₹ 237,970)	<b>30,066,946</b>	<b>17,117,733</b>

**SCHEDULE- 'O'****SIGNIFICANT ACCOUNTING POLICIES AND NOTES TO ACCOUNTS FORMING PART OF THE ACCOUNTS AS AT AND FOR THE YEAR ENDED 31ST MARCH 2011****A. SIGNIFICANT ACCOUNTING POLICIES:****a. BASIS OF ACCOUNTING:**

- (i) The financial statements are prepared on the basis of historical cost convention, and on the accounting principles of a going concern.
- (ii) All expenses and income to the extent ascertainable with reasonable certainty are accounted for on accrual basis.

**b. USE OF ESTIMATES:**

The presentation of financial statements in conformity with generally accepted accounting principles (GAAP) requires management to make estimates and assumptions that affects the reported amounts of assets and liabilities and the disclosures of contingent liabilities on the date of financial statements and reported amounts of revenue and expenses for that year. Actual results could differ from those estimates. Any revision to accounting estimates is recognised prospectively.

**c. REVENUE RECOGNITION :**

Revenue from sale of goods is recognized when significant risks & rewards of ownership are transferred to the customers. Sales are inclusive of freight and net of sales returns.

**d. FIXED ASSETS:**

- (i) Fixed Assets are stated at cost inclusive of freight, duties, taxes and all incidental expenses related thereto and net of Cenvat credit.
- (ii) Pre-operative expenses incurred during construction period are allocated to various assets in proportion to their capital cost.
- (iii) Fixed assets are stated at cost less accumulated depreciation.

**e. DEPRECIATION / AMORTISATION:**

- (i) Premium on leasehold land is being amortized over the period of lease.
- (ii) Depreciation on fixed assets is provided on straight line method at the rates and in the manner as specified in Schedule XIV to the Companies Act, 1956.
- (iii) 'Continuous Process Plant' as defined in the said Schedule, has been considered on technical assessment and depreciation provided accordingly.

**f. INVENTORIES:**

- (i) Inventories are valued at lower of cost and net realizable value. Raw material cost is computed on quarterly weighted average basis.
- (ii) Finished goods and Work-in-Process include estimated cost of conversion and other costs incurred in bringing the inventories to their present location and condition.
- (iii) Inventory of stores and spares, being not material, are charged to consumption on procurement.

**g. ACCOUNTING FOR TAXES ON INCOME:**

Provision for current tax is made on the basis of the estimated taxable income for the current accounting year in accordance with the provisions as per Income-Tax Act, 1961.

MAT credit asset is recognized and carried forward as there is a reasonable certainty of it being set off against regular tax payable within the stipulated statutory period.

The deferred tax for timing differences between book profits and tax profits for the year is accounted for using the tax rules and laws that have been enacted or substantially enacted as of the balance sheet date. Deferred tax assets arising from timing differences are recognised to the extent there is a reasonable certainty that these would be realized in future and are reviewed for the appropriateness of their respective carrying values at each balance sheet date.

**h. BORROWING COST:**

Borrowing Costs attributable to acquisition and construction of qualifying assets are capitalised as a part of the cost of such asset up to the date when such asset is ready for its intended use. Other Borrowing costs are charged to Profit & Loss Account.

**i. TRANSACTIONS IN FOREIGN CURRENCY:**

- (i) Foreign currency transactions are recorded at the rate of exchange prevailing on the date of the transactions.
- (ii) All exchange differences on settlement / conversion are dealt with in the Profit and Loss Account.
- (iii) Current Assets and Current Liabilities in foreign currency are translated at the rate of exchange prevailing at the close of the year.

**j. EMPLOYEE BENEFITS:**

Liability in respect of employee benefits is provided and charged to Profit and Loss Account as follows:

- (i) Provident / Pension Funds (Contribution Plan): At a specified percentage of salary / wages for eligible Employees.
- (ii) Leave Entitlement: As determined on the basis of accumulated leave to the credit of the employees as at the year end as per the Company's rules being the short term benefits.
- (iii) The Company provides for gratuity, a defined benefit retirement plan, covering eligible employees. Liability under gratuity plan is determined on actuarial valuation done by the Life Insurance Corporation of India (LIC) at the close of the year, based upon which, the Company contributes to the scheme with LIC. The Company also provides for the additional liability over the amount contributed to the LIC based on the actuarial valuation done by LIC using the Projected Unit Credit Method.

**k. IMPAIRMENT OF ASSETS:**

The Company assesses at each Balance Sheet date whether there is any indication that any asset may be impaired. If any such indication exists, the carrying value of such assets is reduced to its recoverable amount and the amount of such impairment loss is charged to profit and loss account. If at the balance sheet date there is any indication that a previously assessed impairment loss no longer exists, then such loss is reversed and the asset is restated to that effect.

**l. PROVISIONS, CONTINGENT LIABILITIES AND CONTINGENT ASSETS:**

A provision is made based on a reliable estimate when it is probable that an outflow of resources embodying economic benefit will be required to settle an obligation. Contingent liabilities, if material, are disclosed by way of notes to accounts. Contingent assets are not recognised or disclosed in the financial statements.

**B. NOTES TO ACCOUNTS:-**

- a. i. Estimated amount of contracts remaining to be executed on capital account and not provided for (net of advances of ₹ 1,670,038; Previous year ₹ 23,616,787) ₹ 2,782,518 (Previous year ₹ 27,535,484).
- ii. Contingent liabilities in respect of :

Particulars	2010-11 (₹)	2009-10 (₹)
Guarantees given by the bank on behalf of the company	5,475,000	3,875,000
Disputed indirect taxes (Excluding interest if any)	2,867,132	2,979,637

- b. i. The amount of exchange difference (net) credited to the Profit and Loss Account for the year ₹ 161,620 (Previous year credited ₹ 4,930,355)

- ii. Foreign Currency Exposure only relates to import of raw materials as on 31st March 2011 & are as follows :-

Particulars	2010-11		2009-10	
	USD	₹	USD	₹
Hedged	1,260,855	56,685,479	692,010	31,927,055
Unhedged	2,125,035	95,626,575	1,032,570	46,465,650

- c. The Company's operations fall under a single segment i.e. Polymer Products and all its business operations are in India.
- d. **Auditors' Remuneration**

Particulars	2010-11 (₹)	2009-10 (₹)
Audit Fees	210,000	200,000
Tax Audit Fees	60,000	50,000
Certification Charges	60,000	50,000
Service Tax	36,181	31,975
Out of pocket expenses	21,270	10,440
<b>TOTAL</b>	<b>387,451</b>	<b>342,415</b>

- e. (i) **Managerial Remuneration\***:

Particulars	2010-11 (₹)	2009-10 (₹)
Salaries	1,763,248	1,345,020
Contribution to Provident Fund	155,520	120,960
<b>TOTAL</b>	<b>1,918,768</b>	<b>1,465,980</b>

\*Excluding contribution to the gratuity fund, since determined for the Company as a whole.

- (ii) No Commission is payable to Directors/Managing Director and hence computation of Net Profit in accordance with Section 198, 309 and 349 of the Companies Act, 1956 has not been given.

- f. **Related Party Disclosures as per Accounting Standard (AS) 18:**

A) List of Related party and their relationships:

Sr No	Name of the Related Party	Relationship
1	Time Technoplast Limited	Holding Company
2	Time Mauer Industries Pvt. Limited	Associate
3	Elan Incorporated FZE, Sharjah	Fellow Subsidiary
4	Novo Tech Sp. Z.O.O., Poland	Fellow Subsidiary
5	Ned Energy Ltd., India	Fellow Subsidiary
6	Kamlesh Joisher	Whole Time Director

B) The following transactions were carried out with the aforesaid related parties in the ordinary course of Business:

Sr. No.	Name of the Party	Relationship Transaction	Nature of	Amount (₹) Debit	Amount (₹) Credit	Outstanding As On 31.03.2011 (₹)
1.	Time Technoplast Limited	Holding Company	Sales* / Purchases**	177,772,408 (30,466,860)	265,695,900 (157,506,885)	16,704,378 (Dr) (617,323) (Dr)
2.	Kamlesh Joisher	Whole Time Director	Remuneration	1,918,768 (1,465,980)	- (-)	- (-)



- Note:** i) Figures in brackets pertains to previous year.  
 ii) No amounts in respect of related parties have been written off/written back/provided for during the year.  
 iii) Related party relationships have been identified by the management and relied upon by the auditors.  
 iv) \*Sale includes Sale of Fixed Assets ₹ 2,855,630 (Previous year ₹ 14,729,902).  
 v) \*\*Purchase includes Purchase of fixed Assets ₹ 98,810,992. (Previous year ₹ 54,078,376).

**g. Deferred Tax Liability / (Asset) at the year end comprise timing differences on account of:**

Particulars	2010-11 (₹)	2009-10 (₹)
Depreciation	43,575,998	8,648,249
Provision/Expense allowable in subsequent years	6,683	(107,849)
<b>TOTAL</b>	<b>43,582,681</b>	8,540,400

**h. Calculation of Earning Per Share (EPS):**

Particulars	2010-11 (₹)	2009-10 (₹)
Numerator:		
Profit after tax but before Exceptional Items	57,294,976	45,817,299
Add :Profit due to Exceptional Items	33,124,757	-
Profit after Exceptional Items	90,324,424	45,817,299
Denominator:		
Weighted Average Equity Shares (No.)	7,800,300	7,800,300
Face Value	10	10
Basic and Diluted Earning Per Share before Exceptional Items	7.35	5.87
Basic and Diluted Earning Per Share after Exceptional Items	11.58	5.87

**i. Disclosure as required by Accounting Standard 15 (Revised) on Employee Benefits, in respect of gratuity a defined benefit scheme (based on Actuarial Valuation) :**

Description	Year ended March 31, 2011 ₹	Year ended March 31, 2010 ₹
<b>A. Expense recognised in the statement of Profit and Loss Account for the year ended March 31, 2011</b>		
- Current Service Cost	156,352	-
- Interest Cost	75,598	-
- Expected return on plan assets	-	-
- Net actuarial (gain) / loss recognised during the year	29,058	322,484
<b>Total Expense</b>	<b>261,008</b>	322,484
<b>B. Actual return on plan assets</b>		
- Expected return of plan assets	75,561	-
- Actuarial (gain) / loss on plan assets	-	-
- Actual return of plan assets	75,561	-
<b>C. Net Asset / (Liability) recognised in the Balance Sheet</b>		
- Present value of obligation	1,205,981	-
- Fair value of plan assets	1,185,863	-
- Funded status (surplus / (deficit))	(20,118)	-
- Net Asset / (Liability) recognised in the Balance Sheet	20,118	-

Description	Year ended March 31, 2011 ₹	Year ended March 31, 2010 ₹
<b>D. Change in Present value of Obligation during the year ended March 31, 2011</b>		
- Present value of obligation as at April 1, 2010	1,272,390	955,094
- Current Service Cost	156,352	-
- Interest Cost	75,598	-
- Benefits paid / (Written back)	(327,417)	(5,188)
- actuarial (gain) / loss on obligation	29,058	322,484
- Present value of obligation as at March 31, 2011	1,205,981	1,272,390
<b>E. Change in Assets during the year ended March 31, 2011</b>		
- Fair value of plan assets as at April 1, 2010	-	-
- Expected return on plan assets	75,561	-
- Contributions made	1,110,302	-
- Benefits paid	-	-
- actuarial (gains) / loss on plan assets	-	-
- Fair value of plan assets as at March 31, 2011	1,185,863	-
<b>F. Major categories of plan assets as a percentage of total plan</b>	-	-
<b>G. Actuarial Assumptions</b>		
- Discount rate	8%	8%
- Expected rate of return on assets	-	-
- Mortality Rate	LIC (1994 - 96) Table	LIC (1994 - 96) Table
- Future salary increases consider inflation, seniority, promotion and other relevant factors	4%	5%

- j. Sundry Creditors include ₹ 86,645,354 (Previous Year ₹ 23,114,322) towards Buyer's Credit.
- k. i) In the opinion of the Board, current assets, loans and advances have value on realization in the ordinary course of business at least equal to the amount at they are stated.  
ii) The accounts of certain Sundry Debtors, Creditors, Loans and Advances are however, subject to confirmations/reconciliations and consequent adjustments, if any. The management does not expect any material difference affecting the current year's financial statements on such reconciliation/adjustments.
- l. The Company has not received any intimation from the suppliers regarding their status under the Micro, Small and Medium Enterprises Development Act, 2006 and hence disclosures, if any, relating to amounts unpaid as at the year end together with interest paid / payable as required under the said Act have not been given.
- m. Additional information pursuant to paragraph 3 and 4 of part II of Schedule VI to the Companies Act, 1956;

**A. Licensed Capacity\*, Installed Capacity and actual production.**

Items	Unit	Installed Capacity**		Actual Production *** \$	
		2010-11	2009-10	2010-11	2009-10
Polymer Products	M.T.	14,500<	11,000	10,371	7,777^

\*\* Delicensed      \*\*\* As Certified by the Management

\*\*\*Based on yield as verified and certified by the Management. (Both the above accepted by the Auditors, without verification, being a technical matter).

< Installed Capacity increased by 2000 M.T wef 3.4.2010 & 1500 M.T wef 28.07.2010.

\$ Of different sizes of barrels.      ^ Includes trial run production of 32 M.T

**B. Details of Turnover and Stocks of Finished Goods:**

Items	Unit	Opening Stock (As on 01/04/2010)		Turnover		Closing Stock (As on 31/03/2011)	
		Quantity	Value(₹)	Quantity	Value(₹)	Quantity	Value(₹)
Polymers Products	M.T.	138* (52)	12,790,902** (5,350,987)	10,165 (7,691)	975,836,951 (791,554,620)	344 (138*)	32,174,492 <sup>s</sup> (12,790,902)* <sup>s</sup>

- Notes:**
- Figures in bracket relate to previous year.
  - \* Includes trial run production stock of 32 M.T of ₹ 27,58,120.
  - \$ Including Excise duty of ₹ 2,992,147 (Previous year ₹ 1,194,436)

**C. Raw Materials Consumed:**

Items	Unit	2010-2011		2009-2010	
		Quantity	Value (₹)	Quantity	Value (₹)
Polymer Granules	M.T	10,372	698,495,766	7,847*	500,742,211
Others			18,002,425		8,350,702
<b>Total</b>		<b>10,372</b>	<b>716,498,191</b>	<b>7,847</b>	<b>509,092,913</b>

\* Excludes raw materials consumption during trial run of 38 M.T.

**Note:** The figure at paragraphs "A" to "C" are after adjustment of excess and shortages ascertained on physical count and write off of obsolete and other items.

**D. Value of Imported and Indigenous Raw Materials Consumed and percentage thereof to the total consumption:**

Item	2010-2011		2009-2010	
	Percentage %	Value (₹)	Percentage %	Value (₹)
Imported	59	423,831,017	65	328,433,650
Indigenous	41	292,667,174	35	180,659,263
<b>TOTAL</b>	<b>100</b>	<b>716,498,191</b>	<b>100</b>	<b>509,092,913</b>

CIF Value of Imports:	2010-11	2009-10
Raw Material (₹)	435,414,939	290,029,741
Capital Items (₹)	6,225,672	-
Foreign currency transactions during the year:		
Interest on buyer's Credit (₹)	1,012,670	824,000

- n. Capital Work-in-progress comprise of Advances towards Plant & Machinery and others ₹ 15,436,894 (P.Y. ₹ 109,435,610); Project development expenditure ₹ 634,227 (P.Y. ₹ 23,783,651) which includes Borrowing cost ₹ Nil (P.Y. ₹ 17,525,124), Salary & wages ₹ 214,419 (P.Y. ₹ 1,901,356) & Other expenses ₹ 419,808 (P.Y. ₹ 4,357,171).
- o. During the year, in order to comply with the group company policy, the Company has provided depreciation on fixed assets as per Straight Line Method instead of Written Down Value as was done hitherto. As a result, depreciation of ₹ 33,029,448 (net of deferred tax of ₹ 17,170,972) provided in earlier years have been written back and disclosed as exceptional items in profit and loss account. MAT is not required to be provided on the same, as it relates to earlier years.
- p. Previous year's figure have been regrouped / rearranged / recast / wherever necessary to conform to current year's presentation.

**SIGNATURES TO SCHEDULES 'A' TO 'O'**

For and on behalf of the Board

**Sanjaya Kulkarni**  
Chairman

**Kamlesh Joisher**  
Whole Time Director

**Manoj Sharma**  
Chief Financial Officer

**Niklank Jain**  
Company Secretary

**Place** : Mumbai  
**Dated** : 21st May, 2011

**Additional information pursuant to Part IV of Schedule VI to the Companies Act, 1956.****Balance Sheet Abstract and Company's General Business Profile****I. Registration Details**

Registration No.	:	L 25209DD1992PLC004656
Balance Sheet Date	:	31st March, 2011

**II. Capital raised during the year (Amount ₹ in Thousands):**

Public Issue	:	Nil	Right Issue	:	Nil
Bonus Issue	:	Nil	Private Placement	:	Nil

**III. Position of Mobilisation and Development of Funds (Amount ₹ in Thousands):**

Total Liabilities	:	613,475	Total Assets	:	613,475
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**SOURCES OF FUNDS :**

Paid up Capital	:	78,003	Reserves and surplus	:	165,471
Secured Loans	:	326,419	Unsecured Loans	:	Nil
Deferred Tax	:	43,583			

**APPLICATION OF FUNDS :**

Net Fixed Assets	:	426,287	Investments	:	Nil
Net Current Assets	:	187,188	Miscellaneous Expenditure	:	Nil
Accumulated Losses	:	Nil			

**IV. Performance of Company (Amount ₹ in Thousands):**

Turnover (including other income)	:	976,050	Total Expenditure	:	891,463
Profit before tax	:	84,588	Profit after tax	:	57,295
Earning per share in ₹	:	11.58	Dividend Rate %	:	20

**V. Generic Name of Principal Product of the Company (as per monetary terms):**

Item Code No. (ITC CODE)	:	39.2390
Product Description	:	Containers of Thermoplastic Resins (Polyolefins)

**For and on behalf of the Board**

**Sanjaya Kulkarni**  
Chairman

**Kamlesh Joisher**  
Whole Time Director

**Manoj Sharma**  
Chief Financial Officer

**Niklank Jain**  
Company Secretary

**Place** : Mumbai  
**Dated** : 21st May, 2011