PITHAMPUR POLY PRODUCTS LIMITED

ANNUAL GENERAL MEETING (2013-2014)

BOARD OF DIRECTORS

R.K.TEKRIWAL	Chairman & Managing Director
SHARAD DUBEY	Director
VISHWANATH KANUNGO	Director

Auditors

C.P. Rawka & Co.,
Chartered Accountants
403, Arcade Silver, 56
1, New Palasia, Indore(MP)-452001

Registered Office

115, Sector –III, Industrial Area, Pithampur
Dist- Dhar(MP)

Registrars & Transfer Agents

Purva Share Registry (I) Pvt. Ltd.
9,Shiv Shakti Industries,
J.R. Boricha Marg,
Opp/ Kasturba Hospital,
Lower Parel (E) Mumbai
– 400 011. Phone : [022]
23018261.

Corporate Office

Fairdeal Building,
2, A.B.Road, Gita Bhavan Square, Indore(MP)-452001
Ph-0731-4077277-78

NOTE : Shareholders are requested to bring their copy of the Annual Report with them to the Annual General Meeting.

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NOTICE

NOTICE is hereby given that the 17TH Annual General Meeting of the members of Pithampur Poly Products Limited will be held on Tuesday, the 30th September 2014, at 11.00 a.m. at its Registered Office at 115, Sector – III, Industrial Area, Pithampur, Dist-Dhar(MP), to transact the following business: -

ORDINARY BUSINESS:

1. To receive, consider and adopt the audited Balance Sheet as at 31st March, 2014 and the Profit and Loss Account for the year ended on that date together with the Auditors and Directors Report thereon.

2. To appoint a Director in place of Mr. Sharad Dubey, Director of the Company who retires by rotation and, being eligible, offers himself for reappointment.

3. To appoint Auditors in place of retiring auditor, to hold the office from the conclusion of this Annual General Meeting until the conclusion of next Annual General Meeting of the Company and to fix their remuneration.

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND A PROXY NEED NOT BE A MEMBER.

2. THE PROXY FORM SHOULD BE DEPOSITED AT THE REGD. OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

3. The Register of Members and Share Transfer book of the company will remain closed from 26th September, 2014 to 30th September 2014 (both days inclusive).

4. Share holders are requested to go for DEMAT of their shares immediately as the Company has appointed M/S. Purva Share Registry India Pvt.Ltd., Mumbai (SEBI APPROVED R & T AGENT) for handling share transfer job and also for maintaining electronic connectivity with CDSL who have allotted ISIN ACTIVATION NUMBER AS – ISIN No.- INE747D01012 . Members are also required to intimate change in their addresses, if any, immediately to M/S. PURVA SHARE REGISTRY INDIA PVT.LTD., MUMBAI.

5. Members desirous of making nomination in terms of Section 109A of the Act, 1956 in respect of their shareholding may approach the Registrar for assistance, Shareholders holding shares in electronic form may approach their DP with whom they maintain their account for nomination.

By order of the Board

For PITHAMPUR POLY PRODUCTS LIMITED

SD/-
RAJENDRA KUMAR TEKRIWAL
CHAIRMAN

Place: PITHAMPUR
Date: 28-08-2014

The instructions for members for voting electronically are as under:-

In case of members receiving e-mail:

(i) Log on to the e-voting website www.evotingindia.com

(ii) Click on "Shareholders" tab.

(iii) Now, select the "COMPANY NAME" from the drop down menu and click on "SUBMIT"

(iv) Now Enter your User ID

a. For CDSL: 16 digits beneficiary ID,
b. For NSDL: 8 Character DP IDfollowed by 8 Digits Client ID,
c. Members holding sharesin Physical Form should enter Folio Number registeredwith the Company.

(v) Next enter the Image Verification as displayed and Click on Login.

(vi) If you are holding shares in demat form and had logged on to www.evotingindia.comand voted on an earlier voting of any company, then your existing password is to be used.

(vii) If you are a first time user follow the steps given below:

	For Members holding sharesin Demat Form and Physical Form
PAN*	Enter your 10 digit alpha-numeric *PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders) • Members who have not updated their PAN with the Company/Depository Participant are requested to use the first two letters of their name and the last 8 digits of the demat account/folio number in the PAN field. • In case the folio number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters. Eg. If your name is Ramesh Kumar with folio number 100 then enter RA00000100 in the PAN field.
DOB#	Enter the Date of Birth as recorded in your demat account or in the company records for the said demat account or folio in dd/mm/yyyy format.
Dividend Bank Details#	Enter the Dividend Bank Details as recorded in your demat account or in the company records for the said demat account or folio. • Please enter the DOB or Dividend Bank Details in order to login. If the details are not recorded with the depository or company please enter **the number of shares held by you as on the cut off date** in the **Dividend Bank details field**.

(viii) After entering these details appropriately, click on "SUBMIT" tab.

(ix) Members holding shares in physical form will then reach directly the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.

(x) For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.

(xi) Click on the EVSN for the relevant <Company Name> on which you choose to vote.

(xii) On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.

(xiii) Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

(xiv) After selecting the resolution you have decided to vote on, click on "SUBMIT". A confirmation box will be displayed. If you wish to confirm your vote, click on "OK", else to change your vote, click on "CANCEL" and accordingly modify your vote.

(xv) Once you "CONFIRM" your vote on the resolution, you will not be allowed to modify your vote.

(xvi) You can also take out print of the voting done by you by clicking on "Click here to print" option on the Voting page.

(xvii) If Demat account holder has forgotten the changed password then Enter the User ID and the image verification code and click on Forgot Password& enter the details as prompted by the system.

- Institutional shareholders (i.e. other than Individuals, HUF, NRI etc.) are required to log on to https://www.evotingindia.co.in and register themselves as Corporates.
- They should submit a scanned copy of the Registration Form bearing the stamp and sign of the entity to helpdesk.evoting@cdslindia.com.
- After receiving the login details they have to create a user who would be able to link the account(s) which they wish to vote on.
- The list of accounts should be mailed to helpdesk.evoting@cdslindia.com and on approval of the accounts they would be able to cast their vote.
- They should upload a scanned copy of the Board Resolution and Power of Attorney (POA)which they have issuedin favour of the Custodian,if any, in PDF format in the system for the scrutinizer to verify the same.

In case of members receiving the physical copy:

(A) Please follow all steps from sl. no. (i) to sl. no. (xvii) above to cast vote.

(B) The voting period begins on <Date and Time> and ends on <Date and Time>. During this period shareholders' of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date (record date) of <Record Date>, may cast their vote electronically. The e-voting module shall be disabled by CDSL for voting thereafter.

(C) In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions ("FAQs") and e-voting manual available at www.evotingindia.co.inunder help section or write an email to helpdesk.evoting@cdslindia.com.

DIRECTORS' REPORT TO THE MEMBERS

To,
The Members of the Company,

Your Directors have pleasure in presenting before you the 17TH ANNUAL REPORT of the Company together with the Audited Statement of Accounts for the year ended 31st March, 2014.

FINANCIAL RESULTS	(Amt . Rs. In Lakhs) 2013-2014	2012-2013
Sales / Income	676.69	588.73
Total Expenses	680.69	623.75
Profit Before Tax	(4.00)	(35.03)
Profit after Tax	(4.00)	(35.03)

FINANCIAL & OPERATIONAL HIGHLIGHTS

The Financial results of the Company has been stated in the B/S & P & L A/C attached herewith.

DIVIDEND

The Board of Directors of the Company has not declared any dividend for 2013-14.

FIXED DEPOSITS

The Company has not accepted deposits from the public during the year attracting the provisions of section 58A of the Co. Act, 1956 and Rules framed there under.

AUDIT COMMITTEE

The Company has formed an Audit committee comprising of three directors. The terms of the reference of the committee are in line with the requirements specified u/s. 292A of the Co-Act, 1956 and Corporate Governance as stated in Clause 49 of the Listing Agreement.

DIRECTORS

During the year under review, Mr. Sharad Dubey, Director of the company will retire by rotation at the ensuing Annual General Meeting of the Company and being eligible, offers himself for re-appointment.

AUDITORS

Members have to appoint auditors for the current financial year and to fix remuneration. M/s. C.P. Rawka & Co., Chartered Accountants Indore, shows his unwillingness to continue as Auditor of the Company, the retiring auditors of the company, now company has consider Mr. Arif Jain & Associates, Chartered Accountants, as Statutory Auditor who is eligible for appointment. Their appointment, if made, will be within the prescribed limit specified under section 224(1B) of the Companies Act, 1956 as intimated by the said firm to the Company.

PARTICULARS OF EMPLOYEES

There was no employee in the Company whose particulars are required to be furnished as per section 217 (2A) of the Companies Act, 1956, read with Companies (Particulars of Employees) Rules, 1975 as amended upto date.

CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNING/OUTGO.

Pursuant to section 217(1)(a) read with the Co.(Disclosures of particulars in the Report of Board of Directors) Rules,1988 , the details are as under :-

		13-14	12-13
(A)	CONSERVATION OF ENERGY POWER & FUEL	RS.1,16,07,014/-	RS.11490836/-
(B)	TECHNOLOGY ABSORPTION	NIL	NIL
(C)	EARNING AND EXPENSES IN FOREIGN EXCHANGE		
	Earning in Foreign Currency	Rs. NIL	Rs. NIL
	Expenditure in Foreign Currency	Rs. NIL	Rs. NIL

DIRECTORS' RESPONSIBILITY STATEMENT

Your Directors hereby report:

(a) that in the preparation of annual accounts, the applicable accounting standards have been followed;

(b) and such accounting policies have been selected and applied consistently and judgements and estimates made that are responsible and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the losses of the Company for that period;

(c) that proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provision of the Companies Act, 1956, for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities:

(d) that annual accounts have been prepared on a going concern basis.

CORPORATE GOVERNANCE AND COMPLIANCE

A report on corporate governance along with Management Discussion and Analysis is annexed to this report. A certificate from statutory auditors with regards to the compliance of the corporate governance as stipulated in Clause 49 of the Listing Agreement by the company is annexed to this report.

The company has fully complied with all mandatory requirements prescribed under Clause 49 of the listing agreement. In addition, the company has also implemented some of the non mandatory provisions of Clause 49.

LISTING

The equity share of the company are listed on the Stock Exchange at Indore, Mumbai, Ahmedabad, Chennai.

ACKNOWLEDGEMENT

Your Directors wish to express their sincere appreciation for the co-operation and support received from Banks, shareholders, customers, sub-contractors, suppliers, Officers and other employees of the Company throughout the year.

Place: PITHAMPUR
Date: 28-08-2014

For and on behalf of
The Board of Directors

Sd/-
Rajendra Kumar Tekriwal
CHAIRMAN

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY

The Company firmly believes that corporate governance and compliance practices are of paramount importance in order to maintain the trust and confidence of the stakeholders, clients, the good reputation of the Company and the unquestioned integrity of all personnel involved in the Company. To ensure transparency, fairness and objectivity in an organisation's functioning, the Company has proactively adopted best practices with regard to corporate governance and compliance, which are ahead of regulatory requirements. The Company's policy on compliance with external regulatory requirements is backed by stringent internal policies and principles to ensure, interalia, priority to clients' interest over proprietary interest, maintenance of confidentiality of client information and prevention of insider trading.

2. BOARD OF DIRECTORS
COMPOSITION AND CATEGORY

The Board of Directors of the Company consists of persons with considerable expertise and experience and experience in the manufacturing industry, finance & management. The Board of Directors of the Company consists of three Directors including the Executive Chairman. Out of 3, 2 directors are non-executive independent directors. The Company does not have any pecuniary relation or transaction with Non-Executive Independent Directors during the year under review.

BOARD PROCEDURE

A detailed Agenda folder was sent to each Director in advance (generally before 7 to 10 days) of Board and committee meetings. To enable the Board to discharge its responsibilities effectively, the Managing Director briefed the Board at every meeting on the financial performance of the Company up to last completed month as against the budget/revised budget of the year. Presentations are made by the Managing Director about the financial, operational performance and market scenario. The Board also reviewed:

- Strategy and business plans
- Annual operating and capital expenditure budgets
- Investment plans of the company
- Compliance with statutory/regulatory requirements and review of major legal issues.
- Adoption of quarterly / half yearly / annual results (after recommendation of Audit Committee where required).
- Significant labour problems
- Major accounting provisions and write-offs.
- Details of joint venture or Collaboration Agreement

The Composition, Category of Directors and their other directorship and Membership / Chairmanship of Committees.

Sr. No.	Name of the Director	Category	Number of other		
			Directorships	Committee Memberships	Committee Chairmanships
1	MR. R.K.TEKRIWAL	EXE.CHAIRMAN & MANAGING DIRECTOR	-	3	2
2	MR SHARAD DUBEY	IND. DIR	-	3	1
3.	MR. VISHWANATH KANUNGO	IND.DIR	-	3	-

During the year 4 Board Meetings were held on 30/05/2013, 30/07/2013, 30/10/2013 & 10/02/2014. The Board was present with the relevant and necessary information. None of the Director is a member of more than 10 committees or acting as Chairman of more than 5 committees across all companies in which he is a director. The attendance at the Board Meeting during the year and at the last Annual General Meeting was as follows:

SR.NO	NAME OF DIRECTORS	NO. OF BOARD MEETING ATTENDED	ATTENDENCE AT THE LAST AGM HELD ON 30-09-2013
1	MR. R.K.TEKRIWAL	9	YES
2	MR. SHARAD DUBEY	9	YES
3	MR VISHWANATH KANUNGO	9	YES

3. AUDIT COMMITTEE

The Board constituted an Audit Committee consisting of 3 Directors. All members of Audit Committee are financially literate and 2 Directors out of 3 has financial management expertise as required for member of Audit Committee as stipulated in Clause 49 of the Listing Agreement. The Details of Audit Committee meetings held during the year April 2013 to March 2014 and the attendance of the Audit Committee Members are as under:

SR.NO	DIRECTOR NAME	CATEGORY	NO OF MEETING HELD	ATTENDED
1	MR. R.K.TEKRIWAL	EXE. CHAIRMAN & M.D. AND MEMBER OF AUDIT COMMITTEE	5	5
2	MR. SHARAD DUBEY	INDEPENDENT DIRECTOR AND MEMBER OF AUDIT COMMITTEE	5	5
3	MR. VISHWANATH KANUNGO	INDEPENDENT DIRECTOR AND CHAIRMAN OF AUDIT COMMITTEE	5	5

Terms of Reference:-

The terms of reference for the audit committee as laid down by the Board include the following:-

a) Overseeing the Company's Financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible.

b) Recommending the appointment and removal of statutory auditor, fixation of audit fee and also approval for payment for any other services.

c) Reviewing with management, the quarterly, half yearly and annual financial statements before submission to the Board, focusing primarily on any changes in accounting policies and practices; major accounting entries based on exercise of judgement by management; qualifications in draft audit report; significant adjustments arising out of audit; the going concern assumption; compliance with accounting standards; compliance with stock exchange and legal requirements concerning financial statements; any related party transactions i.e. transactions of the Company of material nature, with promoters or the management, their subsidiaries or relatives, etc. that may have potential conflict with the interests of Company at large.

d) Reviewing with the management, statutory and internal auditors, the adequacy of internal control system and ensuring compliance therewith.

e) Discussions with statutory auditors before the commencement of the audit about the nature and scope of audit as well as have post-audit discussion to ascertain any areas of concern.

f) Reviewing the Company's financial and risk management policies.

g) To review the functioning of the Whistle Blower Policy adopted by the Company.

h) To review report on Management Discussion & Analysis of Financial Condition and Results of operation, to be included in the Company's Annual Report to its Shareholders.

4. REMUNERATION COMMITTEE

This is a non-mandatory requirement. The company has constituted a Remuneration Committee to decide and fix payment of remuneration and sitting fees to the Directors of the Company.

The Remuneration Committee consists of Mr. R.K.Tekriwal, CMD and Chairman of the committee, Mr. Sharad Dubey, NEID & member and Mr. Vishwanath Kanungo, NEID & member. Only one meeting of the committee held during the year under review.

5. SHARE HOLDER'S GRIEVANCE AND SHARE TRANSFER COMMITTEE

Composition:-

The said committee comprises of R.K.TEKRIWAL, CMD & Chairman of the committee, Sharad Dubey, NEID & member and Vishwanath Kanungo, NEID and member of the committee. There are 2 meetings during the year.

The Committee has delegated the authority to an officer of the Company who attends to share transfer formalities at least once in a fortnight.

Terms of reference:-

To look into the redressal of the share holders complaints in respect of any matter including transfer of shares, non receipt of annual report, non receipt of declared dividend etc.

Compliance Officers :-

The company has designated Mr. R.K.TEKRIWAL as Compliance Officer.

Summary of Investors' Complaints:-

During the year no letter / complaints were received from the share holders.

As on date, there are no complaints pending.

Annual General Meeting:-

The Annual General Meeting (AGMs) of the company have been held at the following places in the last three years

YEAR	DATE	TIME	VENUE
2010 – 11	30-09-2011	11.00 A.M.	REGD. OFFICE – 115, Sector – III, Ind. Area, Pithampur, Dist-Dhar(MP)
2011 – 12	29-09-2012	11.00 A.M.	AS ABOVE
2012 – 13	30-09-2013	11.00 A.M.	AS ABOVE

No resolution was put through postal ballot during the fin. Year 2013-14.

6. DISCLOSURES: - There were no transaction by the company of material significance with related parties i.e. its Promoters, Directors of Companies or the Management or their relatives during the year which may have potential conflict with interest of the Company at large except remuneration to CMD and Salary to wife of CMD.

There is not any penalties or restrictions imposed on the Company by Stock Exchanges, SEBI or any statutory or any matter related to capital markets during the last three years.

7. CEO & CFO CERTIFICATTION: The managing Director have given certificate to Board as contemplated in clause 49 of the Listing Agreement & is enclosed at the end of the report.

8. MEANS OF COMMUNICATION:

(i) The Management Discussion and Analysis report prepared by the management and forming part of the Annual Report is separately attached.

9. GENERAL INFORMATION FOR SHAREHOLDERS:

(a) Regd. Office:-

115, Sector-III, Ind. Area, Pithampur, Dist-Dhar(MP)

(b) Date, Time, Venue of Annual General Meeting:

30th Sept, 2014 at 11.00 AM at the Regd. Office- 115, Sector-III, Ind. Area, Pithampur, Dist-Dhar (MP) .

(c) Financial Reporting for the quarter ending:

JUNE 30	: END JULY
SEPT 30	: END OCTOBER
DEC 31	: END JANUARY
MARCH 31	: END APRIL

(d) Date of Book Closure :

26.09.2014 to 30.09.2014 (both days inclusive)

(e) Listing Details :

The Equity Shares of the Company are listed on the Stock Exchange at Indore, Mumbai, Ahmedabad, Chennai.
Scrip Code : BSE – 530683

(f) ISIN for Dematerialization of equity shares :

INE747D01012

(g) Market price data:

During the year from 1-04-2013 to 31-03-2014 the equity shares traded high and low price is available on BSE website viz. www.bseindia.com.

(h) Registrar And Transfer Agent:

(For share transfers and other communication relating to share certificates, change of address)

Purva Share Registry (I) Pvt. Ltd.
9,Shiv Shakti Industries,
J.R. Boricha Marg,
Opp/ Kasturba Hospital,
Lower Parel (E)
Mumbai – 400 011.
Phone : [022] 23018261.

(i) Share Transfer System:

Equity shares sent for transfer in physical form are normally registered by our Registrar and Share Transfer Agent within 15 days of receipt of documents, if documents are found in order. Share under objection are returned within 2 weeks.

The Company has a Share holders / Investors grievance Committee who looks after share transfer job by meeting at regular intervals depending upon the receipt of the shares for transfer.

The Company has designated an email id pppl@sancharnet.in for the purpose of registering complaints by the Investors in accordance with clause 47(f) of the Listing Agreement.

(j) CATEGORIES OF SHARE HOLDING AS ON 31ST MARCH, 2014.

NO. OF EQUITY SHARE HELD	NO. OF SHARE	% OF SHARES
PROMOTERS	2493500	51.16
CORPORATE BODIES	326300	6.69
NRI	125000	2.56
INDIVIDUALS	1929200	39.59
TOTAL	4874000	100.00

(k)DEMATERIALISATION OF SHARES AND LIQUIDITY :

The Company has already entered into agreement with CDSL, whereby the shareholders have an option to dematerialize their holdings.

The company is under negotiation with NSDL to have connectivity of NSDL also.

(l) PLANT LOCATION:

The company is 100% Export Oriented Unit with ISO : 9001-2008 Certification and having manufacturing and processing plant situated at Plot no. 115, Sector-III, Industrial Area, Pithampur, Dist- DHAR(MP) where HDPE/PP WOVEN SACKS AND ALLIED PRODUCTS are munfactured.

(m) INVESTOR CORRESPONDENCE :

For any queries, investors are requested to get in touch with the Company's RTA - M/S. PURVA SHARE REGISTRY (I) PVT. LTD. MUMBAI.

INVESTOR GRIEVANCE REDRESSAL SYSTEM

Investor Grievance, if any, is settled expeditiously and satisfactorily by the company as well as by the registrar. The Company has designated an email id pppl@shancharnet.in for the purpose of registering complaints by the Investors in accordance with clause 47 (f) of the Listing Agreement.

DISPOSAL OF INVESTOR GRIEVANCES

The average time required by the Company or Registrar to the issue for the redressal of routine investor grievances is estimated to be seven working days from the date of receipt of the complaint. In case of non routine complaints and where external agencies are involved, the Company or Registrar will strive to redress these complaints as expeditiously as possible.

CERTIFICATION WITH RESPECT TO FINANCIAL STATEMENT

The Managing director of the Company has furnished a certificate to the Board of Directors of the Company with respect to accuracy of financial statements and adequacy of internal controls and compliance of Clause 49 as required under Clause 49 of the listing agreement.

WHISTLE BLOWER POLICY

The Security & Exchange Board of India has also prescribed the adoption by all listed companies, of a Whistle Blower Policy as a non-mandatory requirement. The company has adopted a Whistle Blower Policy, which affords protection and confidentially to Whistle blowers. The Audit Committee Chairman is authorized to receive Protected Disclosures under this Policy. The Audit Committee is also authorized to supervise the conduct of investigations of any disclosures made whistle blowers in accordance with policy.

No personnel have been denied access to the Audit Committee. As of March 31, 2014, no Protected Disclosures have been received under this policy.

CODE OF CONDUCT

The Company's Board of Directors has adopted the code of conducts which govern the conduct of all directors /employees. All Directors and senior management personnel have affirmed compliance with respective codes for the year ended on 31st March 2014.

IMPLEMENTATION OF NON-MANDATORY CORPORATE GOVERNANCE REQUIREMENTS

The company has implemented the following non-mandatory requirements as stated in clause 49 of the listing agreement with respect to Corporate Governance:-

(i) Remuneration Committee:- Already details have been given earlier.

(ii) Whistler Blower policy:- Under this policy employees of the Company can report to the management about unethical behavior, actual or suspected fraud or violation of code of conduct or ethics policy. It is the company's policy to insure that the Whistler

Blower are not victimized or denied direct access to the chairman of the Audit Committee. The existence of said policy mechanism has been communicated to all employees.

MANAGEMENT DISCUSSION AND ANALYSIS

The Company is in the business of manufacturing and trading of HDPE/PP WOVEN SACKS AND ALLIED PRODUCTS. The key issues of the Management Discussion and Analysis are given below.

(a) Industry structure and developments

Indian poly industries market size is estimated at RS. 62 billion. The industry experienced a significant growth of 8.06% during the year 2013-2014. The Company continued its growth alongwith the lines of industry and has maintained its market position.

(b) Strength

The strength of the company is management team. The Company has earned goodwill from utilization of full licensed and installed capacity and good policy of marketing due to expert management team.

(c) Comment on Current year's performance

During the financial year 2013-14, the company has posted a satisfactorily performance. All expenses are under control. The Operating profits are upto the industry mark.

d) Opportunities and threats

Continuing increase in demand of quality poly products provides an opportunity of growth to the company.

The Company is exposed to the fluctuation of Economy and industry cycles / downturns and throatcut competition in the industry.

(e) Segment wise performance

The business of the Company falls under a single segment i.e. "manufacturing and trading of HDPE/PP products" for the purpose of Accounting Standards AS-17.

(f) Outlook

The Company is making all efforts to accelerate growth of its business. It expects to improve its position in the market by focusing on technologically advanced and

more profitable products/market segments and working aggressively in the areas of productivity, efficiency and cost-
reductions. The company will focus on making long term strategic policy in existing as well as in new venture.

(g) Risk and concerns

There is a sharp increase in the prices of raw materials and other expenses due to governmental policies for Poly Products industries. It may not be possible for the Company to recover the increase in material cost from customers entirely due to competition in the industry.

(h) Internal control system

The internal control system has been found to be adequate. This is reviewed periodically by the Audit Committee and statutory auditors of the Company.

(j) Cautionary Statement

Statements in this Management Discussion and Analysis Report, Describing the Company's outlook, projections, estimates, expectations or predictions may be "Forward looking Statement" within the meaning of applicable securities laws or regulations. Actual results could differ materially from those expressed or implied.

DECLARATION

As provided under clause 49 of the listing agreement with the stock exchanges, it is hereby declared that all the board members and senior managerial personnel of the Company have affirmed the compliance of code of conduct for the year ended 31st March, 2014.

Place : PITHAMPUR
Date :28-08-2014

For and on behalf of
The Board of Directors
SD/-
R.K.TEKRIWAL
Managing Director

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Board of Directors,
Pithampur Poly Products Ltd.,
115, Sector – III, Ind. Area,
Pithampur, Dist-Dhar(MP)

We have reviewed the records concerning the Company's compliance of conditions of Corporate Governance as stipulated in Clause 49 of the Listing Agreement entered into, by the Company, with the Stock Exchanges of India, for the fin. year ended on 31st March 2014.

The compliance of Corporate Governance is the responsibility of the 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 statement of the Company.

We have conducted our review on the basis of the relevant records and documents maintained by the Company and furnished to us for the review, and the information and explanations given to us by the Company.

Based on such a review to the best of our information and according to the explanations given to us, in our opinion, the company has complied with the conditions of Corporate Governance, as stipulated in Clause 49 of the said listing agreement.

On the basis of certificate issued by the Registrar and Share Transfer Agent of the Company and the Minutes of meetings of the Shareholders/ Investors Grievance Committee of the Company, we state that, there were no investor grievances pending against the Company for a period exceeding one month.

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

PLACE : INDORE
DATE :28-08-2014

For C.P. Rawka & Co.,
Chartered Accountants
SD/-

C.P. Rawka (Proprietor)
Membership NO. : 70060
FRN000518C

CHIEF EXECUTIVE OFFICER (CEO) CERTIFICATION

I, Rajendra Kumar Tekriwal, Chairman & Managing Director of M/s Pithampur Poly Products Ltd., do hereby certify that"

a) I have reviewed the financial statements and the cash flow statement of the Company for the year 2013-14 and to the best of my and to the best of my knowledge, information 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 are in compliance with existing accounting standards, applicable Laws and regulations.

b) To the best of my knowledge and belief, no transactions entered into by the company during the year are fraudulent, illegal or violative or the company's Code of Conduct.

c) The company's other certifying officers and I, are responsible for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and I have disclosed to the Auditors and the Audit Committee, deficiencies in the design or operation such internal controls, if any, of which I am aware and steps I have taken or propose to take to rectify these deficiencies.

d) I have indicated to the Auditors and the Audit Committee that :

i) there are no significant changes in internal control over financial reporting during the year;

ii) there are no significant changes in accounting policies during the year,

iii) there are no instances of fraud during the year.

SD/-

Place : PITHAMPUR
Dated : 28-08-2014

R.K.TEKRIWAL
Managing Director

AUDITORS' CERTIFICATE

To,

The Board of Directors
M/s. Pithampur Poly Products L i m i t e d
Indore

We have examined the attached Cash Flow Statement of M/s. Pithampur Poly Products Limited for the year ended on 31-3-2014. The Statement has been prepared by the Company in accordance with the requirement of Listing Agreement Clause 32 with Mumbai Stock Exchange limited and is based on in agreement with corresponding Profit & Loss Account and Balance Sheet of the Company for 2013-14.

As per our attached report of even date

C.P. Rawka & Co.,
Chartered Accountants

SD/-
C.P. Rawka
(Proprietor)
Mem.No.70060
FRN000518C
Place : INDORE
Date:28-08-2014

ATTENDANCE SLIP

PITHAMPUR POLY PRODUCTS LTD.
Redg. Office: 115, Sector-III, Industrial Area, Pithampur, Dist-Dhar(MP)

PLEASE COMPLETE THIS ATTENDANCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

L. F. No. _____

I Hereby record my attendance at the 17TH Annual General Meeting held on 30-09-2014, at 11.00 AM. at Regd. Office of the Company.

_____ _____

Signature of the Member Signature of the Proxy

_____ _____

Name of the Member Name of the proxy

PITHAMPUR POLY PRODUCTS LTD.
Redg. Office: 115, Sector-III, Industrial Area, Pithampur, Dist-Dhar(MP)

PROXY FORM

I / We _____
Of _____in the district of _____
Being a member(s) of Pithampur Poly Products Ltd. hereby appoint _____ Of _____
in the district of _____ as my/our

Proxy to attend and vote for me/us and my/our behalf at the 17TH Annual General Meeting of the Company to be held on 30-09-2014 at 11.00 AM at Regd. Office of the Company and any adjournment thereof.

Affix Rs. One Revenue Stamp here

Signed this day of 2014

Note: The proxy form duly completed must be deposited at he Registered Office of the Company not less than 48 hours before the time for holding the meeting. The proxy need not be a member of the Company.

FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company :	Pithampur Poly Products Ltd.
2.	Annual financial statement for the year ended	31st March 2014
3.	Type of Audit observation	Un-qualified / No qualification
4.	Frequency of observation	- Not Applicable -
5.	To be signed by – • CEO/Managing Director • CFO • Auditor of the Company • Audit Committee Chairman	Rjendra Tekriwal SD/- Shiv Agrawal SD/- C.P. Rawka SD/- Vishwnath Kanungo SD/-

Independent Auditors' Report

To,

The Members,
M/s PITHAMPUR POLY PRODUCTS LIMITED,
Indore, Madhya Pradesh,

Report on the Financial Statements
We have audited the accompanying financial statements of **M/s PITHAMPUR POLY PRODUCTS LTD,** which comprise the Balance Sheet as at March 31, 2014, the Statement of Profit and Loss for the year then ended and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements
Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the accounting principles generally accepted in India. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility
Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatements. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

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

- In the case of the Balance Sheet of the state of affairs of the Company as at March 31, 2014,
- In the case of the Statement of Profit and Loss, of the loss for the year ended on that date;

Report on Other Legal and Regulatory Requirements

- As required by the Companies (Auditor's Report) Order, 2003 ("the Order") of the Act issued by the Central Government of India in terms of Section 227(4A) of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
- As required by Section 227(3) of the Act, we report that;

- We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
- In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books.
- The Balance sheet, the Statement of Profit and Loss dealt with by this Report are in agreement with the books of account.
- In our opinion, the Balance sheet, the Statement of Profit and Loss comply with the Accounting Standards referred to in section 211(3C) of the Act,
- On the basis of the written representations received from the directors as on March 31, 2014, taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of Section 274(1) (g) of the Act.

For **C.P. Rawka & Co.**,
Chartered Accountants

SD/-
C.P. RAwka
Proprietor
Membership No. 70060
FRN000518C

ANNEXURE REFERRED TO IN THE AUDITORS' REPORT ON THE ACCOUNTS OF M/s PITHAMPUR POLY PRODUCT LTD.

1. [a] According to the information and explanation given to us, the Company is in the process of compiling its fixed assets register.

[b] We are informed that all fixed assets have been physically verified by the management at reasonable intervals.

[c] The none of the fixed assets have been disposed during the year.

2. [a] The inventory has been physically verified during the year by the management at reasonable intervals.

[b]In our opinion, the procedures of physical verification of inventory followed by the management were adequate in relation to the size of the company and the nature of its business.

[c]The company is maintaining proper records of inventory. The discrepancies noticed on physical verification of stocks as compared to book records were not material and have been properly dealt with in the books of accounts.

3 [a] The Company has not granted inter-corporate deposits to parties listed in the register maintained under Section 301 of the Companies Act,1956.

[b] The company has not taken any loan from any party covered in Register maintained u/s 301 of the Companies Act, 1956

The maximum amount involved during the period was Rs. NIL and balance outstanding at the year end Rs. NIL.

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 and fixed assets and for the sale of goods. Further, in our opinion, there is no continuing failure to correct major weaknesses in internal control.

5. [a] To the best of our Knowledge and belief and according the information and explanations given to us, we are of the opinion that the transaction that need to be entered into the register maintained under section 301 of companies act, 1956 have been so entered.

[b] In the opinion and having regard to our comments in paragraph (IV) above and accounting to the information and explanations given to us, the transaction made in purchase of contracts or arrangements entered in the register maintained under Section 301 of Companies Act 1956 and exceeding the value of Rs. Five Lakhs in respect of any party during the year have been made at Prices which are reasonable having regard to prevailing market prices at the relevant time where such market prices are available.

6. In our opinion and according to the information and explanations given to us, the company has not accepted deposit from the public during the year.

7. The company has an internal audit system commensurate with its size and nature of its business.

8. The Central Government has not prescribed the maintenance of cost records by the company under section 209[1][d] of the Companies Act,1956.

9. [a] The company is regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Income Tax, Sales – Tax, Custom Duty, Excise Duty, cess and any other statutory dues with appropriate authorities and there are no undisputed liabilities as on 31st March'14 outstanding for a period of more than six months from the date they became payable.

[b] As per the information and explanations given to us there is no case where sales tax / income tax/ wealth tax / custom duty/ excise duty/cess have not been deposited on account of dispute, except the following:-

Sr. No.	Name Of the Act	Nature Of Dues	Amount (In Rs.)	Period To Which Amount related	For on where dispute are pending
1)	MP Comm.Tax Act, 1994	Demand	34733/-	1996-1997	DY. Commissioner Appellate MP Comm. Tax Dept. Indore
2)	MP Comm.Tax Act, 1994	Demand	18028/-	1999-2000	DY. Commissioner Appellate MP Comm. Tax Dept. Indore

3)	MP Comm.Tax Act, 1994	Demand Penalty	825036/- 636400/-	2000-2001 2000-2001	DY. Commissioner Appellate MP Comm. Tax Dept. Indore
4)	MP Comm.Tax Act, 1994	Demand Penalty	679287/- 510400/-	2001-02 2001-02	DY. Commissioner Appellate MP Comm. Tax Dept. Indore
5)	MP Comm.Tax Act, 1994	Demand Penalty	578337/- 416500/-	2002-03 2002-03	DY. Commissioner Appellate MP Comm. Tax Dept. Indore
6)	MP Comm.Tax Act, 1994	Demand	1068417/-	2003-04	DY. Commissioner Appellate MP Comm. Tax Dept. Indore

10. The company have accumulated losses at Rs.5,91,58,274/-, The Company has incurred Loss during the year at Rs.3,99,948/- Covered by our audit.

11. In our opinion and according to the information and explanation given to us and overall examination of the Balance Sheet, we have found that the company has defaulted in repayment of dues to Banks.

12. According to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares debentures and other securities.

13. The company is not a Chit fund, nidhi or mutual benefit fund/society.

14. In our opinion, the company is not dealing in or trading in Shares, Securities, Debentures and other Investment. Accordingly, the provision of clause 4[XIV] of the companies [Auditor's Report] order 2003 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 bank or financial institutions.

16. According to the information and explanations given to us, and on overall examination of the Balance Sheet of the Company we report that company has not raised term loans from Bank and Financial Institution.

17. According to the information and explanations given to us, and on overall examination of the Balance Sheet of the Company the funds raised by the company on the short term basis have not used for long term investment.

18. The company has not made any 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 not issued any debentures during the year.

20. The company has not made any public issue during the year.

21. According to the information and explanations given to us, any fraud on or by the company has not been noticed or reported during the year.

Place: INDORE
Date:28-05-2014

For: C.P. Rawka & Co.,
Chartered Accountants

SD/-

C.P. Rawka
[Proprietor]
M.NO.70060
FRN000518C

PITHAMPUR POLY PRODUCTS LIMITED

BALANCE-SHEET AS AT 31ST MARCH, 2014

	Particulars		Note No.	As at 31-3-2014	As at 31-3-2013
A	EQUITY AND LIABILITIES				
I	SHAREHOLDERS' FUNDS				
(a)	Share Capital		1	52447500	52447500
(b)	Reserves and Surplus		2	-59158274	-58758326
		(I)		-6710774	-6310826
II	SHARE APPLICATION MONEY PENDING ALLOTMENT	(II)		-	0
III	NON-CURRENT LIABILITIES				
(a)	Long-Term Borrowings		3	56020472	56033198
(b)	Deferred Tax Liabilities			-	-
		(III)		56020472	56033198
IV	CURRENT LIABILITIES				
(a)	Short-Term Borrowings		4	74974151	74974151
(b)	Trade Payables		5	655057	4155492
(c)	Other Current Liabilities		6	236984	770548
(d)	Short-Term Provisions		7	6255930	3145261
		(IV)		82122122	83045451
	TOTAL RUPEES (I + II + III + IV)			**131431820**	**132767823**
B	ASSETS				
I	NON-CURRENT ASSETS				
(a)	Fixed Assets				
i)	Tangible Assets		8	44532656	49592313
ii)	Capital Work-In-Progress			-	-
				44532656	49592313
(b)	Long-Term Loans and Advances		9	2945798	3019091
		(I)		47478454	52611404
II	CURRENT ASSETS				
(a)	Inventories		10	4118552	4280852
(b)	Trade Receivables		11	62670755	57142568
(c)	Cash and Bank Balances		12	45001	431371
(d)	Short-Term Loans and Advances		13	15698281	18301628
(e)	Other Current Assets		14	1420778	-
		(II)		83953367	80156419
	TOTAL RUPEES (I + II)			**131431820**	**132767823**
	Other Relvant Notes		23		
	Significant Accounting Policies & Practices		24		

Notes form integral part of these financial statements

AS PER OUR REPORT OF THE EVEN DATE

CHARTERED ACCOUNTANTS

PLACE : INDORE
DATED : MAY 28TH, 2014

SD/-
:DIRECTOR:

SD/-
:DIRECTOR:

PITHAMPUR POLY PRODUCTS LIMITED

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2014

	Particulars	Note No.	Year ended 31-3-2014	Year ended 31-3-2013
	REVENUE			
I	Revenue from Operations	15	67480516	58666939
II	Other Income	16	188968	205694
III	**TOTAL REVENUE (I + II)**		**67669484**	**58872633**
IV	**EXPENSES**			
(a)	Cost of Materials Consumed	17	-	877973
(b)	Manufacturing and Operating Costs	18	31278074	29160544
(c)	Changes in Inventories of Finished Goods, Work-In-Progress and Traded Goods	19	(0)	(59,950)
(d)	Employee Benefits Expenses	20	24465533	22007944
(e)	Finance Costs	21	72669	64517
(f)	Other Expenses	22	6626913	4927150
(e)	Depreciation		5410713	5396960
	TOTAL EXPENSES		**67853902**	**62375138**
V	Profit before exceptional and extraordinary items and tax (III-IV)		(184,418)	(3,502,505)
VI	Exceptional items		-	-
VII	Profit before extraordinary items and tax (V-VI)		(184,418)	(3,502,505)
VIII	Extraordinary items [Expenses Pertaining to earlier years]		215,530	-
IX	Profit before Tax (VII-VIII)		**(399,948)**	**(3,502,505)**
X	Tax Expense:			
(a)	Current Tax		0	0
(b)	(Less) : MAT Credit		-	-
(c)	Current Tax Expense relating to prior years		-	-
(d)	Deferred Taxation		-	-
			0	0
XI	Profit for the year (IX-X)		**-399948**	**-3502505**
XII	Earnings per share (of Rs.100/- each):			
(a)	Basic		-	-
(b)	Diluted		-	-
	Other Relvant Notes	23		
	Significant Accounting Policies & Practices	24		

Notes form integral part of these financial statements

AS PER OUR REPORT OF THE EVEN DATE

CHARTERED ACCOUNTANTS

PLACE : INDORE
DATED : MAY 28TH, 2014

SD/-
:DIRECTOR:

SD/-
:DIRECTOR:

PITHAMPUR POLY PRODUCTS LIMITED

NOTES ANNEXED TO AND FORMING PART OF THE BALANCE-SHEET AS AT 31ST MARCH, 2014 AND STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED THAT DAY

NOTE - 1 - SHARE CAPITAL

A Authorised and Paid-up Share Capital

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	No. of Shares	Amount	No. of Shares	Amount
AUTHORISED				
Equity Shares of Rs.10/- each	6000000	60000000	6000000	60000000
ISSUED, SUBSCRIBED & PAID-UP				
Equity Shares of Rs.10/- each Fully Paid-up	4874000	48740000	4874000	48740000
Money Received against Shares Warrants	-	3707500	-	3707500
TOTAL	4874000	52447500	4874000	52447500

The company has issued only one class of equity shares having par value of Rs.10/- per share. Each shareholder is eligible for one vote per share. In the event of liquidation, the equity shareholders are eligible to receive the remaining assets of the company, after distribution of all preferential amounts, in proportion of their share holding.

B. Reconciliation of the number of shares outstanding at the beginning and at the end of the reporting period

Particulars	As at 31st March, 2014		As at 31st March, 2013	
	Number	Amount	Number	Amount
Shares outstanding at the beginning of the year	4874000	48740000	4874000	48740000
Shares issued during the year	-	-	-	-
Shares bought back during the year	-	-	-	-
Shares outstanding at the end of the year	4874000	48740000	4874000	48740000

C. Details of shares hold by shareholders holding more than 5% of the aggregate shares in the company

Name of Shareholder	As at 31st March, 2014		As at 31st March, 2013	
	No. of Shares held	% of Holding	No. of Shares held	% of Holding
Shri Rajendra Kumar Tekriwal	395600	8.12	395600	8.12
Shri Gourav Tekriwal	550800	11.30	550800	11.30
Smt. Meera Tekriwal	316500	6.49	316500	6.49
TOTAL	1262900	25.91	1262900	25.91

NOTE - 2 - RESERVES AND SURPLUS

Surplus

Particulars	31-3-2014	31-3-2013
Balance as per last year	(58,758,326)	(55,255,821)
Add : Net Profit for the year	(399,948)	(3,502,505)
TOTAL RUPEES	(59,158,274)	(58,758,326)

NOTE - 3 - LONG-TERM BORROWINGS

Particulars		31-3-2014	31-3-2013
A **Term Loans**			
Secured			
From Banks		52029853	52029854
	(A)	52029853	52029854
B **Other Loans and Advances**			
Unsecured			
From Body Corporates		3990619	4003344
	(B)	3990619	4003344
TOTAL RUPEES	(A+B)	56020472	56033198

NOTE - 5 - SHORT-TERM BORROWINGS

Particulars	31-3-2014	31-3-2013
Secured		
Working Capital Loans repayable on demand		
From Banks	74974151	74974151
TOTAL RUPEES	74974151	74974151

NOTE - 6 - TRADE PAYABLES

Particulars	31-3-2014	31-3-2013
Creditors for Raw Materials	655057	4155492
TOTAL RUPEES	655057	4155492

NOTE - 7 - OTHER CURRENT LIABILITIES

Particulars	31-3-2014	31-3-2013
Dutites & Taxes	236984	47121
ICICI Bank Ltd. (Overdraft Account)	-	723427
TOTAL RUPEES	236984	770548

NOTE - 8 - SHORT-TERM PROVISIONS

Particulars	31-3-2014	31-3-2013
For Taxation	-0	-
For Others	6255930	3145261
TOTAL RUPEES	6255930	3145261

NOTE - 9 - FIXED ASSETS

SNO.	PARTICULARS	GROSS BLOCK				DEPRECIATION					NET BLOCK	
		Balance as at 1-4-2013	Additions	Disposals	Balance as at 31-3-2014	Rate %	Balance as at 1-4-2013	For the year	Disposals	Balance as at 31-3-2014	As at 31-3-2014	As at 31-3-2013
A	**Tangible Assets**											
1	Land & Site Developement	1147676	-	-	1147676	-	-	-	-	-	1147676	1147676
2	Factory Building	34500174	-	-	34500174	3.34	16653802	1152306	-	17806108	16694066	17846372
3	Plant and Machineries	86304256	230000	-	86534256	4.75	56789105	4089582	-	60878687	25655569	29515151
4	Office Equipments	1154807	5096	-	1159903	4.75	418663	54853	-	473516	686387	736144
5	Furniture and Fixtures	1375468	-	-	1375468	6.33	1032747	87067	-	1119814	255654	342721
6	Computers	165976	115960	-	281936	16.21	161727	26905	-	188632	93304	4249
	TOTAL RUPEES	124648357	351056	0	124999413		75056044	5410713	-	80466757	44532656	49592313
	PREVIOUS YEAR	124667278	22799	-	124690077		69700804	5396960	-	75097764	49592313	54966475

NOTE - 10 - LONG-TERM LOANS AND ADVANCES

Particulars	31-3-2014	31-3-2013
Capital Advances [Unsecured, considered good]	-	1058250
Security Deposits [Unsecured, considered good]	2945798	1960841
TOTAL RUPEES	2945798	3019091

NOTE - 11 - INVENTORIES

Particulars	31-3-2014	31-3-2013
Raw Material	-	-
Work-In-Progress	636841	636841
Finished Goods	1870896	1870896
Stores and Spares	1610815	1773115
TOTAL RUPEES	4118552	4280852
[For basis of valuation, refer Note-26]		

NOTE - 12 - TRADE RECEIVABLES

Particulars	31-3-2014	31-3-2013
Trade Receivables outstanding for a period exceeding six months from the date they are due for payment [Unsecured, considered good]	72931	3046646
Trade Receivables outstanding for a period of six months or less from the date they are due for payment [Unsecured, considered good]	62597824	54095922
TOTAL RUPEES	62670755	57142568

NOTE - 13 - CASH AND BANK BALANCES

Particulars		31-3-2014	31-3-2013
A	**Cash and Cash Equivalents**		
	Balances with Banks [Incldng Overdraft]	(272,680)	112493
	Cash on Hand	54129	55326
	(A)	(218,551)	167819
B	**Other Bank Balances**		
	Fixed Deposit Accounts with more than 12 months maturity	263552	263552
	(B)	263552	263552
	TOTAL RUPEES (A+B)	45001	431371

NOTE - 14 - SHORT-TERM LOANS AND ADVANCES

Particulars	31-3-2014	31-3-2013
Advance to Suppliers	9691868	12922566
Advance to Others	6006413	5379061
TOTAL RUPEES	15698281	18301628

NOTE - 15 - OTHER CURRENT ASSETS

Particulars	31-3-2014	31-3-2013
Duties & Taxes	1420778	-
TOTAL RUPEES	1420778	-

NOTE - 16 - REVENUE FROM OPERATIONS

Particulars		31-3-2014	31-3-2013
A. **Sale of Products**			
Manufactured goods		-	1017139
	(A)	-	1017139
B. **Sale of Services**			
Job Work Receipts		67432950	57649800
	(B)	67432950	57649800
C. **Other Operating Revenues**			
Other Deductions		47566	-
	(C)	47566	-
TOTAL RUPEES	(A+B+C)	67480516	58666939

NOTE - 17 - OTHER INCOME

Particulars	31-3-2014	31-3-2013
interest Income	133260	132856
Other Income		72838
Rebate & Discount	55708	-
TOTAL RUPEES	188968	205694

NOTE - 18 - COST OF MATERIALS CONSUMED

Particulars	31-3-2014	31-3-2013
Opening Stock	-	-
Purchases	-	877973
	-	877973
Less : Closing Stock	-	-
TOTAL RUPEES	-	877973

NOTE - 19 - MANUFACTURING AND OPERATING COSTS

Particulars	31-3-2014	31-3-2013
Consumption of Stores and Spares	1448985	1871874
Power and Fuel Expenses	11607014	11490836
Job Work Charges	1289399	1371603
Labour Charges	13308693	12340756
Repairs to Factory Building	83755	-
Repairs to Machinery	195641	117111
Labour Welfare	68634	-
Tea & Refreshment	1600	-
Other Manufacturing and Operating Expenses	3274353	1968364
TOTAL RUPEES	31278074	29160544

NOTE - 20 - CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND TRADED GOODS

Particulars		31-3-2014	31-3-2013
A **Inventories at the end of the year**			
Finished Goods		1870896	1870896
Work-In-Progress		636841	636841
	(A)	2507737	2507737
B. **Inventories at the beginning of the year**			
Finished Goods		1870896	1812650
Work-In-Progress		636841	635137
	(B)	2507737	2447787
CHANGES IN INVENTORIES	(A-B)	0	59950

NOTE - 21 - EMPLOYEE BENEFITS EXPENSES

Particulars	31-3-2014	31-3-2013
Salaries, Wages, Bonus etc.	22973378	20837791
Contribution towards Provident Fund & ESIC	1374073	957850
Staff Welfare Expenses	118082	212303
TOTAL RUPEES	24465533	22007944

NOTE - 22 - FINANCE COSTS

Particulars	31-3-2014	31-3-2013
Interest		
- Belated payment of TDS	3512	6478
- Others	4735	926
Bank Charges & Commission	64422	57113
TOTAL RUPEES	72669	64517

NOTE - 23 - OTHER EXPENSES

Particulars		31-3-2014	31-3-2013
A.	**Administrative Expenses**		
	Directors Remuneration	180000	180000
	Director Sitting Fees	50000	50000
	Rent	127000	65000
	Stationery & Printing	156770	190161
	Electricity Expenses	14141	-
	Postage & Courier Expenses	7571	16806
	Telephone Expenses	297316	281915
	Conveyance Expenses	181269	170991
	Travelling Expenses	152523	196384
	Vehicle Running & Maintenance	39286	50795
	Vehicle Hire Charges	1207968	1066258
	Auditors' Remuneration	39500	25000
	Legal & Professional Charges	581844	702488
	License Fees	31418	87088
	Filing Fees	6575	8505
	Consultancy Fees	121433	234445
	Subscription & Membership Fees	19548	32348
	Listing Fees	6741	36741
	Computer Expenses	40379	37215
	Diwali Expenses	133455	77374
	Pooja & Parw Expenses	33884	15054
	Testing & Certification Fees	-	34170
	Pollution Fees	146248	48249
	Security Expenses	368353	-
	Taxes & Duties	-	614497
	Repairs & Maintenance	114089	63116
	Annual Charges	-	20794
	Professional-Tax	-	2500
	Property-Tax	32973	98919
	Threading Expenses	78764	260498
	Inspection Fees	-	7200
	Donation	6000	3300
	Office Expenses	23366	41044
	General Expenses	150	10090
	Miscellaneous Expenses	33283	5290
	(A)	4231847	4734235
B.	**Selling & Distribution Expenses**		
	Advertisement & Publicity	103352	101672
	Business Promotion Expenses	104697	91243
	Freight & Cartage	5544	-
	Incentive Expenses	34606	-
	Sundry Balances Written-off	2146867	-
	(B)	2395066	192915
	TOTAL RUPEES (A+B)	6626913	4927150

PITHAMPUR POLY PRODUCTS LIMITED

DETAILS OF SCHEDULES TO AND FORMING PART OF THE BALANCE SHEET AS ON 31st, MARCH 2014, AND PROFIT & LOSS AS ON THE DATE

SCHEDULE – 23 & 24

ACCOUNTING POLICIES AND NOTES ON ACCOUNTS:

A. SIGNIFICANT ACCOUNTING POLICIES

1. Accounting Convention
   The Financial Statements are prepared under historical cost convention and income & expenditure are recognized on accrual basis.

2. Fixed Assets
   Fixed Assets are stated at cost less depreciation. The cost of assets comprises its purchase price, duties, leavies and other directly attributable cost upto the date, the asset is put to working condition for its intended use. Cenvat Credit on capital goods was reduced from the cost.

3. Prior Period Items
   The expanditure and income pertaining to prior period being not material are shown under the respective head of accounts in the Profit & Loss Account.

4. Treatment of expenditure during construction period
   The expenditure incurred during the period including interest during construction period are charge to capital work-in-progress and on completion, the cost to be allocated to the respective fixed assets.

5. Depreciation
   Depreciation on fixed assets is provided on Straight-Line method at the rate prescribed in schedule XIV to the Companies Act, 1956, on pro rate basis from the month next to the month in which the assets was put to use.

6. Excise duty
   The Excise Duty payable on finished goods is accounted in the clearance thereof from the factory premises and hence not included in valuation of stock CENVAT Credit is accounted by recording material purchased net of excise duty.

7. Inventories
   The Company value its inventories as per accounting statndard AS-2 as issued of ICAI.

8. Amortization of Miscellanious Expenditures
   The companies amortizes preliminary and public issue expenses equally over a period of ten accounting period.

9. Foreign Currency Transaction
   There are no foreign currency transaction during the year.

10. Research and Devlopment
    The company does not have a separate research & devlopment department and has not incurred any expenditure on research & devlopment.

11. Contingent Liabilities
    The contingent liabilities are not provided and are disclosed by way of notes.

PITHAMPUR POLY PRODUCTS LIMITED

DETAILS OF SCHEDULES TO AND FORMING PART OF THE BALANCE SHEET AS ON 31st, MARCH 2014, AND PROFIT & LOSS AS ON THE DATE

B. NOTES OF ACCOUNTS

I Contingant liabilities not provided for:

a) Bank guarantee issued by Bank Rs.NIL Lacs

b) Sales Tax authority issued demands for which company has disputed the claim and they have been advised by the legal experts that it will succeed in the followings matters:

Srn.	Name of the Act	Nature of Dues	Amount	Year
1	M.P. Comm. Tax Act, 1994	Demand	34733/-	1996-1997
2	M.P. Comm. Tax Act, 1994	Demand	18028/-	1999-2000
3	M.P. Comm. Tax Act, 1994	Demand	825036/-	2000-2001
		Penalty	636400/-	
4	M.P. Comm. Tax Act, 1994	Demand	679287/-	2001-2002
		Penalty	510400/-	
5	M.P. Comm. Tax Act, 1994	Demand	578337/-	2002-2003
		Penalty	416500/-	
6	M.P. Comm. Tax Act, 1994	Demand	615017/-	2003-2004
		Penalty	453400/-	

c) The company has filled application with the competent authority for enhancement of period for E.Tax exemption on purchases but the same is pending with the authority. Therefore contingent liability of Rs.47,67,738/- not provided in the books of accounts.

ii In the opinion of the Board the current assets, Loans & Advance have a value on ordinary course of business at least equal to the amount at which they are stated in realization in the balance sheet and provisions for all known liabilities have been made.

iii The company adopt prudence norms of accounting Policies, Therfore the provision for deferred tax assets as required in AS-22 issued by ICAI have not been made.

iv Additional information pursuant to the provision to the provision of part II of Schedule VI to the Companies Act, 1956.

1. Information of Stock	Closing Stock (asat31/03/2014 Quantity (M.T.)	Value (Rs.)	Closing Stock (asat31/03/2013 Quantity (M.T.)	Value (Rs.)
a) Raw Material	0.000	0	0.000	0
b) Finished Goods	17.550	1870895	17.550	1870895
c) Work-In-Progress	0.000	0	0.000	0
d) Stores & Spares	---	160815	---	1771317
e) Wastage & Scraps	8.113	636841	8.113	636841
Total	25.663	4118551	25.663	4279053

2. Raw Material Consumed	Year ended on31/03/2013 Quantity (M.T.)	Value (Rs.)	Year ended on31/03/2012 Quantity (M.T.)	Value (Rs.)

PITHAMPUR POLY PRODUCTS LIMITED

DETAILS OF SCHEDULES TO AND FORMING PART OF THE BALANCE SHEET AS ON 31st, MARCH 2014, AND PROFIT & LOSS AS ON THE DATE

PP Granuals & Others	0.000	0	0.00	0.00

(Note: Consumption of Raw Material including with materials sent for Job-Work.)

PITHAMPUR POLY PRODUCTS LIMITED

DETAILS OF SCHEDULES TO AND FORMING PART OF THE BALANCE SHEET AS ON 31st, MARCH 2014, AND PROFIT & LOSS AS ON THE DATE

3. Quantitive information of Capacity, Production activity (in M.T.):

	Current Year (M.T.)	Previous Year (M.T.)
a) Licensed Capacity	N. A.	N. A.
b) Installed Capacity (As certified by the management)	5200 (P.A.)	5200 (P.A.)
c) Production (Bags, Tape, Fabric)	0.00	6.88
d) Sales (Bags/Sacks)	0.00	6.88

4. Value of Material Consumed:(Including Direct Expenses)
Raw Materials Purchase

Raw Materials: Imported	Rs. ------	Rs. ------
Indigenous	0	0 /- (00.00%)

[Note: Quantitatives details including quantity of materials which is received for Job-work from M/s Bulkpack Exports Ltd.]

v Earning in foreign exchange:	Current Year (Rs.)	Previous Year (Rs.)
FOB value of Export	0	0

vi Expenditure in foreign currency : (in Rs.)

For, Travelling Expenses	0	0
For, Purchase of Raw Material	0	0
For, Testing Fee	/-	/-

vii Salary paid to Managing Director is as per Sch-XIII to the Companies Act, 1956.

	Current Year (Rs.)	Previous Year (Rs.)
Remuneration	180000	180000

viii Auditors Remuneration	Current Year (Rs.)	Previous Year (Rs.)
For Statutory Audit	30000	25000
For Tax Audit	9500	6250
Total Rupees	39500/-	31250/-

PITHAMPUR POLY PRODUCTS LIMITED

DETAILS OF SCHEDULES TO AND FORMING PART OF THE BALANCE SHEET AS ON 31st, MARCH 2014, AND PROFIT & LOSS AS ON THE DATE

ix Information on related party transaction as per Accounting Standard 18 on related party disclosure:

Sn.	Name of the Related Party	Nature of Transaction	Current Year (Rs.) Amount	Previous Year (Rs.) Balance at year end
01	R. K. Tekriwal (CMD)	Director remuneration	180000	180000 Payable
02	Meera Tekriwal (Relative to CMD)	Salary	150000	150000 Payable

x The company, due to dispute with bank, has not provided interest on secured loans.

xi The company is a Sick Industrial company within the meaning of clause of Sub-Section 1 of Section 3 of the Sick Industrial Companies Special Provision Act 1985.

xii Sundry debtors, creditors, loans and advances are subject to balance confirmation.

xiii Previous period figures have been regrouped, rearranged wherever considerd necessary to make them comparable.

xiv Figures are rounded off to the nearest rupee.

SIGNATURE TO SCHEDULE 01 TO 23 FORMING PART OF BALANCE SHEET AND PROFIT & LOSS ACCOUNT.

AS PER OUR REPORT OF EVEN DATED ATTACHED.

FOR C.P. Rawka & Co.,
CHARTERED ACCOUNTANTS
SD/-

C.P. Rawka
(Proprietor)
Membership No. 70060.
FRN000518C

FOR AND ON BEHALF OF THE BOARD

SD/-
(R.K. TEKRIWAL)
Chairman & Managing Director

SD/-
(VISHWNATH KANUNGO)
Director

PLACE: INDORE
Dated: 28-05-2014

PITHAMPUR POLY PRODUCTS

Cash Flow Statement for the year ended on 31st March, 2014

PARTICULARS	2013-14	2012-13
CASH FLOW FROM OPERATING ACTIVITIES:		
Net Profit before tax and extraordinary items:	-184418	-3,502,506
Adjustmentsfor:		
DEPRECIATION	5410713	5396961
PRIOR PERIOD ITEMS	-215530	0
Sub-Total	5195183	5,396,961
Total Inflow from Operations	5010765	1,894,455
Non Operating Income	-	-
Operating Profit before working capital changes	5010765	1,894,455
Adjustmentfor:		
Trade and Other Receivables	-5528187	-5915991
Inventories	162300	362434
Loans & Advances	1182569	4,783,673
Current Liabilities	-923317	-1,039,304
Sub-Total	-5106635	-1809188
Cash Generation from Operations	-95870	62,469
Direct taxes paid or Tax Provisions	-	-
Sub-Total	-	-
Cash Flow before Extraordinary Items	0	0
Dividend and Dividend Tax Payable	0	0
Balance Carried Forward	-95870	62,469
CASH FLOW FROM INVESTING ACTIVITIES:		
Purchase of Investments	-	-
Long term loans and advances	60566	0
Sale of Fixed Assets	-351066	0
Sub-Total	0	0
Balance Carried Forward	0	0
CASH FLOW FROM FINANCIAL ACTIVITIES:		
Proceeds from Prior year items	0	0
Proceeds from Secured Loans	0	0
Proceeds from Unsecured Loans	0	0
Sub-Total	0	0
Net Increase / (Decrease) in cash and cash equivalents	-386370	62,469
Opening Cash and Cash Equivalents	431,371	368,902
Closing Cash and Cash Equivalents	45,001	431,371

In terms of our report of even date.

For C.P. Rawka & Co.,
Chatered Accountants Mem.No.70060

FOR PITHAMPUR POLY PRODUCTS LTD.

SD/-

SD/-

R.K.TEKRIWAL
M.D.

SD/-

VISHWNATH KANUNGO
DIRECTOR

(PROPRIETOR)
M. NO. 70060

Place: INDORE

Dated: 28-05-2014

FORM A

Format of covering letter of the annual audit report to be filed with the stock exchanges

1.	Name of the Company :	Pithampur Poly Products Ltd.
2.	Annual financial statement for the year ended	31st March 2014
3.	Type of Audit observation	Un-qualified / No qualification
4.	Frequency of observation	- Not Applicable -
5.	To be signed by – • CEO/Managing Director • CFO • Auditor of the Company • Audit Committee Chairman	