



# NATIONAL PLASTIC TECHNOLOGIES LTD.

**Twenty Second Annual Report  
2010 - 2011**

# NATIONAL PLASTIC TECHNOLOGIES LTD.

BOARD OF DIRECTORS	:	Shri Bachhraj Parakh Chairman  Shri Sudershan Parakh Managing Director  Shri Sudhir .K. Patel Shri Ajit Kumar Chordia Smt Manju Parakh Shri Alok Parakh
CHIEF FINANCIAL OFFICER & COMPANY SECRETARY	:	Shri E. Balasubramanian
AUDITORS	:	M/s. C.A. Patel & Patel Chartered Accountants Chennai 600 006.
BANKERS	:	State Bank Of India Leather & International Branch (LIBM) Kilpauk, Chennai - 600 010.
REGISTERED OFFICE	:	Thiru Complex, II Floor 69, (Old No.44), Pantheon Road, Egmore, Chennai 600 008. Tel : 43404340 , 28553456 EMAIL: contact@nationalgroup.in
PLANTS	:	E-5, Industrial Estate Guindy, Chennai 600 032.  R.S. 127, Thiruvandar Koil, Pondicherry 605 102.  C-12, Sipcot Industrial Park, Irungattukottai - 602105  Khasra No 246/109/1, Trilokpur Road, Village Johron, Kala-Amb, Tehsil Nahan, Dist Sirmour, (HP)
REGISTRARS & SHARE TRANSFER AGENTS	:	Cameo Corporate Services Ltd. "Subramanian Building" No.1 , Club House Road, Chennai 600 002. Tel : 28460390 Fax : 28460129

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## NOTICE

Notice is hereby given that the Twenty Second Annual General Meeting of the Members of the Company will be held on Monday, the 26<sup>th</sup> September 2011 at 10.15 AM at The Hall of Ragaas, 47, First Avenue, Sastri Nagar, Chennai 600 020 to transact the following business:

### **ORDINARY BUSINESS:**

- 1) To receive, consider and adopt the Audited Profit and Loss Account for the year ended 31<sup>st</sup> March 2011 and Balance Sheet as at that date and the Directors' Report.
- 2) To appoint a Director in the place of Smt. Manju Parakh who retire by rotation and being eligible offer herself for re-appointment.
- 3) To appoint M/s. C.A.Patel & Patel, Chartered Accountants, as auditors who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to fix their remuneration.
- 4) To declare dividend for the Year ended 31<sup>st</sup> March 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 such proxy need not be a member of the company.**
2. **Proxies in order to be effective should be duly completed, stamped and signed and must be deposited at the registered office of the company not less than 48 hours before the meeting.**
3. The register of members and the share transfer books of the company will be closed from 17th September 2011 to 26th September 2011 (both days inclusive).
4. Shareholders are requested to intimate the Registrar and Transfer Agent change of address, if any, immediately for updating of records.
5. If payment of dividend as recommended by the Board of Directors is approved at the Annual General meeting, payment of such dividend will be made as under -
  - (a) to all the beneficial owners in respect of shares held in electronic form as per the data as may be made available by the National Securities Depository Limited and the Central Depository Services (India) Limited, as of close of business hours on 16th September 2011.
  - (b) to all members in respect of shares held in physical form after giving effect to valid transfers in respect of transfer requests lodged with the Company on or before the close of business hours on 16th September 2011.

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6. To avoid incidents of fraudulent encashment of the dividend warrants, members are requested to intimate the Registrar and Share Transfer Agents (RTA) of the Company under the signature of the Sole/First joint holder, the following information so that the Bank Account Number and Name and Address of the Bank can be printed on the dividend warrant, if and when issued :

a) Name of Sole/First joint holder and Folio Number

b) Particulars of Bank Account viz.

- i) Name of Bank
- ii) Name of Branch
- iii) Complete Address of the Bank with Pin Code number
- iv) Account type, whether Savings or Current Account
- v) Bank Account number allotted by the Bank.

7. Members are advised to avail of the facility for receipt of future dividends through Electronic Clearing Service (ECS), which is available at specified locations. Members holding shares in dematerialized form are requested to contact their respective Depository Participants (DPs) for availing ECS facility. Members holding shares in physical form and desirous of availing ECS facility are requested to write to the RTA for details.

8. Members holding shares in demat form may please note that the bank account details given by them to their DPs and passed on to the Company by such DPs would be printed on the dividend warrants of the concerned members. However, if any member wants to receive dividend in any other bank account, they should change/ correct the bank account details with their concerned DPs. The Company would not entertain any request from such shareholders directly.

9. In terms of clause 49 of the listing agreement with stock exchanges, a brief resume of the director proposed to be appointed at this meeting is given below;

Mrs. Manju Parakh comes from a family, which has been in finance and hire purchase business for over 4 decades. She has been a Director of National Plastic Technologies Ltd., since inception.

**PLACE : Chennai**  
**DATE : 12.08.2011**

**By Order of the Board**  
**for National Plastic Technologies Ltd.,**

**E. BALASUBRAMANIAN**  
**Company Secretary**

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## Directors' Report

To

The Shareholders

The Directors hereby present the 22<sup>nd</sup> Annual Report of the Company together with the audited statement of accounts for the year ended 31<sup>st</sup> March 2011.

### 1. Financial Results:

<u>Particulars</u>	<u>Year ended</u> <u>31.3.2011</u> (Rs. in lakhs)	<u>Year ended</u> <u>31.3.2010</u> (Rs. in lakhs)
Sales and other Income (Gross)	6716.20	5606.75
Profit before depreciation and Interest	891.53	789.83
Interest	333.53	331.96
Operating Profit / Loss	558.00	457.87
Depreciation	135.51	139.11
Profit / Loss before taxes	422.49	318.76
Provision for taxation	89.49	54.00
Profit / Loss after tax	333.00	264.76
Less: Provision for Dividend/ Dividend Tax	70.88	56.89
Add: Balance Profit brought forward from last year	292.73	119.55
Deferred Tax	20.00	150.00
Add/Deduct: MAT Entitlement Credit	30.51	115.31
Balance carried to Balance Sheet	504.35	292.73

### 2. Operations :

Our company has achieved gross sales of Rs.6636.25 lakhs during the year under review as compared to Rs.5545.23 lakhs during the previous year. The above figures are inclusive of job work income. The company has achieved EBITDA of Rs.891.54 lakhs as against Rs.789.83 lakhs during the previous year.

### 3. Dividend:

The Board recommends to the Shareholders for declaration at the ensuing AGM a dividend @ 10%, i.e., Rs.1 (Rupee One only) per share to the Equity Shareholders, subject to the approval of State Bank of India. The said Equity dividend shall result in a cash outflow of Rs.60.78 Lakhs and dividend tax payable on the said equity dividend will amount to Rs. 10.10 Lakhs.

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## **4. Deposits:**

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

## **5. Directors :**

Smt. Manju Parakh retire by rotation and being eligible offer herself for re-appointment.

## **6. Directors' Responsibility Statement :**

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

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

## **7. Particulars Of Employees:**

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

## **8. Information Under Section 217(1)(E) Of The Companies Act, 1956 is furnished below:**

### **A. Conservation of Energy:**

1. Change of circuitry in the machines developed in house to reduce power consumption.
2. Power saving equipments have been installed on machines and there has been considerable reduction in power consumption.
3. Heater insulation jackets have been provided on the machines to prevent the energy losses.
4. Timers have been installed to reduce the idle running of the motors preventing energy losses.

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5. Natural lighting is being used in all new plants to avoid usage of industrial lamps in the day.
6. APFC Panels have been installed in all plants to maintain power factor, thus ensuring efficient energy management.

## **B. Technology Absorption:**

Not applicable.

## **C. Foreign Exchange Earnings And Outgo:**

	31.3.2011 (Rs. in lakhs)	31.3.2010 (Rs. in lakhs)
Earnings	-	-
Expenditure	3.9	11.70

## **9. Auditors:**

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

## **10. ACKNOWLEDGEMENT:**

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

**Place : Chennai**  
**Date : 12-08-2011**

**On behalf of the Board**  
**For National Plastic Technologies Ltd**

**Sd**  
**Chairman**

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## **Management Discussion and Analysis Report**

### **General**

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

### **Industry Scenario and Development**

The financial year 2008 - 09 was a tough period for the world economy. In 2009 - 10, the economies had to focus all their energies on overcoming the after effects of previous year's financial crisis. The period under review viz., 2010 - 11 was a year of recovery and Indian economy has emerged from the global financial crisis relatively unscathed. Over the years, India has made significant progress in the industrial world with healthy economic growth. On purchase power parity basis, it is one of the top five global economies and is expected to be the third largest by the turn of this decade. Plastics, one of the fastest growing industries in India, have a vital role to play. Asia has been the world's largest plastics consumer for several years accounting for about 30% of global plastic consumption excluding Japan. In recent years, significant aspect of plastics material growth globally has been the innovation of newer application areas for plastics such as increasing plastics applications in automotive field, rail, transport, defence & aerospace, medical and healthcare, electrical & electronics, telecommunication, building & infrastructure, furniture, etc.

Indian Plastics Industry is expanding at a phenomenal pace. The Indian plastic industry is expected to register a Compounded Annual Growth Rate of around 10-12% over the next few years.

High grade plastics are indispensable in the automobile industry today. Their use reduces the weight of vehicles, and that saves fuel. And with greater stability, driving becomes safer. The per capita consumption of plastics in a single car in India is around 5 kilograms as compared to the world average of 26 kilograms. This is set to double to around 10kg by 2012. In India, automakers are asking their component suppliers to think plastic mainly to reduce weight, which in turn contributes to improved fuel efficiency and thus giving opportunities to automobile ancillary companies like ours to enhance the operations.

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

### **Opportunities, Risks And Concerns**

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

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## **Segment wise and Product wise Performance**

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

## **Business Outlook and Overview**

The company expects the sales to go up during 2011-12 due to increased demand for components for automobiles and televisions.

## **Internal Control Systems and their Adequacy**

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

## **Quality and Cost Management**

The company holds ISO 9001:2008 and TS/16949:2009 valid till 12-1-2012.

## **Human Resource Development / Industrial Relations**

The Company strongly believes that well trained and motivated manpower are a key to customer satisfaction and success. There is absolute harmony between the management and workforce. As on 31.3.2011, the company has 168 employees on its roll.

## **Cautionary Statement**

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

## **Report on Corporate Governance:**

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

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

### **2. Board of Directors**

The Board consists of six directors. Except Shri Sudershan Parakh and Shri Alok Parakh, the rest are non-executive directors. Shri Sudhir K.Patel and Shri Ajit Kumar Chordia are independent directors as per Clause No. 49 of the listing agreement. The Chairman is a non-executive director.

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

During the financial year 2010-2011, the Board met 5 times(as against the minimum requirement of four meetings) on 19.05.10, 16.07.10, 29.09.10, 02.11.10, and 31.01.2011 The details of attendance are given below:

Name of the Director	Category of Director	Attendance Particulars		Number of other Directorships and committee Member /Chairmanships		
		Board meeting	Last AGM Attended Yes/No	Other Director–Ships	Committee Membership	Committee Chairmanships
Shri Bachhraj Parakh	NE	4	Yes	Public 1	Private 1	
Shri Sudershan Parakh	E	5	Yes	1	1	
Shri Ajit Kumar Chordia	NE-I	2	No	1	15	
Shri Sudhir K. Patel	NE-I	4	Yes	1	2	
Smt Manju Parakh	NE	5	Yes	1	-	
Shri Alok Parakh	E	5	Yes	1	-	

NE-Non-Executive, NE - I - Non Executive Independent, E-Executive Director

### 4. Audit Committee:

The audit committee consists of Shri Bachhraj Parakh, Shri Ajit Kumar Chordia & Shri Sudhir K. Patel The terms of reference of this committee are wide enough covering the matters specified for audit committee under the Listing Agreement.

Attendance record of audit committee members:

Name of Director	No. of Meetings	Meeting attended
1. Shri Ajit Kumar Chordia.	2	2
2. Shri Bachhraj Parakh	4	3
3. Shri Sudhir K Patel	4	3

### 5. Remuneration of Directors:

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

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

Name of the Director	Category	Sitting Fees	Gross Remuneration (Rs.)	Commission (Rs.)	Total
Shri Bachhraj Parakh	NE	-	-	-	-
Shri Sudershan Parakh	E	-	11,83,433	-	11,83,433
Smt Manju Parakh	NE	-	-	-	-
Shri Alok Parakh	E	-	11,40,000	-	11,40,000
Shri Sudhir K. Patel	NE-I	18,500	-	-	18,500
Shri Ajit Kumar Chordia	NE-I	10,000	-	-	10,000

Note:

Shri Sudershan Parakh was appointed as Managing Director for a period of 5 years with effect from 01.10.2009 and Shri Alok Parakh was appointed as Whole - time Director for a period of 3 years with effect from 1.10.2010. These appointments are contractual in nature. The gross remuneration includes salary and perquisites. The company does not have any stock option scheme. They are related to Shri Bachhraj Parakh and Smt Manju Parakh.

### 6. Investor's Grievance Committee :

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

The terms of reference of Investors Grievance Committee have been expanded and the following agenda items are being placed before the committee:

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

## NATIONAL PLASTIC TECHNOLOGIES LTD.

Attendance record of investor grievance committee :

Name of Director	No. of Meetings	No of Meeting attended
Shri Bachhraj Parakh	4	3
Shri Sudhir K Patel	4	3
Shri Sudershan Parakh	4	4
Shri Ajit Kumar Chordia	2	2

The Company received 3 investor complaints during the year and had resolved two complaints. As on 31.03.2011, one investor complaint stood unresolved which was later resolved.

### 7. Remuneration Committee :

The Remuneration Committee consisted of 3 members viz. Shri Ajit Kumar Chordia Shri Sudhir K Patel and Shri Bachhraj Parakh. The committee meeting was held on 01.09.2010.

### 8 (a) General Body Meeting:

Location and time for last 3 Annual General Meetings was:

2008	The Hall of Ragaas, 47, First Avenue, Sastri Nagar, Chennai – 600 020.	30-09-2008	11.30 a.m
2009	Sri Vidya Kalyan Mahal, 142, Lattice Bridge Road, Thiruvanmiyur, Chennai - 600041	30-09-2009	11.30 a.m.
2010	The Hall of Ragaas, 47, First Avenue, Sastri Nagar, Chennai – 600 020.	29-09-2010	11.30 a.m.

### 8 (b) Extra-Ordinary General Meeting :

No EGMs were held during the year 2010-2011.

### 8 (c) Postal Ballot :

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

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## 9. Disclosures :

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

**None**

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

**None**

## 10. Means of Communication :

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

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

## 11. General Shareholder Information:

Annual General Meeting

Date & Time : 26th September, 2011 at 10.15 a.m.  
Venue : The Hall of Ragaas, 47, First Avenue, Sastri Nagar,  
Chennai 600 020.

### Tentative Calendar of Events for Financial Year 2011-12 (April - March)

Annual General Meeting : September 2012  
(next year)

### Quarterly Results :

For First Quarter : 12.08.2011  
For Second Quarter : On or Before 14th Nov'11  
For Third Quarter : On or before 14th Feb '12  
For Financial Year : On or before 15th May '12 (Unaudited)  
Dividend Payment : 10 % dividend has been recommended by the Board for this financial year ended 31.03.11  
Book Closure date(s) : 17th September, 2011 to 26th September, 2011 (both days inclusive)

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## 12. Plant Locations :

### Chennai

E-5, Industrial Estate,  
Guindy, Chennai - 600 032.

### Puducherry

R.S. 127, Thiruvandar Koil,  
Puducherry - 605 102.

### Irungattukottai

C-12, SIPCOT Industrial Park,  
Irungattukottai - 602105.

### Himachal Pradesh

Khasra No 246/109/1,  
Tilokpur Road,  
Village Johron,  
Kala-Amb, Tehsil Nahan,  
Dist - Sirmour, (HP).

## 13. Investor Correspondence :

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

1) M/s. Cameo Corporate Services Ltd.  
Subramanian Building,  
No.1 Club House Road,  
Chennai - 600 002.  
PH : 28460390

2) Shri E.Balasubramanian,  
Company Secretary,  
National Plastic Technologies Ltd.,  
44, Pantheon Road,  
Chennai - 600 008.  
PH : 28553456  
Email : [contact@nationalgroup.in](mailto:contact@nationalgroup.in)

## 14. Listing Of Equity Shares :

Name of the Stock Exchange	Code No.
The Stock Exchange Mumbai (BSE)	531287

**Note:** Annual Listing fees for the year 2011-12 have been duly paid to Bombay Stock Exchange.

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## Stock Market Data

Month	Company's Share price at BSE and Volumes			The Stock Exchange – Mumbai, Sensex	
	High (Rs.)	Low (Rs.)	Volume	High	Low
Apr 2010	17.20	13.45	57200	17970.02	17380.08
May 2010	21.70	14.40	314842	17386.08	16022.48
Jun 2010	20.90	15.35	65545	17876.55	16572.03
Jul 2010	23.30	16.10	404191	18130.98	17441.44
Aug 2010	22.90	17.00	92760	18454.94	17971.12
Sep 2010	22.55	18.00	80997	20117.38	18205.87
Oct 2010	22.90	18.05	125245	20687.88	19872.15
Nov 2010	25.95	18.55	183105	21004.96	19136.61
Dec 2010	21.90	16.00	32796	20509.09	19242.36
Jan 2011	21.95	18.80	35148	20561.05	18327.76
Feb 2011	21.90	16.00	25329	18506.82	17463.04
Mar 2011	22.00	16.20	61028	19445.22	17839.05
			<b>1478186</b>		

### 15. Share Transfer System / Registrar:

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

### 16. Dematerialisation of Shares:

The shares of the company are under the category of compulsory delivery in dematerialisation mode by all categories of investors. The company has signed agreements with both the depositories i.e, National Securities Depository Limited (NSDL) and Central Depository Services (India) Ltd. (CDSL). As on 31st March 2011, the status on the dematerialisation of the Equity shares of the company are given below.

Total number of Equity Shares : 6078330

Mode of shareholding	No. of Shares	% to Total Equity Shares
Physical Form	944674	15.54
Electronic Mode	5133656	84.46

### Demat-ISIN allotted by depositories

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

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## 17. Unclaimed Dividends

Pursuant to Section 205C of the Companies Act, 1956, there were no unclaimed dividends to be transferred to the Investor Education and Protection Fund of the Central Government as on 31-3-2011.

## 18. Shareholding Pattern as on 31.3.2011

S.No	Category	No. of shares held	% of shareholding
1)	Holding company	-	-
2)	Foreign Collaborators	-	-
3)	Foreign Institutional Investors	-	-
4)	Indian / Financial Institutions	-	-
5)	Banks / Mutual Funds	250000	4.11
6)	Corporate Bodies	921270	15.16
7)	NRIs / OCBs	354600	5.83
8)	Individuals / HUF	4552460	74.90
	Grand Total	6078330	100.00

## 19. Distribution of Holding as on 31.3.2011 :

Shareholding of nominal Value of (Rs.)	Shareholders		Share Amount	
	Number	% to Total	In Rs.	% to Total
(1)	(2)	(3)	(4)	(5)
Upto – 5000	2270	81.22	4162410	6.85
5001 – 10000	208	7.44	1810410	2.98
10001 – 20000	100	3.58	1607380	2.64
20001 – 30000	78	2.79	1948370	3.21
30001 – 40000	21	0.75	742720	1.22
40001 – 50000	31	1.11	1450340	2.39
50001 – 100000	37	1.32	2870580	4.72
100001 and above	50	1.79	46191090	75.99
Total	2795	100.00	60783300	100.00

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## **20. Non-Mandatory Disclosure:**

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

### **Whistle blower policy**

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

## **21. Request to Investors:**

Investors are requested to kindly note the following procedure:

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

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

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

## **22. Declaration of Code of Conduct**

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

**Sudershan Parakh**  
Managing Director

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## Auditor's Report on Corporate Governance Compliance

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

To

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

We have examined the compliance of conditions of Corporate Governance by National Plastic Technologies Limited, Chennai for the year ended 31st March 2011, as stipulated in clause 49 of the Listing Agreement of the said company with Stock Exchange.

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

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

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

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

**For C.A PATEL & PATEL**  
Chartered Accountants

Place : Chennai

Date : 12-8-11

**BHAVESH N. PATEL**  
Partner.  
Membership No: 26669

# NATIONAL PLASTIC TECHNOLOGIES LTD.

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

We have audited the attached Balance Sheet of M/S. NATIONAL PLASTIC TECHNOLOGIES LIMITED as on 31st MARCH 2011, Profit & Loss Account for the year ended on that date and Cash Flow Statement annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit

1) We conducted our audit in accordance with the auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinion.

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

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

a) We have obtained all the information and explanation which to the best of our knowledge and belief were necessary for the purpose of our audit;

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

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

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

e) On the basis of written representations received from the Directors as on 31st March 2011 and taken on record by the Board of Directors, none of the Directors are disqualified as on 31st March 2011, from being appointed as Directors in terms of clause (g) of sub section (1) of Section 274 of the Companies Act, 1956.

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

(i) In so far as it relates to Balance Sheet, of the state of affairs of the Company as at 31st March 2011.

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

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

### **Annexure to Auditors' Report**

Referred to in Paragraph 2 of our report of even date

1. In respect of its fixed assets:-

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

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

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

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2. In respect of its inventories :-
  - (a) As explained to us , physical verification have been conducted by the management at reasonable intervals in respect of inventories.
  - (b) In our opinion & according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management is reasonable and adequate in relation to the size of the company and nature of its business.
  - (c) As explained to us, there were no material discrepancies noticed on physical verification of inventory as compared to the book records.
3. In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under Section 301 of the Companies Act, 1956:
  - (a) The Company has not granted any secured or unsecured loan during the year.
  - (b) In our opinion and according to the information and explanations given to us, the rate of interest, wherever applicable and other terms and conditions are not prima facie prejudicial to the interest of the Company.
  - (c) The Company has not granted any loan, so the question of interest and repayment does not arise.
  - (d) The Company has not given any loan, so the question of overdue amounts does not arise.
  - (e) The Company has taken loans from two parties, and the total amount outstanding at the year end is Rs.82.94 lacs.
  - (f) In our opinion and according to the information given to us, the rate of interest, wherever applicable and other terms and conditions are not prima facie prejudicial to the interest of the Company.
  - (g) The interest payment are regular and principal amount is repayable on demand.
4. In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory, fixed assets and also for the sale of goods and services. During the course of our audit, we have not observed any major weaknesses in internal controls.
5. In respect of transactions covered under Section 301 of the Companies Act, 1956:
  - (a) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements, that needed to be entered in the register maintained under Section 301 of the Companies Act, 1956 have been so entered.
  - (b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 aggregating during the year to Rs. 5,00,000/- (Rupees Five Lacs only) or more in respect of these parties are not prima facie prejudicial to the interest of the Company and are as per the prevailing market rates.
6. The Company has not accepted any deposits from the public.
7. In our opinion, the Company has an Internal Audit System commensurate with the size of the company and nature of its business.
8. Maintenance of Cost records have not been prescribed by the Central Government as prescribed under Section 209 (1) (d) of the Companies Act, 1956.

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9. In respect of statutory dues:

- (a) According to the records of the company, undisputed statutory dues including Provident Fund, Employees State Insurance, Income-Tax, Sales Tax, Wealth Tax, Service Tax, Custom Duty, Excise Duty, Cess and other statutory dues have been generally regularly deposited with the Appropriate Authorities. According to the information and explanations given to us, no undisputed amounts payable in respect of Income Tax, Wealth Tax, Sales Tax, Service Tax, Customs Duty and any other statutory dues were outstanding as at 31st March 2011 for a period of more than six months from the date of becoming payable.
- (b) On the basis of written representation received from the Management we report that, there are no disputed statutory dues pending before the appropriate authorities as on 31st March 2011.
10. The Company has no accumulated losses as at March 31, 2011 and it has not incurred any cash losses in the financial year ended on that date or in the immediately preceding financial year.
11. According to the information and explanation given to us, the Company has not defaulted in repayment of dues to any financial institution or bank as at the Balance Sheet date.
12. The Company has not given any loans and advances on the basis of security by way of pledge of shares, debentures and other securities, therefore clause 4 (xii) of the order is not applicable to the company.
13. The provision of any special statute applicable to chit fund / nidhi / mutual benefit fund / societies are not applicable to the Company, therefore clause 4 (xiii) of the order is not applicable.
14. In our opinion, the Company is not dealer or trader in shares, securities, debentures and other investments so clause 4 (xiv) of the order is not applicable.
15. In our opinion and according to the information and explanation given to us, the Company has not given any guarantee for loans taken by others from banks or financial institution during the year, so the clause 4(xv) of the order is not applicable.
16. In our opinion and according to the information and explanation given to us, on an overall basis, the term loan taken from bank have been applied for the purposes for which they were obtained.
17. In our opinion and according to the information and explanation given to us, there are no funds raised on short-term basis which have been used for long term investment.
18. The Company has not made preferential allotment of shares to parties and companies covered in the register maintained under section 301 of the Companies Act, 1956.
19. The Company has no debentures, therefore the clause 4 (xix) of the order is not applicable to the Company.
20. The Company has not raised money by public issues during the year, therefore clause 4 (xx) of the order is not applicable to the Company.
21. In our opinion and according to the information and explanation given to us, no fraud on or by the Company has been noticed or reported during the year, that causes the financial statements to be materially misstated.

Place : Chennai  
Date : 27.06.2011

**For C.A PATEL & PATEL**  
Chartered Accountants

**BHAVESH N. PATEL**  
Partner.  
Membership No: 26669

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## BALANCE SHEET AS AT 31st MARCH 2011

Particulars	SCH	As at	
		31.3.2011	31.3.2010
<b>SOURCES OF FUNDS</b>			
<b>SHAREHOLDER'S FUNDS :</b>			
Share Capital	A	60,783,300	60,783,300
Reserves & Surplus	B	56,038,717	34,877,244
<b>LOAN FUNDS :</b>			
Secured Loans	C	206,922,544	191,307,444
Unsecured Loans	D	13,529,040	23,007,176
Deferred Tax Liability (Net)		33,500,000	31,500,000
<b>TOTAL</b>		<b>370,773,601</b>	<b>341,475,164</b>
<b>APPLICATION OF FUNDS</b>			
<b>FIXED ASSETS :</b>			
Gross Block	E	425,749,734	398,334,223
Less: Depreciation		182,646,988	171,781,037
Net Block		<b>243,102,746</b>	<b>226,553,186</b>
Capital Work-in-Progress		12,753,089	-
<b>CURRENT ASSETS, LOANS &amp; ADVANCES</b>			
<b>CURRENT ASSETS :</b>			
Inventories	F	75,466,278	81,435,251
Sundry Debtors	G	152,320,375	137,761,661
Cash & Bank Balances	H	9,362,736	7,457,186
Loans & Advances	I	53,651,136	60,212,118
		<b>290,800,525</b>	<b>286,866,216</b>
LESS:			
<b>CURRENT LIABILITIES &amp; PROVISIONS</b>			
Current Liabilities	J	162,352,663	160,855,164
Provisions	K	16,863,429	11,089,074
		<b>179,216,092</b>	<b>171,944,238</b>
Net Current Assets		<b>111,584,432</b>	<b>114,921,978</b>
<b>MISCELLANEOUS EXPENDITURE</b> (to the extent not written off or adjusted)			
Deferred Revenue Expenditure		3,333,333	-
<b>TOTAL</b>		<b>370,773,601</b>	<b>341,475,164</b>

Notes to Accounts  
Significant Accounting Policies  
Schedule A to S form Part of the Annual Statement of  
Accounts as per Report of even date annexed thereto  
ON BEHALF OF THE BOARD

R  
S

**SUDERSHAN PARAKH**  
Managing Director

**BACHHRAJ PARAKH**  
Chairman

**M/s C.A PATEL & PATEL**  
Chartered Accountants

PLACE : CHENNAI  
DATE : 27.06.2011

**E. BALASUBRAMANIAN**  
Company Secretary

**BHAVESH N PATEL**  
Partner

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## PROFIT AND LOSS ACCOUNT FOR THE YEAR ENDED 31st MARCH 2011

Particulars	SCH	For the year ended 31.3.2011	For the year ended 31.3.2010
<b><u>INCOME</u></b>			
Sales Less Returns		663,625,437	554,522,586
Other Income	L	7,994,402	6,152,639
		<b>671,619,839</b>	<b>560,675,225</b>
<b><u>EXPENDITURE</u></b>			
Cost of Materials	M	374,941,021	321,194,284
Manufacturing Expenses	N	133,487,209	102,748,667
Payment to & Provisions for Employees	O	20,770,040	15,493,015
Administrative & Selling Expenses	P	53,267,652	42,256,041
Interest	Q	33,353,162	33,195,568
Depreciation	E	13,551,417	13,911,408
		<b>629,370,501</b>	<b>528,798,983</b>
Profit / Loss for the year		<b>42,249,338</b>	<b>31,876,242</b>
Add: MAT Credit Entitlement		(3,050,846)	11,530,991
Less: Provision for Taxation		8,949,154	5,400,000
Profit after Taxation		<b>30,249,338</b>	<b>38,007,233</b>
Balance of Profit & Loss Appropriation a/c as per last year		29,273,173	11,955,014
		<b>59,522,511</b>	<b>49,962,247</b>
<b><u>APPROPRIATIONS</u></b>			
Less:			
Deferred Tax		2,000,000	15,000,000
Proposed Dividend		6,078,330	4,862,664
Tax on Dividend		1,009,535	826,410
Balance carried to Balance Sheet		<b>50,434,646</b>	<b>29,273,173</b>
<b>EPS</b>		<b>4.65</b>	<b>3.79</b>

Schedule A to S form Part of the Annual Statement of Accounts as per Report of even date annexed thereto

### ON BEHALF OF THE BOARD

**SUDERSHAN PARAKH**  
Managing Director

**BACHHRAJ PARAKH**  
Chairman

**M/s C.A PATEL & PATEL**  
Chartered Accountants

PLACE : CHENNAI  
DATE : 27.06.2011

**E. BALASUBRAMANIAN**  
Company Secretary

**BHAVESH N PATEL**  
Partner

# NATIONAL PLASTIC TECHNOLOGIES LTD.

Particulars	As at 31.3.2011	As at 31.3.2010
<b>SCHEDULE A: SHARE CAPITAL AUTHORISED</b>		
1,00,00,000 ( Previous Year 10000000 ) Equity Shares of Rs 10 each	-	-
	100,000,000	100,000,000
	-	-
	100,000,000	100,000,000
<b>ISSUED,SUBSCRIBED AND PAID-UP</b>		
6078330 Equity Shares of Rs.10 each fully paid up (previous year 6078330)	60,783,300	60,783,300
<b>SCHEDULE B : RESERVES &amp; SURPLUS</b>		
Capital Subsidy	3,453,427	3,453,427
Investment Allowances	510,644	510,644
Securities Premium a/c	1,640,000	1,640,000
Profit & Loss A/c	50,434,646	29,273,173
	<b>56,038,717</b>	<b>34,877,244</b>
<b>SCHEDULE C: SECURED LOANS</b>		
Term Loans	65,323,468	68,505,163
Cash Credit A/c with SBI	140,806,360	121,948,567
Secured Loan - Others	792,716	853,714
	<b>206,922,544</b>	<b>191,307,444</b>
<p>Note: (i) Term Loan from SBI is secured by first charge on Fixed Assets &amp; second charge on stock &amp; book debts  (ii) Cash credit availed from SBI is secured by first charge on Stock &amp; Book Debts and second charge on Fixed Assets.</p>		
<b>SCHEDULE D : UNSECURED LOANS</b>		
<b>IFST LOAN FROM GOVT OF TAMIL NADU</b>		
T.N.G.S.T Deferral Loan	1,142,602	1,397,398
C.S.T Deferral Loan	467,164	467,593
Directors	8,294,611	7,517,522
Inter Corporate Deposit	3,624,663	13,624,663
	<b>13,529,040</b>	<b>23,007,176</b>

## NATIONAL PLASTIC TECHNOLOGIES LTD.

SCHEDULE E:  
FIXED ASSETS

PARTICULARS	GROSS BLOCK				DEPRECIATION			NET BLOCK	
	OPENING BALANCE 01.04.2010	ADDITIONS DURING THE YEAR	MODVAT AVAILABLE	TOTAL	UPTO 31.03.2010	FOR THE YEAR	UPTO 31.03.2011	ASAT	ASAT
								31.03.2010	31.03.2011
Land	10342315	0	0	10342315	0	0	0	10342315	10342315
Land (Leasehold)	4607090	0	0	4607090	0	0	0	4607090	4607090
Building	94742510	2140022	15814	96866718	20744314	3266546	24010860	73998198	72855857
Crane	3554317	0	0	3554317	1193300	162320	1355620	2361019	2198697
Plant & Machinery	191163975	24479513	2652499	212990988	77503763	8051492	85555255	113660213	127435733
Mould	64203468	0	0	61276898	61215017	295842	58825393	2988451	2451506
Office Equipments	910112	72182	0	982294	348803	45327	394130	561310	588165
Furniture & Fittings	1627434	22390	0	1649824	1027639	95954	1123593	599794	526232
Electrical Fittings	22148782	252270	1030	22400022	7397317	1060755	8458072	14751468	13941952
Computer	1853219	5860952	254628	7459543	1360061	250075	1610136	493158	5849408
Vehicles	3180991	438726	0	3619717	990822	323107	1313928	2190170	2305790
<b>TOTAL</b>	<b>398334213</b>	<b>33266055</b>	<b>2923971</b>	<b>425749734</b>	<b>171781037</b>	<b>13551417</b>	<b>182646988</b>	<b>226553187</b>	<b>243102746</b>
<b>PREVIOUS YEAR</b>	<b>395358607</b>	<b>14654543</b>	<b>249919</b>	<b>398334213</b>	<b>168426374</b>	<b>13911410</b>	<b>171781038</b>	<b>226932245</b>	<b>226553186</b>

# NATIONAL PLASTIC TECHNOLOGIES LTD.

Particulars	As at 31.3.2011	As at 31.3.2010
<b>SCHEDULE F : INVENTORIES</b> (Valued at lower of cost or realisable value as certified by the management)		
Raw Material	17,500,719	17,690,143
Fastners & components	6,259,320	3,903,716
Packing Material	1,359,239	664,577
Stores	1,280,333	418,433
Pigments	78,234	91,531
Work In Progress	41,497,084	40,047,350
Finished Goods/SFG	7,491,349	18,619,501
	<b>75,466,278</b>	<b>81,435,251</b>
<b>SCHEDULE G: SUNDRY DEBTORS (Unsecured)</b>		
Over Six months	41,839,558	46,523,701
Below Six months	110,480,817	91,237,960
	<b>152,320,375</b>	<b>137,761,661</b>
<b>SCHEDULE H CASH &amp; BANK BALANCES</b>		
Cash & Bank Balance	548,435	(1,357,115)
Term Deposit Receipt (SBI)	8,814,301	8,814,301
	<b>9,362,736</b>	<b>7,457,186</b>
<b>SCHEDULE I LOANS &amp; ADVANCES</b>		
Loans & Advances	38,976,412	43,417,771
MAT Credit Entitlement	8,480,145	11,530,991
Deposits	6,194,579	5,263,357
	<b>53,651,136</b>	<b>60,212,119</b>
<b>SCHEDULE J CURRENT LIABILITIES</b>		
Creditors - Trade	70,922,387	56,079,635
Creditors - Expense	1,041,361	2,626,070
Bills Payable	50,520,036	49,244,129
Others	39,868,879	52,905,330
	<b>162,352,663</b>	<b>160,855,164</b>
<b>SCHEDULE K PROVISIONS</b>		
Provision for Taxation	8,949,154	54,00,000
Provision for Dividend	6,078,330	48,62,664
Provision for Dividend Tax	1,835,945	8,26,410
	<b>16,863,429</b>	<b>11,089,074</b>

# NATIONAL PLASTIC TECHNOLOGIES LTD.

	For the year ended 31.3.2011	For the year ended 31.3.2010
<b>SCHEDULE L:</b>		
<b>OTHER INCOME</b>		
Insurance claim received	20,885	77,127
Interest received	834,593	846,190
Miscellaneous Income	-	105
Profit on sale of assets	568,896	1,502,730
Unclaimed credit balance	758,236	-
Lease Rent received	5,811,792	3,726,487
	<b>7,994,402</b>	<b>6,152,639</b>
<b>SCHEDULE M</b>		
<b>COST OF MATERIALS</b>		
Raw Material Consumed : (Plastic Granules, Pigments & Fasteners)		
<b>OPENING STOCK</b>		
Plastic Granules	17,690,143	17,500,224
Pigments	91,531	77,067
Components	3,903,716	15,851,250
	<b>21,685,390</b>	<b>33,428,541</b>
<b>ADD:</b>		
<b>PURCHASES</b>		
Plastic Granules	286,756,429	246,338,536
Pigments	7,268,977	5,937,737
Components	73,390,079	67,316,169
Purchase Returns	-	(945,208)
	<b>367,415,485</b>	<b>318,647,234</b>
<b>LESS</b>		
<b>CLOSING STOCK</b>		
Plastic Granules	17,500,719	17,690,143
Pigments	78,234	91,531
Components	6,259,320	3,903,716
	<b>23,838,272</b>	<b>21,685,390</b>
	<b>365,262,603</b>	<b>330,390,385</b>
<b>DECREASE/INCREASE IN STOCK</b>		
Opening Stock :		
Work In Progress	40,047,350	28,583,138
Finished Goods/SFG	18,619,501	20,887,612
Total	<b>58,666,851</b>	<b>49,470,750</b>
Closing Stock :		
Work In Progress	41,497,084	40,047,350
Finished Goods/SFG	7,491,349	18,619,501
Total	<b>48,988,433</b>	<b>58,666,851</b>
	<b>9,678,418</b>	<b>(9,196,101)</b>
<b>MATERIAL CONSUMED</b>	<b>374,941,021</b>	<b>321,194,284</b>

# NATIONAL PLASTIC TECHNOLOGIES LTD.

Particulars	For the year ended 31.3.2011	For the year ended 31.3.2010
<b>SCHEDULE N :</b>		
<b>MANUFACTURING AND OTHER EXPENSES</b>		
Electricity/Fuel	39,945,875	29,213,594
Factory Exp./Testing Charges	444,715	503,599
Stores Consumed	2,682,687	3,791,282
R & M- Plant & Machinery	5,978,780	3,819,604
R & M- Buildings	309,221	520,383
R & M- Vehicles	173,328	55,996
R & M- Mould	139,376	221,262
R & M- Others	315,559	205,693
Hire Charges/Generator hire charges	1,283,932	745,518
Wages	6,958,798	4,832,883
Processing charges	17,039,258	17,536,396
Excise Duty paid	55,964,038	38,195,240
Packing Material Consumed	2,251,642	3,107,217
	<b>133,487,209</b>	<b>102,748,667</b>
<b>SCHEDULE O</b>		
<b>PAYMENT TO &amp; PROVISIONS FOR EMPLOYEES</b>		
Directors Remuneration	2,130,000	1,470,000
Salaries & Bonus - Others	12,253,726	10,609,994
Education Allowances / GWA	1,236,905	829
MD Perquisites	76,073	67,302
Staff welfare & Medical Expenses	2,471,449	997,562
Leave with wages	725,186	649,468
Professional tax	14,548	20,055
Training Charges	44,531	-
P.F./F.P.F./E.S.I./EDLIS	1,662,213	1,677,805
Incentive/ Ex-gratia/Gratuity	155,409	-
	<b>20,770,040</b>	<b>15,493,015</b>
<b>SCHEDULE P</b>		
<b>ADMINISTRATIVE &amp; SELLING EXPENSES</b>		
<b>COMMUNICATION EXPENSES :</b>		
Telephone Charges	942,359	1,097,748
Postage & courier charges	162,371	90,030
<b>STATIONERY &amp; BOOKS</b>		
Printing & Stationery	670,553	585,122
Books & Periodicals	-	11,100
<b>TRAVELLING &amp; CONVEYANCE</b>		
Travelling Expenses	472,104	736,992
Conveyance	486,729	699,468
Employee Transport Expenses	1,342,985	611,596

# NATIONAL PLASTIC TECHNOLOGIES LTD.

Particulars	For the year ended 31.3.2011	For the year ended 31.3.2010
<b>RENT, RATES &amp; TAXES &amp; OTHER EXPENSES</b>		
Rent, Rates & Taxes	2,605,819	2,393,723
Office Expenses	9,954	1,399
Pooja Expenses	58,503	17,938
Listing/Filing Fees	1,000	-
Membership Fees	71,355	63,060
Licence Fees	4,000	16,000
Service Tax	263,888	216,884
Security charges	1,211,876	654,829
Sitting Fees	28,500	37,000
Professional/Consultancy chrgs	575,826	377,587
ISO expenses	138,916	36,883
Miscellaneous Expenses	552,642	58,522
Foreign Exchange Fluctuation	7,157	-
Share Transfer /AGM Expenses	272,751	190,285
<b>BANK CHARGES</b>	<b>3,445,250</b>	<b>3,156,681</b>
<b>INSURANCE</b>	<b>675,481</b>	<b>266,825</b>
<b>MARKETING EXPENSES :</b>		
Sales Promotion/Advertisement	46,806	31,485
Bad debts written off	4,880,466	3,243,897
Entertainment Expenses	8,300	4,500
<b>FREIGHT &amp; HANDLING CHARGES :</b>		
Loading & Unloading Charges	359,830	90,708
Freight Charges	10,783,999	8,377,977
<b>SALES TAX</b>		
Local	22,247,798	18,133,256
Entry Tax	2,350	6,945
Interstate	843,084	952,601
<b>AUDIT FEES</b>		
Statutory Audit	70,000	70,000
Tax Audit	25,000	25,000
	<b>53,267,652</b>	<b>42,256,041</b>
<b>SCHEDULE Q</b>		
<b>INTEREST</b>		
Term Loan	10,146,483	12,229,413
Working Capital	19,271,088	18,308,564
Others	3,935,591	2,657,591
	<b>33,353,162</b>	<b>33,195,568</b>

# NATIONAL PLASTIC TECHNOLOGIES LTD.

Schedule : R  
NOTES TO THE ACCOUNTS

	As At 31.3.2011 (Rs.in Lakhs)	As At 31.3.2010 (Rs.in Lakhs)
1. Estimated amounts of contracts to be executed on Capital Accounts and not provided for (net of advance) (Rs. in lakhs )	0.00	00.00
2. Contigent Liability not provided for (Rs. in lakhs )		
(i) Guarantee	9.00	9.00
(ii) Letter of Credit - Inland	0.00	0.00
(iii) Letter of Credit - Foreign	0.00	0.00
(iv) Bills Discounted	0.00	0.00
(v) Disputed Excise Liability	0.00	0.00
(vi) Disputed Income Tax Liability	0.00	0.00
(vii) Claims against Company not acknowledge as debt	0.00	0.00
3 Licenced and installed capacity given below :-		
Plastic Moulded Components licenced Capacity Tons	NA	NA
Plastic Moulded Components Installed Capacity Tons	9100	8775
4 (a) Opening and Closing Stock Production, Turn Over of finished goods (excluding scrap) (Rs.in lakhs)		

Products	Opening stock (Qty in Pcs)	Purchases Qty Pcs	Production Qty Pcs	Turnover		Closing Stock	
				Qty Pcs	Value (Rs.in Lakhs)	Qty ( Pcs)	Value (Rs.in Lakhs)
Plastic Moulded Components							
Current Year	12771	0	8283180	8252039	6505.09	43912	18.03
Previous Year	46646	0	7014802	7048677	5450.77	12771	5.25

## NATIONAL PLASTIC TECHNOLOGIES LTD.

5 Raw Material Consumed	For the Period ended 31.3.2011		For the Period ended 31.3.2010	
	Qty	Value	Qty	Value
	Mts	Rs.	Mts	Rs.
1 Polypropylene	2601.36	224235567	2317.74	192958923
2 Polystrene	1002.62	84115542	889.47	66164615
3 ABS	21.53	3261733	10.92	2141475
4 COMPONENTS	0.00	75836178	-	82936887
5 POLYCARBONATE	0.00	0	3.90	741838
6 Others	0.00	10852916	0.00	8302918
	<u>3625.51</u>	<u>398301935</u>	<u>3222.03</u>	<u>353246655</u>
LESS : CENVAT CREDIT		<u>33039332</u>		<u>22856270</u>
		<u>365262603</u>		<u>330390385</u>
Where of:	%	Rs.	%	Rs.
Imported	0.00	0	0.00	100609
Indigeneous	<u>100.00</u>	<u>365262603</u>	<u>100.00</u>	<u>330289776</u>
	<u>100.00</u>	<u>365262603</u>	<u>100.00</u>	<u>330390385</u>
6 Managerial Remuneration:				
Salary		2130000		1470000
Contribution to Provident and Superannuation fund		117360		82800
Other Perquisites		76073		67302
7 Credit for CENVAT of Excise duty on raw materials have been taken in Raw material A/c and Cenvat credit of Excise Duty on Capital Goods has been credited to respective Capital Assets. The unutilised Modvat credit of Rs. 18,51,248 (Previous year Rs.2,71,686/-) is shown under the Current Assets as "Cenvat Receivable A/c".				
8 The Depreciation on various assets have been computed for various plants (HP, Guindy, IGK and Pondy) separately as per the rates provided in Schedule XIV of the Companies Act.				
9 Previous years figures are re-grouped wherever considered necessary.				
10 Confirmation of balances from Debtors, Creditors and Advances of the Company have not been received. Sales includes jobwork charges of Rs 124.61 Lakhs;( Previous year- Rs.92.15 lakhs)				
11 Other income includes profit on sale of assets Rs.5.69 Lacs.				

## NATIONAL PLASTIC TECHNOLOGIES LTD.

### 12 Deferred Tax

(a) Deferred Tax has been accounted in accordance with the requirement of Accounting Standard on " Taxes on Income" (AS 22). Deferred Tax Assets are recognised on c/f unabsorbed depreciation and Business Loss as there is virtual certainty that sufficient future taxable income will be available against which such asset can be adjusted.

(b) The major components of the Deferred Tax Assets/ Liabilities, based on the effect of the timing differences, as at 31st March 2011, are as under:

	Amt (Rs. In lakhs)	Tax Rate	Tax Amt (Rs. In lakhs)
(I) Carried forward Loss/Depn	0.00	33.22	0.00
(II) Difference in WDV	-1009.25	33.22	335.27
Provision for Deferred Tax			<u>335.27</u>
		SAY Rs.	<u>335.00</u>

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

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

14 Related Parties Disclosure :

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

a) List of Related Parties :

Name of the Party	Nature of Relationship	Nature of Transaction	Amount Rs.in lacs
National Polyplast (India) Ltd	Associate	Purchase of goods	0.36
National Polyplast (India) Ltd	Associate	Purchase of fixed assets	1.99
National Polyplast (India) Ltd	Associate	Receiving of service	32.48
National Polyplast (India) Ltd	Associate	Lease rent received	264.00
National Plastic Industries	Associate	Interest paid	0.73
Mr. Bachhraj Parakh	KMP & Relative	Lease rent paid	1.80
Mr. Sudershan Parakh	KMP & Relative	Interest paid	7.77
Mrs. Manju Parakh	KMP & Relative	Interest paid	2.46
Mr. Arihant Parakh	Relative	Hire charges paid	0.90
Mr. Kesari chand Bhutoria	Relative	Interest paid	0.81
Mrs. Manju Parakh	KMP & Relative	Unsecured loan	17.61
Mr. Sudershan Parakh	KMP	Unsecured loan	65.33
Mr. Kesari chand Bhutoria	Relative	Unsecured loan	6.00
National Plastic Industries	Associate	Unsecured loan	5.23
Management Contracts including for deputation of Employees (KMP - Key Managerial Person)			23.23

## NATIONAL PLASTIC TECHNOLOGIES LTD.

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

- 16 Earnings per share

Particulars	Year Ended 31.03.2011	Year Ended 31.03.2010
Net Profit attributable to shareholders	28216522	23007233
Weighted average number of equity shares	6078330	6078330
Basic earnings per share of Rs.10/- each	4.65	3.79

The company does not have any outstanding dilutive potential equity shares.

Consequently, the basic and diluted earning per share of the company remain the same.

- 17 Imports & Foreign Currency details

- (a) Value of Imports on CIF Basis :

Raw Materials	0	100609
Capital Goods	0	754784
Spare Parts	<u>398137</u>	<u>222738</u>
Total	<u>398137</u>	<u>1078131</u>

- (b) Expenditure in Foreign Currency

(Travelling & others) 0 91400

- (c) Earnings in Foreign Currency

0 0

- 18 Lease payments and receipts

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

Finance lease - Minimum Lease payments:

- not later than 1 year - not discounted	614796
- later than 1 year but not later than 5 years - not discounted	253302
- later than 5 years	Nil

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

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

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

## NATIONAL PLASTIC TECHNOLOGIES LTD.

21	Borrowing Costs: As per Accounting standard-16 issued by Institute of Chartered Accountants of India, the company has capitalised Rs 13.38 Lakhs being interest on qualifying assets during the year are as under:	Rs. in Lakhs
	Machinery	10.03
	Building	0.72
	Computer	2.63
22	Income Tax Deducted at Source:	Amount ( Rs. in Lakhs)
	From Interest Received	0.91
	Job work Received	81.16
	Lease rent received	26.40
23	Cash & Cash equivalent :	
	Cash and cash equivalent in cash flow statement comprise cash at bank and cash in hand.	
		Rs. in Lakhs
	Cash in hand	4.62
	Cash at Bank	0.86
24	The Capital work in progress during the year is Rs 127.53 lakhs the details are as under:	
		Rs. in Lakhs
	CWIP - Building	127.53
25	Audit fees provided for the year excluding service tax regarding :	
		Rs. in Lakhs
	Statutory Audit	70000
	Tax Audit	25000

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## SCHEDULE - S

### SIGNIFICANT ACCOUNTING POLICIES

#### 1. ACCOUNTING POLICIES:

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

#### 2. FIXED ASSETS:

Expenditure incurred in connection with acquisition of fixed assets are capitalized along with the cost of such assets.

#### 3. CAPITAL WORK IN PROGRESS:

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

#### 4. DEPRECIATION :

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

#### 5. REVENUE RECOGNITION:

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

#### 6. SALES:

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

#### 7. INVENTORIES:

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

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

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

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

#### 9. TAXATION:

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

The Company has made current tax provision for Minimum Alternate Tax (MAT) u/s 115JB of the Income Tax Act, 1961. As per the provisions of Section 115JAA, MAT Credit receivable has been recognized on the basis of return of Income filed for the previous years and MAT provided for the current year. MAT Credit is recognized as an asset to the extent there is convincing evidence that the company will pay normal income tax during the specified period. MAT

## NATIONAL PLASTIC TECHNOLOGIES LTD.

Credit is recognized as an asset in accordance with the recommendations contained in guidance Note issued by the Institute of Chartered Accountants of India. The said asset is created by way of a credit to profit and loss account and shown as MAT Credit Entitlement. The Company will review the same at each Balance Sheet date and write down the carrying amount of MAT Credit entitlement to the extent there is no longer convincing evidence to the effect that Company will pay normal income tax during the specified period.

### **10. FOREIGN CURRENCY TRANSACTIONS:**

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

### **11. EMPLOYEE RETIREMENT BENEFITS:**

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

### **12. BORROWING COST:**

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

### **13. INVESTMENTS:**

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

### **14. IMPAIRMENT OF ASSETS:**

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

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## CASH FLOW STATEMENT FOR THE YEAR ENDED MARCH 31, 2011

Particulars	31.03.2011	31.03.2010	31.03.2011	31.03.2010
	Rs.	Rs.	Rs.	Rs.
<b>A. Cash flow from operation activities</b>				
<b>Net Profit before extra-ordinary items and tax:</b>		42,249,338		31,876,242
<b>Adjustments for :-</b>				
Depreciation	13,551,417		13,911,408	
Interest paid	33,353,162		33,195,568	
Profit on Sale of Assets	(568,896)		(1,502,730)	
Interest received	(834,593)		(846,190)	
		45,501,090		44,758,056
<b>Operating Profit before working capital changes</b>		87,750,428		76,634,298
<b>Adjustments for :-</b>				
Trade and other receivables	(7,997,731)		(15,345,578)	
Inventories	5,968,973		3,913,726	
Current liabilities	(3,902,501)		(15,426,061)	
		(5,931,259)		(26,857,913)
<b>Cash generated from operations before extra-ordinary items</b>		81,819,169		49,776,385
Direct Taxes paid/(fringe benefit tax)		-		-
Tax paid /Payable		-		-
<b>Cash Flow before extra-ordinary items</b>		81,819,169		49,776,385
Extra-ordinary items		-		-
<b>Net cash flow form operating activity (A)</b>		<b>81,819,169</b>		<b>49,776,385</b>
<b>B. Cash flow from investing activities:</b>				
Purchase of fixed assets / Capital work-in-progress	(43,095,170)		(14,138,455)	
Proceeds from sale of fixed assets	810,000		2,375,000	
Interest received	834,593		846,190	
<b>Net Cash used in investing activities (B)</b>		<b>(41,450,577)</b>		<b>(10,917,265)</b>
<b>C. Cash flow from financing activities:</b>				
Dividend paid	(4,862,664)		-	
Proceeds from long term borrowings (Net)	(12,720,829)		(20,928,814)	
Proceeds from short term borrowings	18,857,793		1,028,705	
Deferred Revenue exp (misc)	(3,333,333)		-	
Mat Credit Entitlement	(3,050,846)		11,530,991	
Interest paid	(33,353,162)		(33,195,568)	
<b>Net cash used in financing activities (C)</b>		<b>(38,463,041)</b>		<b>(41,564,686)</b>
<b>D. Net increase in cash and Cash equivalents (A+B+C)</b>		<b>1,905,551</b>		<b>(2,705,566)</b>
<b>Cash &amp; Cash equivalents as on 01.04.2010</b>		<b>7,457,186</b>		<b>10,162,752</b>
<b>Cash &amp; Cash equivalents as on 31.03.2011</b>		<b>9,362,736</b>		<b>7,457,186</b>

**SUDERSHAN PARAKH**  
Managing Director

**BACHHRAJ PARAKH**  
Chairman

**E. BALASUBRAMANIAN**  
Company Secretary

### AUDITOR'S CERTIFICATE

We have examined the above cash flow statement of National Plastic Technologies Ltd for the year ended 31st March 2011 which is based on and in agreement with the audited accounts for the relevant financial year. According to the information and explanations given to us, the aforesaid cash flow statement, prepared by the company is in accordance with the requirements of clause 32 of the listing agreement with the Stock Exchanges.

M/s C.A PATEL & PATEL  
Chartered Accountants

PLACE : CHENNAI  
DATE : 27.06.2011

BHAVESH N PATEL  
Partner

# NATIONAL PLASTIC TECHNOLOGIES LTD.

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

### I. REGISTRATION DETAILS

Registration No:

State Code:

Balance Sheet Date:     
DATE MONTH YEAR

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

PUBLIC ISSUE

RIGHTS ISSUE

BONUS ISSUE

PRIVATE PLACEMENT

### III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS.

(Amount in Rs. Thousands)

TOTAL LIABILITIES

TOTAL ASSETS

SOURCES OF FUNDS

PAID UP CAPITAL

RESERVES & SURPLUS

SECURED LOANS

UNSECURED LOANS

DEFERRED TAX LIABILITY

APPLICATION OF FUNDS

NET FIXED ASSETS

INVESTMENTS

NET CURRENT ASSETS

DEFERRED REVENUE EXPENDITURE

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

TURN OVER

TOTAL EXPENDITURE

PROFIT/LOSS BEFORE TAX

PROFIT/LOSS AFTER TAX

EARNINGS PER SHARE IN Rs.

DIVIDEND @ %

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

Item Code No. (ITC Code)

Product Description

# NATIONAL PLASTIC TECHNOLOGIES LTD.

## PROXY FORM NATIONAL PLASTIC TECHNOLOGIES LTD.

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

Folio No: / DP No.:

No. of share (s) held :

I/We.....  
of ..... being a member / members of NATIONAL PLASTIC TECHNOLOGIES LIMITED hereby appoint.....of ..... of failing him ..... of ..... as my / our proxy to vote for me / us on my / our behalf at the 22nd Annual General Meeting to be held on Monday, the 26th September 2011 at 10.15 AM at The Hall of Ragaas, 47, First Avenue, Shastri Nagar, Chennai - 600 020. or at any adjournment thereof.

Signed this.....day of.....2011

Name :

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



### ATTENDANCE SLIP

NATIONAL PLASTIC TECHNOLOGIES LIMITED

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

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

NAME AND ADDRESS OF THE SHAREHOLDER

Folio No : / DP No. :

No. of share(s) held :

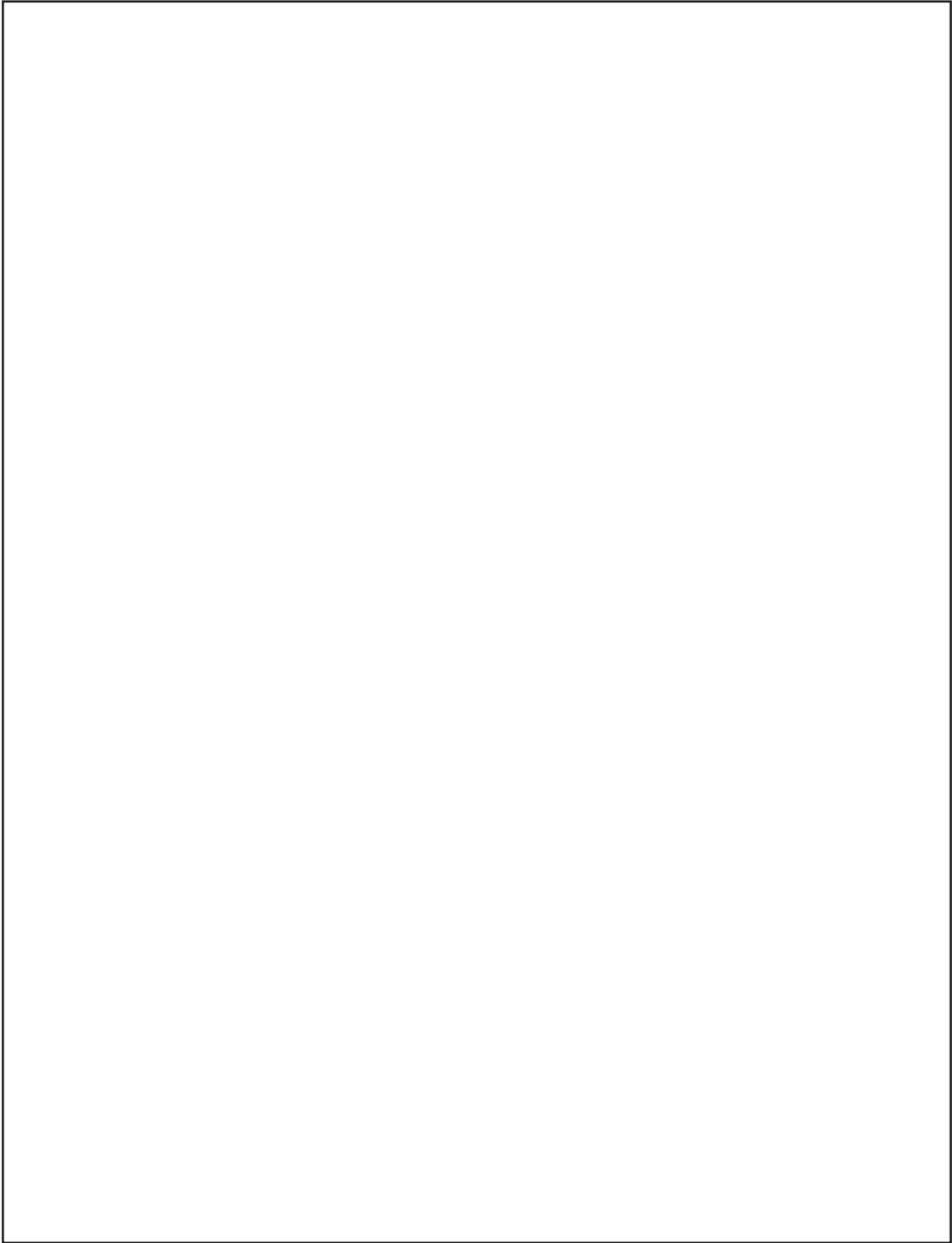
I hereby record my presence at the 22nd Annual General Meeting of the Company held on Monday, the 26th September, 2011 at 10.15 AM at The Hall of Ragaas, 47, First Avenue, Shastri Nagar, Chennai - 600 020.

SIGNATURE OF THE SHAREHOLDER OR PROXY

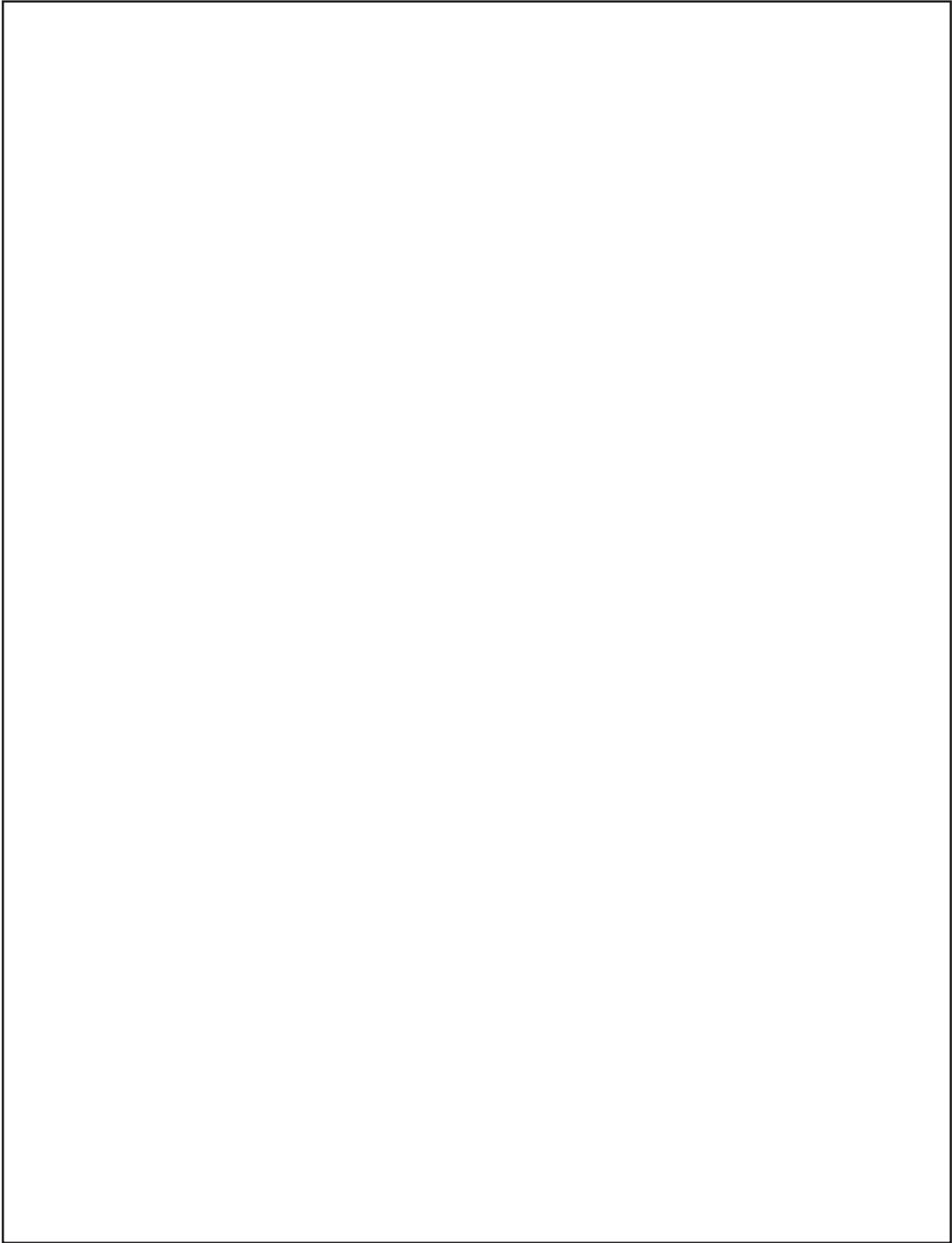
Strike out whichever is not applicable

Note : The company will not distribute any gift.

**NATIONAL PLASTIC TECHNOLOGIES LTD.**



**NATIONAL PLASTIC TECHNOLOGIES LTD.**



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