



NATIONAL[®]
Since 1952



**25th ANNUAL REPORT
2011-2012**

NATIONAL PLASTIC INDUSTRIES LIMITED

CORPORATE INFORMATION

Board of Directors

Vinod V. Parekh (Chairman)
Paresh V. Parekh (Managing Director)
Ketan V. Parekh (Jt. Managing Director)
Dhirajlal J. Shanghavi (Director)
Ashwin J. Goradia (Director)

Vice President – Finance

Umesh L. Shenoy

Company Secretary

Hitesh P. Gundigara

Auditors

M/s. Sheth Doctor & Associates
(Chartered Accountants)

Bankers

Corporation Bank
Karur Vysya Bank

Investor Queries

investor@nationalplastic.com

Website

www.nationalplastic.com

Registered & Corporate Office

A-59, MIDC, Road No. 1,
Marol, Andheri (East),
Mumbai - 400093.
Tel No.: 022 - 6766 9999 / 2831 1555
Fax: 022 – 2836 0422
Email Id: info@nationalplastic.com

Listing on Stock Exchange

Bombay Stock Exchange Ltd.
Ahmedabad Stock Exchange Ltd.

25th Annual General Meeting

Tuesday, 25th September, 2012 at 11.00 a.m.
at Hotel Suba Galaxy, N. S. Phadke Road,
Off Western Express Highway, Andheri (East),
Mumbai - 400069.

**As a Measure of Economy,
copies of Annual Report will not be
distributed at the Annual General
Meeting. Shareholders are requested
to kindly bring copies of their
Annual Report to the Meeting.**

Registrar & Transfer Agent

Sharex Dynamic (India) Pvt. Ltd.,
Unit No. 1, Luthra Industrial Premises,
Safed Pool, Andheri Kurla Road,
Andheri (East), Mumbai - 400072
Tel No.: 022 – 28515606/28515644
Fax: 022 – 2851 2855
Email Id: sharexindia@vsnl.com
Website: www.sharexindia.com

Plant Locations

Silvassa - Plot No. 263, Damani Road,
Village – Dadra, Silvassa-396230.
Union Territory of Dadra Nagarhaveli.

Patna – Plot No. B – 1 to B – 7
Industrial Area, Fatuha, Bihar – 803201.

Nellore Unit No. 1 – Plot no. 1 Industrial Park,
Survey No. 283, 297 & 298, Naidupet
(Menakur), Nellore, Andhra Pradesh – 524421.

Nellore Unit No. 2 – Plot no. 2 Industrial Park,
Survey No. 296 Naidupet (Menakur), Nellore,
Andhra Pradesh – 524421.

Company Depots

Talasari, Vapi, Orissa, Karnataka,
Kerela, Ghaziabad, Jaipur, Hyderabad.

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NOTICE

Notice is hereby given that the Twenty Fifth Annual General Meeting of the Members of National Plastic Industries Limited, will be held on Tuesday the 25th day of September, 2012 at 11.00 a.m. at Hotel Suba Galaxy, N. S. Phadke Road, Off Western Express Highway, Andheri (East), Mumbai-400 069 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2012 and the Profit & Loss Account of the Company for the year ended on that date together with Director's & Auditor's Report thereon.
2. To declare dividend on Equity Shares for the year ended 31st March, 2012.
3. To appoint a Director in place of Mr. Dhirajlal J. Shanghavi who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint M/s Sheth Doctor & Associates, Chartered Accountants, the retiring Auditors of the company, as Statutory Auditors, who shall hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting, on such remuneration as may be decided by the Board of Directors.

SPECIAL BUSINESS

5. To consider and if thought fit to pass with or without modification the following resolution as **Special Resolution**:

"RESOLVED THAT the consent of the Company be and is hereby accorded for delisting of equity shares of the Company from Ahmedabad Stock Exchange Limited as per regulation 6(a) of the SEBI (Delisting of Equity Shares) Regulations, 2009."

"RESOLVED FURTHER THAT Mr. Paresh V. Parekh, Managing Director, Mr. Ketan V. Parekh, Joint Managing Director and Mr. Hitesh P. Gundigara, Company Secretary be and are hereby severally authorised to take necessary action in this regard and to sign such papers and documents as may be required for delisting of equity shares of the Company from Ahmedabad Stock Exchange Limited."

By order of the Board
For **NATIONAL PLASTIC INDUSTRIES LIMITED**

Place: Mumbai
Date: 14th August, 2012

HITESH P. GUNDIGARA
COMPANY SECRETARY

NOTES

1. **A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY PROXIES IN ORDER TO BE EFFECTIVE THE PROXY FORM, DULY COMPLETED AND STAMPED, MUST BE RECEIVED BY THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.**
2. An Explanatory Statement pursuant to Section 173(2) of the Companies Act, 1956 relating to special business to be transacted at the meeting is annexed hereto.
3. The Annual Report will also be available on the website of the Company at www.nationalplastic.com in the Investors section.
4. The Register of members and share transfer book shall remain closed from **Saturday, 15th September, 2012 to Tuesday, 25th September, 2012** (both days inclusive), in terms of the provisions of the Companies Act, 1956 and the Listing Agreement with the stock exchanges where the shares of the Company are listed for the purpose of Annual General Meeting and determining the names of the shareholders eligible for dividend on equity shares, if declared at the meeting.
5. The Board of Directors in their Meeting held on 30th May, 2012 have recommended a dividend of 5% (0.50/- Paisa) per share on equity share of ₹ 10/- each, which if approved at the Annual General Meeting, will be paid on or before the 30th day from the date of declaration to those members, whose name is appearing in the Register of Members on 14th September, 2012.
6. Corporate Members intending to send their authorised representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorising their representative to attend and vote on their behalf at the meeting.
7. All the Members are requested to:
 - i. Intimate immediately any change in their address to Company's Registrar and Share Transfer Agent

Sharex Dynamic (India) Pvt. Ltd
Unit 1, Luthra Industrial Premises,
Safed Pool, Andheri Kurla Road
Andheri (East)
Mumbai-400072
Tel: 28515606 /5644
Fax: 2851 2855

Members holding shares in the electronic form are advised to inform change in address directly to their respective depository participants.
 - ii. Send all correspondence relating to transfer and transmission of shares to Registrar and Transfer agent and not to the Company.
 - iii. Quote their Folio No. / Client ID No. in their correspondence with the Registrar and Share Transfer Agents.
 - iv. Send their queries related to accounts and the operations of the company at least 10 days in advance so that the required information can be made available at the meeting.
 - v. Bring their copies of Annual Report and Attendance slip with them at the meeting.
 - vi. Intimate Registrar and Share Transfer Agents M/s. Sharex Dynamic (India) Pvt. Ltd. for consolidation of their folios, in case they are having more than one folio.
 - vii. Members / Proxies should bring the Entrance Pass duly filled in for attending the meeting.
8. In case of Joint holders attending the meeting, only such joint holder who is higher in the order of names will be entitled to vote.
9. For transfer of shares held in Physical mode the transferee should submit along with the transfer documents copy of PAN Card for registration of transfer request.
10. The Securities and Exchange Board of India (SEBI) and Reserve Bank of India (RBI) have advised all listed companies to mandatorily use the Electronic Clearing Services (ECS) mandate facility wherever possible for payment of dividend

to the Members. In view of this stipulation, the Company has implemented the ECS facility. Members holding shares in physical form are requested to provide the Company with ECS details for crediting the future dividend payment directly to their respective bank accounts. The Company shall be able to co-ordinate with their bankers only on receipt of necessary information. The Members holding shares in electronic form may instruct their DP's accordingly.

11. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their registered email id, bank details, NECS, Mandates, Nominations, power of attorney etc to their Depository Participants. Changes intimated to the Depository Participants will then be automatically reflected in the Company's records which will help the Company and its Registrar and Transfer Agents, M/s. Sharex Dynamic (India) Private Limited, to provide efficient and better service to the Members. Members holding shares in physical form are requested to advice such changes to the Company's Registrar and Transfer Agents, M/s. Sharex Dynamic (India) Private Limited.
12. Members holding shares in physical form are requested to consider converting their holding to dematerialized form to eliminate all risks associated with physical shares. Members can contact the Company's Registrar and Transfer Agents, M/s. Sharex Dynamic (India) Private Limited for assistance in this regard.
13. In order to provide protection against fraudulent encashment of the dividend warrants, shareholders holding shares in physical form are requested to intimate to the Company's Registrar and Transfer Agents, M/s. Sharex Dynamic (India) Private Limited under the signature of the sole/first joint holder, the following informations to be incorporated on the Dividend Warrants:
 - i. Name of the Sole/First joint holder and folio number
 - ii. Particulars of bank Account, Viz:
 - a. Name of the Bank.
 - b. Name of the Branch.
 - c. Complete address of the Bank with Pin Code Number.
 - d. Account Type, whether Savings (SB) or Current Account (CA),
 - e. Bank Account Number.
14. Shareholders holding shares in electronic form may kindly note that their Bank Account details as furnished by their Depositories to the Company will be printed on their Dividend Warrants as per the applicable regulations of the Depositories and the Company will not entertain any direct request from such shareholders for change in such Bank details. Further instructions, if any, already given by them in respect of shares held in physical form will not be automatically applicable to shares held in electronic mode. Shareholders who wish to change such Bank Account details are therefore requested to advice their Depository Participants about such changes, with complete details of the Bank Account.
15. Shareholders wishing to claim dividends, which remain unclaimed for the Financial Years 2009-2010 onwards, are requested to write to the Company's Registrar and Transfer Agents. It may be noted that the amount of unclaimed dividend remaining unclaimed within seven years from the date of declaration will be transferred to the Investor Education and Protection Fund as per Section 205A of the Companies Act, 1956.

By order of the Board

For **NATIONAL PLASTIC INDUSTRIES LIMITED**

Place: Mumbai
Date: 14th August, 2012

HITESH P. GUNDIGARA
COMPANY SECRETARY

ANNEXURE TO THE NOTICE OF THE 25TH ANNUAL GENERAL MEETING

Explanatory Statement Pursuant to Section 173 (2) of the Companies Act, 1956.

Item No. 5

It has been observed that trading volumes in Equity Shares of the Company on the Ahmedabad Stock Exchange Limited (ASEL) is infrequent and negligible as well as disproportionate to the listing fees and other administrative cost incurred by the Company.

The Company's Equity Shares will continue to be listed on the Bombay Stock Exchange Limited (BSE). Due to nationwide trading terminals of the BSE, the investors have access to online dealings in the Company's Equity Shares across the country and the proposed delisting of the Company's Equity Shares from ASEL will not be prejudicial to or affect the interest of the investors. As the Equity Shares of the Company will continue to be listed on BSE, the Company is not required to give any exit opportunity to the shareholders. There would be no change in the capital structure of the Company post delisting.

None of the Directors are in any way concerned or interested in the said resolution, except to the extent of their shareholding in the Company.

The Board of Directors recommends the resolution for the approval of the members.

By order of the Board

For **NATIONAL PLASTIC INDUSTRIES LIMITED**

Place: Mumbai
Date: 14th August, 2012

HITESH P. GUNDIGARA
COMPANY SECRETARY

DETAILS OF DIRECTOR SEEKING RE-APPOINTMENT AT THE ENSUING ANNUAL GENERAL MEETING
(Pursuant to Clause 49 of the Listing Agreement)

Name of the Director	Mr. Dhirajlal J. Shanghavi
Qualification	Graduate
Expertise in specific area	Plastic Raw Materials & Chemical
Other Directorships in Public Limited Co.	—
Number of Shares held	—

IMPORTANT COMMUNICATION TO MEMBERS

Green Initiative for Paperless Communications:



The Ministry of Corporate Affairs (“MCA”) has undertaken a Green Initiative in Corporate Governance by allowing paperless compliances by Companies through electronic mode. In accordance with the circular bearing no. 17/2011 dated 21.04.2011 issued by the Ministry of Corporate Affairs (MCA), Companies can now send various notices/documents to their shareholders through electronic mode to the registered e-mail addresses of the shareholders.

This move by the Ministry is welcome since it will benefit the society at large through reduction in paper consumption and contribution towards a Greener Environment. The Company thus proposes to send all documents to the Shareholders like General Meeting Notices (including AGM), Audited Financial Statements, Directors’ Report, Auditors’ Report, etc. henceforth to the shareholders in electronic form in lieu of the physical form. This is a golden opportunity for every shareholder of the Company to contribute to the Corporate Social Responsibility initiative of the Company.

As per the said MCA circular, the Company is attaching herewith E-Communication Registration Form/letter to Equity shareholders for providing advance opportunity to register their e-mail address with the Registrar and Share Transfer Agents of the Company or Depository Participant and changes therein from time to time.

Equity Shareholders holding shares in physical form can avail the said facility to enable the Company to send the notice/documents through electronic mode. They should download the form from the Company’s website (www.nationalplastic.com) and forward the same to Company’s Registrar and Transfer Agent i.e. Sharex Dynamic (India) Pvt. Ltd, Unit No. 1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai-400072. Tel: 28515606 /5644 Fax No. 2851 2855. The Shareholders holding share in demat mode can register their e-mail address with their Depository Participant, in the event they have not done so earlier for receiving notices/documents through Electronic mode.

As a member of the company, In case you desire to receive documents stated above in physical form, you will be entitled to be furnished, free of cost, a printed copy of the Annual Report of the Company, upon receipt of a requisition from you, at any time.

The Annual Report of the Company would also be made available on the Company’s website at www.nationalplastic.com in the investor section.

We are sure that you will welcome the “Green Initiative” taken by the MCA and your company’s desire to participate in the same.

We look forward to your support in this initiative.

NATIONAL PLASTIC INDUSTRIES LIMITED

DIRECTORS REPORT

To,
The Members,
NATIONAL PLASTIC INDUSTRIES LIMITED

Your Directors present this 25th Annual Report of the Company together with the Audited Accounts, for the year ended 31st March, 2012.

FINANCIAL RESULTS:

(₹ in Lacs)

Particulars	2011-12	2010-11
Sales & Other Income	6514.42	6250.93
(Loss) / Gross Profit before Depreciation & Interest	463.91	554.17
Less : Depreciation	157.38	136.34
Interest	219.05	121.23
(Loss) / Profit for the year	87.48	296.60
Less : Prior Period Adjustment	—	—
Less : Tax Provision	—	(0.26)
Less : Deferred Tax Liabilities	(23.10)	(91.55)
(Loss)/ Net Profit after Tax	64.38	204.79
Add : Balance brought forward from previous year (Adjusted)	313.39	214.71
Balance Available for appropriation	377.77	419.50
Appropriation		
Proposed Dividend	45.65	91.30
Dividend Tax	7.40	14.81
Transfer to General Reserve	—	—
Balance C/f to Balance Sheet	324.72	313.39

DIVIDEND:

The Board of Directors of your Company are pleased to recommend a Final Dividend of 0.50/- paise per equity share (5%), which is subject to consideration and approval of the shareholders at the ensuing Annual General Meeting of the Company. The total outflow on account of Equity Dividend will be ₹ 45.65 Lacs which is provided in the accounts for the purpose of Dividend.

YEAR IN RETROSPECT:

The year 2011 – 2012 was indeed a challenging year for the Company. Persistent efforts have been made by the company to maintain higher sales volume. However there were number of factors which worked against the growth of the Company such as sovereign debt crisis in Euro Zone, rise in crude oil prices.

During the year under review Net Sales were ₹ 59.82 Crores as against ₹ 57.65 Crores in the previous year. In spite rising inflation, steep increase in raw material prices & volatile market scenario, the company has been able to achieve net profit of ₹ 64.37 Lacs. The company has endeavored to bring out new & unique moulded furniture for improving the sales of the products.

The Company is taking all necessary steps to reduce wastages and make production cost efficient and are very sure will be able to achieve our targets.

Your Company has launched its PVC flooring Mats business in the Nellore, Andhra Pradesh in the southern part of the Country under the brand name **INSTA**.

DE-LISTING OF EQUITY SHARES FROM AHMEDABAD STOCK EXCHANGE LTD.:

The Board of Directors at its meeting held on 30th May, 2012 has proposed to De-list the Equity shares of the Company from Ahmedabad Stock Exchange Ltd. for which the Company is seeking your approval.

FIXED DEPOSIT:

The Company has not accepted any Fixed Deposit covered under Section 58A of the Companies Act, 1956 from the Shareholders or the Public during the year.

CORPORATE GOVERNANCE:

Your company is fully committed to the good corporate governance practices. A separate report on corporate governance form part of the Annual Report of the Company regarding the compliance of the conditions of the corporate governance as stipulated under clause 49 of the listing agreement is annexed to the report on the corporate governance.

The Certificate from the Auditor of the Company confirming compliance with the conditions of the Corporate Governance as stipulated under the aforesaid Clause 49 is attached to this Report. Further a separate Management Discussion and Analysis report is also given in this Annual Report.

DIRECTORS RESPONSIBILITY STATEMENT:

As required under Section 217(2AA) of the Companies Act, your Directors confirm that:

- i. In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- ii. The Directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state affairs of the Company at the end of the financial year and of the profit of the Company for that period.
- iii. The Directors have taken proper and sufficient care for the maintenance of adequate records in accordance with the provisions of this act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
- iv. The annual accounts have been prepared on going concern basis.

INSURANCE:

All the insurable interest of the company including inventories, building, plant & machinery etc. are adequately insured.

BOARD OF DIRECTORS:

Mr. Dhirajlal J. Shanghavi, Director of the company retires by rotation at the ensuing Annual General Meeting. The retiring Directors being eligible have offered themselves for re-appointment.

Disclosures as required under provisions of the listing agreement forms part of this report.

AUDITORS:

The Company's auditors M/s. Sheth Doctor & Associates, Chartered Accountants, retire at the conclusion of the forthcoming Annual General Meeting and are eligible for re-appointment.

CONSERVATION OF ENERGY TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGOINGS:

Information as per Section 217(1)(e) of the Companies Act, 1956 read with the Companies (Disclosure of particulars in the Report of the Board of Directors) Rules, 1988 form part of this report the details as required under Companies (Disclosure of particulars in the report of the Board of Directors) Rule, 1988 are set out in the annexure "A" forming part of this report.

EMPLOYEE RELATIONS

Your Directors wish to place on record its appreciation of the contribution made by all employees in ensuring the highest levels of performance and growth that your Company has achieved during the year.

None of the employees of the Company were drawing a remuneration exceeding ₹ 60,00,000/- per annum or ₹ 5,00,000/- per month or part thereof. Hence, no particulars of employees as per Section 217(2A) of the Companies Act, 1956 are furnished.

ACKNOWLEDGEMENTS

The directors wish to place on record their sincere appreciation of the co-operation and support they have received during the year from the Bankers, State Government Authorities, Local Authorities and Employees during the year.

Place: Mumbai
Date: 14th August, 2012

On behalf of the Board
VINOD V. PAREKH
CHAIRMAN

ANNEXURE "A" TO THE DIRECTORS' REPORT

Additional information given as required under the Companies (Disclosures of Particulars in the Report of Board of Directors) Rules, 1988.

A. CONSERVATION OF ENERGY

Adequate measures have been taken to avoid wastage of energy, the necessary investments are also planned to cut down the consumption of energy per kg. of processing of plastic. The requirement for disclosure with respect to the conservation of energy is not applicable to the company.

B. FOREIGN EXCHANGE EARNINGS AND OUTGO

The total foreign exchange earnings and outgo for the financial accounting year 31st March, 2012 is as follows:

a) Earnings	
Value of Export (FOB)	₹ 705.46 Lacs
b) Outgo	
Capital Goods	₹ 202.48 Lacs
Bank Charges	₹ 3.80 Lacs
Handels & Other Purchases	₹ 24.46 Lacs
Traded Purchases	₹ 118.34 Lacs

Place: Mumbai
Date: 14th August, 2012

On behalf of the Board
VINOD V. PAREKH
CHAIRMAN

CORPORATE GOVERNANCE REPORT

1. COMPANY’S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

Your Company is committed to good Corporate Governance. Your Company believes that Corporate Governance is a powerful medium to serve the long-term interest of all its shareholders. Corporate Governance strengthens investors trust and ensures long term partnership, which helps your company in fulfilling its quest for achieving significant growth and profits. A sound governance process consists of a combination of business practices, which result in enhanced shareholder value and enable the Company to fulfill its commitment to customers, employees, lenders and the society in general. Your Company further believes that such practices are founded upon core values of transparency, empowerment, accountability and independent monitoring.

Your company has achieved excellence in its practices with the prevailing guidelines by upholding the core values across all aspects of its operation. Key aspects of the Company’s Governance processes are:

- Clear statements of Board processes and Board Executive linkage.
- Disclosures, accountability, transparency, adequate systems and procedures to monitor the state of affairs of the Company to enable the Board in effectively discharging its responsibilities to the shareholders of the Company.
- Identification and Management of key risks to deliver better performance of the Company.

The basic philosophy of corporate governance in the Company is to achieve business excellence and dedicate itself to increasing long-term shareholder value. The Company is committed to transparency in all its dealings and lays emphasis on business ethics.

2. BOARD OF DIRECTORS :

COMPOSITION OF BOARD

The present strength of the board is 5 Directors.

Director	Category	No. of Outside Directorships held
Mr. Vinod V. Parekh	Promoter – Non Executive	NIL
Mr. Paresh V. Parekh	Promoter Executive	NIL
Mr. Ketan V. Parekh	Promoter Executive	NIL
Mr. Ashwin J. Goradia	Non-Executive Independent	NIL
Mr. Dhirajlal J. Shanghavi	Non-Executive Independent	NIL

BOARD MEETING

The Board meets at least once in a quarter to consider amongst other business, the quarterly performance of the company, the Financial Results. The Board held 17 meetings during the financial year 2011 - 2012 on, 4th April, 2011, 21st April, 2011, 16th July, 2011, 25th July, 2011, 1st August, 2011, 12th August, 2011, 20th September, 2011, 29th September, 2011, 30th September, 2011, 17th October, 2011, 9th November, 2011, 14th November, 2011, 21st December, 2011, 17th January, 2012, 7th February, 2012, 13th March, 2012 and 20th March, 2012.

Attendance of each director at these meetings is as under:

Name of Director	No. of Board Meetings Attended	Attendance at last AGM
Mr. Vinod V. Parekh	17	Present
Mr. Paresh V. Parekh	17	Present
Mr. Ketan V. Parekh	17	Present
Mr. Ashwin J. Goradia	17	Absent
Mr. Dhirajlal J. Shanghavi	17	Absent

Information placed before the Board of Directors and Executive Committee

The following information is regularly placed before the Board of Directors:

- Quarterly results for the company.
- Information on recruitment and remuneration of senior officials just below the board level.
- Material communications from Government Bodies.
- Fatal or serious accidents, dangerous occurrences, any material effluent and pollution problems.
- Labour relations.

- Material transactions, which are not in the ordinary course of business.
- Disclosures by the management of material transactions, if any, with potential of conflict of interest.
- Compliance with all regulatory and statutory requirements.

MEMBERSHIP OF BOARD COMMITTEES

None of the directors hold memberships of more than 10 committees and Chairman of more than 5 committees (as specified in Clause 49 of Listing Agreement with Stock Exchanges). The Directors have made necessary disclosures regarding their committee positions.

As on 31st March, 2012 none of the Directors were disqualified under Section 274(1)(g) or any other provisions of Companies Act, 1956 and all the Independent Directors are qualified to be appointed as an Independent Director pursuant to Clause 49 of the Listing Agreement with Stock Exchanges.

3. COMMITTEE OF DIRECTORS

(A) Audit Committee

The Audit Committee is constituted as required under Section 292A of the Companies Act, 1956 and Clause 49 of the Listing Agreement. The scope of activities and powers of the Audit Committee includes the areas prescribed under the Clause 49 of the Listing Agreement and Section 292A of the Companies Act, 1956.

The composition of the Audit Committee and the attendance of each director at each meeting were as follows:

Name	Designation	Category	Meetings Attended
Mr. Dhirajlal J. Shanghavi	Chairman	Non Executive Director	4
Mr. Ashwin J. Goradia	Member	Non Executive Director	4
Mr. Paresh V. Parekh	Member	Executive Director	4

Four Audit Committee meetings were held during the year 2011-2012 on 21st April, 2011, 12th August, 2011, 9th November, 2011 and 7th February, 2012.

The Company Secretary acts as the secretary to the Committee.

Terms of reference of the Audit Committee:

1. Overseeing our Company's financial reporting process and disclosure of its financial information.
2. Recommending to the Board the appointment, re-appointment and replacement of the statutory auditor and the fixation of audit fee.
3. Approval of payments to the statutory auditors for any other services rendered by them.
4. Reviewing, with the management, the annual financial statements before submission to the Board for approval, with particular reference to:
 - i. Matters required to be included in the Director's Responsibility Statement to be included in the Board's report in terms of clause (2AA) of Section 217 of the Companies Act, 1956.
 - ii. Changes, if any, in accounting policies and practices and reasons for the same.
 - iii. Major accounting entries involving estimates based on the exercise of judgment by management.
 - iv. Significant adjustments made in the financial statements arising out of audit findings.
 - v. Compliance with listing and other legal requirements relating to financial statements.
 - vi. Disclosure of any related party transactions; and
 - vii. Qualifications in the draft audit report.
5. Reviewing, with the management, the quarterly, half-yearly and annual financial statements before submission to the Board for approval.
6. Reviewing, with the management, the performance of statutory and internal auditors and adequacy of the internal control systems.
7. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit.
8. Reviewing the findings of any investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the Board.

9. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern.
10. Reviewing the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of nonpayment of declared dividends) and creditors.
11. Review of management discussion and analysis of financial condition and results of operations, statements of significant related party transactions submitted by management, management letters and letters issued by the statutory auditors.

(B) SHARE TRANSFER & INVESTOR GRIEVANCE COMMITTEE

The Share Transfer and Investor Grievance Committee is been constituted by our Directors. This Committee is responsible for the redressal of shareholder grievances. The Composition of the Committee is as under:

Name	Designation	Category
Mr. Vinod V. Parekh	Chairman	Non Executive Director
Mr. Paresh V. Parekh	Member	Executive Director
Mr. Ketan V. Parekh	Member	Executive Director

The Company Secretary acts as the secretary to the Committee

The Secretarial Department of the Company is under the supervision of Mr. Hitesh Gundigara, Company Secretary and M/s. Sharex Dynamic (India) Pvt. Ltd., Registrar & Share Transfer Agents, who attends to all shareholders / Investors Grievances received directly or through SEBI, Stock Exchanges, Ministry of Corporate Affairs and Registrar of Companies.

Terms of reference of the Committee:

1. Investor relations and redressal of shareholders grievances in general and relating to non receipt of declared dividends, interest, non-receipt of balance sheet etc.;
2. Such other matters as may from time to time be required by any statutory, contractual or other regulatory requirements to be attended to by such committee;

Report on Complaints received from the investors during the period 1st April, 2011 to 31st March, 2012.

Opening Balance	No. of complaints received during the Year	No. of complaints resolved	Closing Balance
Nil	1	1	Nil

4. DIRECTORS INTEREST IN THE COMPANY

Details of Remuneration to all Directors for the financial year 2011-2012 are as follows:

Director	Sitting Fees	Salary & Perks	Commission	Total
Mr. Vinod V. Parekh	Nil	Nil	Nil	Nil
Mr. Paresh V. Parekh	Nil	₹ 7,68,000/-	Nil	₹ 7,68,000/-
Mr. Ketan V. Parekh	Nil	₹ 7,68,000/-	Nil	₹ 7,68,000/-

5. GENERAL SHAREHOLDERS INFORMATION

Annual General Meetings

Details of location of the last three Annual General Meetings (AGM) were held as under:

Year	Location	Date	Time
31-Mar-09	Vishal Hall, Vishal Shopping Centre, Hotel Highway Inn, Andheri Kurla Road, Andheri (East), Mumbai – 400069	22-Sep-09	11.00 a.m.
31-Mar-10	Vishal Hall, Vishal Shopping Centre, Hotel Highway Inn, Andheri Kurla Road, Andheri (East), Mumbai – 400069	30-Sep-10	11.00 a.m.
31-Mar-11	Hotel Suba Galaxy, N. S. Phadke Road, Off. Western Express Highway, Andheri (East), Mumbai – 400069	26-Sep-11	11.00 a.m.

6. DISCLOSURES

- (a) Disclosures of materially significant related party transactions:
The transactions with related parties were undertaken in the normal course of business and were at terms and conditions, which were not prejudicial to the interest of the company.
- (b) Details of non-compliance by the Company, penalties, stricture imposed on the Company by the Stock Exchange, SEBI or any Statutory Authorities or any matter related to Capital Markets:
The Company has complied with all the requirements of the Listing Agreement with the stock Exchanges as well as regulations and guidelines of SEBI. No penalties or strictures have been imposed by SEBI, Stock Exchanges or any statutory authority on matters relating to capital markets during the last 3 years.

7. CODE OF CONDUCT

As per the provisions of Clause 49 of the Listing Agreement, the Company has framed a Code of Conduct for the board Members and Senior Management. The Code of Conduct has been posted on the website of the Company www.nationalplastic.com. The code has been circulated to all members of the Board and Senior Management of the Company who have confirmed compliance therewith on annual basis.

8. MEANS OF COMMUNICATION

The Financial Results are published in Business Standard (English) and Mumbai Lakshadweep (Marathi). Also other notices are duly published in the newspapers and intimated to Stock Exchanges from time to time.

The financial results and other required information are also available at Company's Website www.nationalplastic.com
The Company has designated the following email-id exclusively for investor servicing.

For Annual Report and other queries – investor@nationalplastic.com

9. GENERAL SHAREHOLDER INFORMATION

25th Annual General Meeting :

Date, Day & Time	25 th September, 2012, Tuesday at 11.00 A.M.
Venue	Hotel Suba Galaxy, N. S. Phadke Road, Off Western Express Highway, Andheri (East), Mumbai-400069
Book Closure Date	From 15 th September, 2012 to 25 th September, 2012 (both days inclusive)
Listing on Stock Exchanges	1. Bombay Stock Exchange Ltd. (BSE) Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai-400001 2. Ahmedabad Stock Exchange Ltd. (ASE) Kamdhenu Complex, Opp. Sahajanand College, Panjra Pole, Ambawadi, Ahmedabad - 380015
Script Code	1. Bombay Stock Exchange Ltd. – 526616 2. Ahmedabad Stock Exchange Ltd. – 39441
ISIN No. (Demat No.) NSDL & CDSL	INE233D01013

The Company has paid the Annual Listing fees to the aforesaid Stock Exchanges for the Financial Year 2012 – 2013.

10. MARKET PRICE DATA:

The Bombay Stock Exchange Ltd.

Month	High (₹)	Low (₹)
April, 2011	21.00	16.35
May, 2011	19.50	16.20
June, 2011	20.65	16.40
July, 2011	18.50	16.05
August, 2011	17.50	14.10
September, 2011	17.20	14.15
October, 2011	17.90	15.00
November, 2011	17.75	12.60
December, 2011	17.16	11.92
January, 2012	14.40	11.90
February, 2012	14.90	12.66
March, 2012	14.00	11.20

NATIONAL PLASTIC INDUSTRIES LIMITED
11. DISTRIBUTION OF SHAREHOLDINGS AS ON 31st MARCH, 2012

No. of shares	No. of shareholders	% of shareholders	Paid up share Capital held	% of Total
Up to 5000	14,821	94.26	1,91,17,510	20.94
5001- 10000	481	3.06	40,53,780	4.44
10001- 20000	217	1.38	32,79,720	3.59
20001- 30000	84	0.53	21,55,480	2.36
30001- 40000	29	0.18	10,45,630	1.15
40001- 50000	26	0.17	12,57,340	1.38
50001- 100000	33	0.21	23,36,910	2.56
100001 & above	33	0.21	5,80,49,630	63.58
Total	15,724	100.00	9,12,96,000	100.00

12. CATEGORIES OF SHAREHOLDERS AS ON 31st MARCH, 2012

Category	No. of Shares held	Voting Strength (%)
Promoters, Relatives & Associate companies	51,68,649	56.61
Public	34,98,233	38.32
NRI/FII's/OCB	2,62,043	2.88
Banks and Mutual Funds	8,300	0.09
Domestic Companies (including Financial Institutions)	1,92,375	2.10
Total	91,29,600	100.00

13. SHARE TRANSFER SYSTEM

Shares held in the dematerialized form are electronically traded in the Depositories and the Registrar and Share Transfer Agents of the Company viz. Sharex Dynamic (India) Pvt. Ltd., periodically receive the beneficial holdings data from the depositories so as to enable them to update their records and to send all corporate communications. Physical shares received for dematerialisation are processed and completed within a period of 15 days from the date of receipt provided they are in order in every respect. In compliance with the Listing Agreement with the Stock Exchanges, a Practicing Company Secretary carries out audit of the System of transfer and a certificate to that effect is issued.

14. DEMATERIALISATION OF EQUITY SHARES & PAYMENT OF CUSTODIAN FEES

The shares of the Company are compulsorily traded in dematerialized form and are available for trading under both the Depository Systems, viz. NSDL (National Securities Depository Limited) and CDSL (Central Depository Services (India) Limited).

The Company has paid Annual Custodian Fees for the Financial Year 2012 – 2013 for both the aforesaid Depositories.

15. ADDRESS FOR CORRESPONDENCE

Investors can communicate at the following addresses:

- (i) **Mr. Hitesh P. Gundigara – Company Secretary**
 National Plastic Industries Limited
 A-59, MIDC, Road No. 1, Marol,
 Andheri (East), Mumbai – 400093.
 Tel: 022 – 67669999 / 28311555 • Fax: 022 – 28360422
 E-mail: investor@nationalplastic.com
- (ii) **M/s. Sharex Dynamic (India) Private Limited**
 Unit No. 1, Luthra Industrial Premises,
 Safed Pool, Andheri Kurla Road, Andheri (East),
 Mumbai – 400072.
 Tel: 022 – 28515606 / 28515644 • Fax: 022 – 28512855
 E-mail: sharexindia@vsnl.com

16. CEO/CFO CERTIFICATION

The Managing Director of the Company has given annual certification on financial reporting and internal controls to the Board in terms of Clause 49 V of the Listing Agreement.

For and on behalf of the Board

Place: Mumbai
 Date: 14th August, 2012

Paresh V. Parekh
 Managing Director

CERTIFICATION BY CEO/CFO UNDER CLAUSE 49 V OF THE LISTING AGREEMENT

To,
The Board of Directors of
National Plastic Industries Limited

I have reviewed financial statements and the cash flow statement for the year ended 31st March, 2012 and that to the best of my knowledge and belief:

- (a) (i) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading;
- (a) (ii) these statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
- (b) There are, to the best of my knowledge and belief, no transactions entered into by the company during the year which are fraudulent, illegal or in violation of the Company's code of conduct.
- (c) I accept responsibility for establishing and maintaining internal controls for financial reporting and that I have evaluated the effectiveness of 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 of such internal controls, if any, of which I am aware and the steps I have taken or propose to take to rectify these deficiencies.
- (d) I have indicated to the auditors and the Audit committee:
 - i. significant changes in internal control over financial reporting during the year;
 - ii. significant changes in accounting policies during the year and that the same have been disclosed in the notes to the financial statements; and
 - iii. instances of significant fraud of which I have become aware and the involvement therein, if any, of the management or an employee having a significant role in the company's internal control system over financial reporting.

For **National Plastic Industries Limited**

Place: Mumbai
Date: 14th August, 2012

Paresh V. Parekh
Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

To,
The Members of
National Plastic Industries Limited

We have examined the compliance of conditions of corporate governance by National Plastic Industries Limited, for the year ended on 31st March, 2012 as stipulated in clause 49 of the Listing Agreements entered into by the Company with Stock Exchanges of India for the financial year ended 31st March, 2012.

The compliance of conditions 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 corporate governance. It is neither an audit not 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, in all material respects, with the condition of corporate governance as stipulated in the above-mentioned Listing Agreement.

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

For and on behalf of
SHETH DOCTOR & ASSOCIATES
Chartered Accountants
Firm Regn No. 124822W

Place: Mumbai
Date : 14th August, 2012

PARESH S. DOCTOR
Membership No. 36056

MANAGEMENT DISCUSSION AND ANALYSIS REPORT

Business of the Company

The Company will continue to be engaged in manufacturing and sale of plastic moulded product namely furniture and household. At present, the company is concentrated in both furniture product and household product. Household product is also being manufactured only to cater export market and domestic market. The products have been sold under the brand name **NATIONAL**.

Besides the company is into renting of its idle real estate at Kashimira, Western Express Highway, Thane.

The Company has launched its PVC flooring Mats business in the Nellore, Andhra Pradesh in the southern part of the Country under the brand name **INSTA**.

Review of Operations

The total income for the year was at ₹ 65.14 Crores as against ₹ 62.51 Crores for 2010-2011. Out of this, exports were ₹ 7.05 Crores as against ₹ 6.31 Crores of last year 2010-2011. The profit before depreciation and interest was at ₹ 463.91 Lacs, as against ₹ 554.17 Lacs of 2010-2011.

Key Strength and Growth Driver

The companies' product ranges have been well accepted due to its quality and price. The company is exploring to sell its products in the other market where it does not exist. Due to its quality and better outlook of the product the company is advantages position to sell more. New products have been introduced in the household sectors for catering the demands of the large buyers in the International Market. Innovations and improvements have been effected in the furniture product as per the market demand.

Business Outlook

The year 2011-2012 was indeed a challenging year due to various factors. Inflationary pressures continued unabated during the year. Hike in Fuel price and a steep depreciation in the Indian Rupee added to the cost. There was Liquidity crunch and simultaneously increasing of interest rates. All this had an adverse impact on Indian corporate sector.

Further the company has under taken various measures to cut down the cost and reschedule the product and sales mix. The company has planned to introduce high end products both for furniture and household in order to increase the market share and improve the margins.

Due to growth of retailing business in the country with the entry of multinational giant, the company foresees huge opportunity for growth of business in furniture and household segment.

Your Company has launched its PVC flooring Mats business in the Nellore, Andhra Pradesh in the southern part of the Country under the brand name **INSTA**. The manufacturing unit has been established in the first quarter of the financial year 2012-2013 at Nellore, Naidupet in Andhra Pradesh.

Financial Risk & Threats

Interest and Finance cost has been increased by ₹ 97.82 Lacs i.e. from ₹ 121.23 Lacs to ₹ 219.05 Lacs . Such increase in the interest and finance cost is due to increase in utilization of borrowed funds and it's cost. The increase in borrowed fund was due to capital expenditure incurred and increased working capital requirement for the growth of the business.

The Company is exposed to risks from market fluctuations of foreign exchange, commodity prices, business risks, as well as price fluctuation on raw materials and finished goods in its entire product. The Board and the Audit Committee periodically reviews the risk management procedures and takes various preventive measures to reduce them.

With the rise in demand and overall industrial sentiment, the industry is witnessing many new entrants with low capital base to serve the local market.

Internal Control System and their Adequacy

The Company's internal control systems, commensurate with the size of the Company and nature of its business, has been defined policies and procedures ensuring that all transactions are authorised, recorded and correctly reported, all assets are safeguarded and protected against loss from unauthorized use or disposition, reducing wastages and maintenance of proper accounting records for ensuring accuracy and reliability of its financial information. As a matter of proactive planning, the

Board has also constituted an Audit Committee which meets periodically to review the financial performance and the accuracy of financial records.

The management duly considers and takes appropriate action on the recommendations made by the statutory auditors and the Audit Committee of the Board of Directors.

Statutory Compliance's

After obtaining confirmation from various functional heads of the company of having complied with all statutory and regulatory requirements. The declaration regarding compliance of the provision of various statutes is made by the Managing Director in every Board Meeting.

Industrial Relations and Human Resource

Industrial relations continued to be harmonious both at manufacturing unit as well as in branches. The employees are the key assets and the backbone of the Company and hence great emphasis is been laid on optimizing their performance. The training and education of employees across department is ongoing process of the company. The Company provides employees with fair and equitable work environment and support them to develop their capabilities.

Cautionary Statement

The Management Discussion and Analysis Statements made above are on the basis of available data as well as certain assumptions as to economic conditions, various factors affecting raw material prices and selling prices, trend and consumer demand and preferences, governing and applicable laws and other economical and political factors. The management cannot guarantee the accuracy of the assumptions and projected performance of the Company in future. It is therefore, cautioned that the actual results may differ from those expressed or implied therein.

NATIONAL PLASTIC INDUSTRIES LIMITED

AUDITOR'S REPORT

To,
The Members of
M/s National Plastic Industries Limited,

We have audited the attached Balance Sheet of M/S. NATIONAL PLASTIC INDUSTRIES LIMITED as at 31st March, 2012 the Profit and Loss Account and also Cash Flow Statement for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

- 1) As required by the Companies (Auditor's Report) Order, 2003, issued by the Central Government of India in terms of Section 227(4A) of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
- 2) Further to our comments in the Annexure referred to above, we report that:
 - a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion, proper books of account as required by law have been kept by the company, so far as appears from our examination of the books;
 - c) The Balance Sheet and Profit and Loss account dealt with by this report are in agreement with the books of accounts;
 - d) In our opinion, the Balance-Sheet, the Profit & Loss Account and the Cash Flow statement dealt with by this report have been prepared in compliance with the Accounting Standards referred to in Section 211(3c) of the Companies Act, 1956;
 - e) On the basis of written representation received from the directors and taken on record by the Board Of Directors, we report that no director is disqualified as on 31st March 2012 from being appointed as a director of the Company u/s 274(1)(g) of the Companies Act, 1956;
 - f) In our opinion and to the best of our information and according to the explanations given to us, the said accounts read together with the notes thereon, give information required by the Companies Act, 1956, in the manner so required and give a true and fair view:
 - I. In the case of the Balance Sheet, of the state of affairs of the company as at 31st March, 2012;
 - II. In the case of Profit and Loss Account, of Profit for the year ended on that date; and
 - III. In the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For and on behalf of
SHETH DOCTOR & ASSOCIATES
Chartered Accountants
Firm Regn No. 124822W

Place: Mumbai
Date : 30th May, 2012

PARESH S. DOCTOR
Membership No. 36056

ANNEXURE TO THE AUDITORS' REPORT

(Referred to in paragraph 1 of our report of even date on accounts of National Plastic Industries Ltd.
for the year ended 31st March, 2012)

1. Fixed Assets:

- a) The Company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- b) As explained to us, during the year certain major items of fixed assets have been physically verified by the Management. According to the information and explanations given to us, no material discrepancies have been noticed in respect of assets, which have been physically verified during the year.
- c) The Company has not disposed off substantial part of the fixed assets during the year.

2. Inventories:

- a) Inventories have been physically verified during the year by the Management. In our opinion, the frequency of verification is reasonable.
 - b) In our opinion, the procedures of physical verification of inventories by the management are reasonable and 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 verification between physical stocks and book records were not material.
 - d) In our opinion the valuation of stock is fair and proper in accordance with the normally accepted accounting principles and is on the same basis as in the preceding year.
3. The Company has neither granted nor taken any loans, secured or unsecured, from Companies, firms or other parties listed in the Register maintained under Section 301 of the Companies Act, 1956, except for interest free loan from Director.
4. In our opinion and according to the information and explanations given to us, there is adequate internal control procedure commensurate with the size of the Company and the nature of its business with regard to purchase of stores, raw materials including components, packing materials, plant and machinery, equipment and other assets and with regard to sale of goods. We have not observed any continuing failure to correct major weakness in the internal controls procedure.
5. a) To the best of our knowledge, all the transaction with parties covered under Section 301 of the Companies Act, 1956 have been properly entered in the register maintained under Section 301 of the Companies Act, 1956.
- b) In our opinion and according to the information and explanations given to us, there are no transaction of purchase or sale of goods, materials or services, made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Company Act, 1956 and aggregating during the year to ₹ 5, 00,000/- , or more in respect of each party.
6. The Company has not accepted Short Term Unsecured Loans and the same has been repaid during the year and there is no balance outstanding at the year end. Necessary formalities as prescribed under Section 58A of the Companies Act, 1956 and the Rules made there under are not complied with.
7. The Company has internal audit system, which needs to be strengthened and to be made to commensurate to the size of the company and nature of its business.
8. As informed to us, the maintenance of cost records has not been prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956, in respect of activities carried on by the Company.
9. a) The Company has been regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Employee's State Insurance, Wealth Tax, Custom Duty, Excise Duty, Cess and other statutory dues, as applicable, with the appropriate authorities in India.
- b) At the end of the financial year there were no undisputed amounts payable in respect of Sales Tax, Income Tax, Income Tax (TDS), Custom Duty, Wealth Tax, Excise Duty and Cess at the year end, as applicable, for the

NATIONAL PLASTIC INDUSTRIES LIMITED

period of more than six months from the date they become payable, except for dividend tax amounting to ₹ 14.81 lacs (Sub. to interest)

- c) On the basis of our examination of the documents and records there are no disputed statutory due which remains to be deposited with the appropriate authorities.
10. The Company has not incurred cash loss in the current year and there are no accumulated losses at the end of the financial year.
 11. Based on our audit procedures and on the information and explanation given by management the Company has not defaulted during the year in repayment of dues to financial institutions.
 12. The Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
 13. As the Company is not a chit fund, nidhi, mutual benefit fund or society the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the Company.
 14. In our opinion and according to the information and explanations given to us, the Company is not dealer or trader in securities.
 15. In our opinion and according to the information and explanations given to us, the Company has not given guarantees for loans taken by others from banks or financial institutions.
 16. The company has raised fund through Term Loans during the year.
 17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the Company, we report that no funds raised on short-term basis have been used for long-term investment. No long-term funds have been used to finance short-term assets except permanent working capital.
 18. The Company has not made any preferential allotment of shares during the year to parties and companies covered in the register maintained under Section 301 of the Companies Act, 1956.
 19. The Company has not raised any funds by the way of debenture during the year.
 20. The Company has not raised any money by way of public issue during the year.
 21. During the course of our examination of the book of account carried out in accordance with the generally accepted auditing practices in India, we have not come across any instances of fraud on or by the Company nor we have been informed by the management of any such instance being noticed or reported during the year.

For and on behalf of
SHETH DOCTOR & ASSOCIATES
Chartered Accountants
Firm Regn No. 124822W

Place: Mumbai
Date : 30th May, 2012

PARESH S. DOCTOR
Membership No. 36056

BALANCE SHEET AS AT 31ST MARCH, 2012

	NOTE NO.	As at 31 March, 2012 ₹	As at 31 March, 2011 ₹
A EQUITY AND LIABILITIES			
1 Shareholders' funds			
(a) Share capital	1	9,12,96,000	9,12,96,000
(b) Reserves and surplus	2	15,58,30,878	14,72,19,404
		24,71,26,878	23,85,15,404
2 Non-current liabilities			
(a) Long-term borrowings	3	13,11,77,925	4,24,79,276
(b) Other long-term liabilities	4	1,11,00,000	—
(c) Long-term provisions	5	18,98,769	15,76,673
		14,41,76,694	4,40,55,949
3 Current liabilities			
(a) Short-term borrowings	6	12,93,47,363	8,14,17,107
(b) Trade payables		9,43,09,757	3,15,86,273
(c) Other current liabilities	7	5,48,91,394	4,49,48,355
(d) Short-term provisions	8	1,35,38,873	1,62,30,796
		29,20,87,387	17,41,82,531
TOTAL		68,33,90,959	45,67,53,884
B ASSETS			
1 Non-current assets			
(a) Fixed assets			
(i) Tangible assets	9	25,21,01,234	12,81,88,158
(ii) Intangible assets		—	—
(iii) Capital Work in progress		62,323	1,68,62,543
		25,21,63,557	14,50,50,701
(b) Non-current investments	10	61,000	1,000
(c) Deferred tax assets (net)	11	3,12,83,734	3,35,93,749
(d) Long-term loans and advances	12	3,35,97,192	3,73,74,221
		6,49,41,926	7,09,68,970
2 Current assets			
(a) Inventories	13	19,25,74,514	11,61,16,877
(b) Trade receivables	14	13,66,45,677	10,54,06,144
(c) Cash and cash equivalents	15	59,45,491	54,99,308
(d) Short-term loans and advances	16	2,90,82,314	1,34,30,121
(e) Other current assets	17	20,37,480	2,81,763
		36,62,85,476	24,07,34,213
TOTAL		68,33,90,959	45,67,53,884

See accompanying notes forming part of the financial statements

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In terms of our report attached

FOR AND BEHALF OF THE BOARD OF DIRECTORS

For **Sheth Doctor & Associates**

Chartered Accountants
Firm Reg. No. : 124822W

Paresh S. Doctor
Membership No. 36056

Place : Mumbai
Date : 30th May, 2012

Paresh V. Parekh
Managing Director

Umesh L. Shenoy
Vice President - Finance

Ketan V. Parekh
Director

Hitesh P. Gundigara
Company Secretary

STATEMENT OF PROFIT AND LOSS FOR THE YEAR ENDED 31ST MARCH, 2012

	NOTE NO.	As at 31 March, 2012 ₹	As at 31 March, 2011 ₹
1 Revenue from operations (gross)	18	64,86,05,994	62,39,58,219
Less: Excise duty		5,04,48,365	4,74,86,945
Revenue from operations (net)		59,81,57,629	57,64,71,274
2 Other income	19	28,36,214	11,34,978
3 Total revenue (1+2)		60,09,93,843	57,76,06,252
4 Expenses			
(a) Cost of materials consumed	20	39,07,69,975	37,87,17,867
(b) Purchases of stock-in-trade	21	1,68,64,399	9,10,990
(c) Changes in inventories of finished goods, work-in-progress and stock-in-trade	22	(2,17,85,328)	(2,84,98,736)
(d) Employee benefits expense	23	2,00,74,269	1,64,11,271
(e) Finance costs	24	2,19,05,096	1,21,23,520
(f) Depreciation and amortisation expense		1,57,38,520	1,36,34,300
(g) Other expenses	25	14,86,79,643	15,46,47,791
Total expenses		59,22,46,574	54,79,47,003
5 Profit / (Loss) before tax (3-4)		87,47,269	2,96,59,249
6 Tax expense:			
(a) Current tax expense for current year		—	—
(b) (Less): MAT credit (where applicable)		—	—
(c) Current tax expense relating to prior years		—	26,130
(d) Net current tax expense		—	—
(e) Deferred tax		23,10,016	91,55,852
7 Profit / (Loss) for the year (5-6)		64,37,253	2,04,77,267
8 Earnings per share (of ₹ 10/- each):			
(a) Basic		0.71	2.24
(b) Diluted		0.71	2.24

See accompanying notes forming part of the financial statements

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In terms of our report attached

FOR AND BEHALF OF THE BOARD OF DIRECTORS

For **Sheth Doctor & Associates**
Chartered Accountants
Firm Reg. No. : 124822W

Paresh V. Parekh
Managing Director

Ketan V. Parekh
Director

Paresh S. Doctor
Membership No. 36056

Umesh L. Shenoy
Vice President - Finance

Hitesh P. Gundigara
Company Secretary

Place : Mumbai
Date : 30th May, 2012

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 1 : Share capital

	As at 31 st March, 2012		As at 31 st March, 2011	
	Number of Share	₹	Number of Share	₹
Authorised 20000000 (20000000) Equity Shares of ₹ 10/- each	2,00,00,000	20,00,00,000	2,00,00,000	20,00,00,000
Issued subscribed & Paid up 9129600 (9129600) Equity Shares of ₹ 10/- each fully paid up	91,29,600	9,12,96,000	91,29,600	9,12,96,000
Total	91,29,600	9,12,96,000	91,29,600	9,12,96,000

1. (a) Rights etc. attached to Equity Shares :

The Company has only one class of equity having a face value of ₹ 10 per share. Each shareholder is eligible for one vote per share held.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the Next Annual General Meeting, except in case of interim dividend.

1. (b) Details of shares held by the shareholders holding more than 5% of the aggregate shares in the Company :

	As at 31 st March, 2012		As at 31 st March, 2011	
	Number of Share	% of Holding	Number of Share	% of Holding
Shri Vinod V Parekh	—	—	12,29,800	13.47
Smt Nalini V Parekh	25,20,877	27.61	13,25,420	14.52
Shri Paresh V Parekh	8,91,401	9.76	7,85,700	8.61
Ketan V Parekh (HUF)	5,52,000	6.05	5,52,000	6.05
M/s Enpee Credit and Capital (I) Pvt. Ltd.	5,94,771	6.52	5,40,944	5.93

1. (c) Reconcilliation of number of shares outstanding as on beginning and closing of the year.

The company has neither issued nor bought back any of its shares during the year and also in previous year and balance of share at the end of the year is the same as at the beginning of the year.

Note 2 : Reserves and surplus

Particulars	As at 31 st March, 2012 ₹	As at 31 st March, 2011 ₹
(a) Capital reserve		
Opening balance	11,58,81,613	11,58,81,613
Add: Additions during the year	—	—
Capital Subsidy for Patna Project	74,79,546	—
Less: Utilised / transferred during the year (give details)	—	—
Closing balance	12,33,61,159	11,58,81,613

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(b) Surplus / (Deficit) in Statement of Profit and Loss		
Opening balance	3,13,37,791	2,14,71,174
Add: Profit / (Loss) for the year	64,37,253	2,04,77,267
Less: Proposed Dividends (₹ 0.5 per share ₹ 1 per share for previous year)	45,64,800	91,29,600
Tax on Proposed Dividend	7,40,525	14,81,050
Closing balance	3,24,69,719	3,13,37,791
Total	15,58,30,878	14,72,19,404

Note 3 : Long-term borrowings

Particulars	As at 31 st March, 2012 ₹	As at 31 st March, 2011 ₹
(a) Term loans		
From banks		
Secured (Guaranted by Directors)	6,92,25,209	1,28,90,099
Unsecured	—	—
	6,92,25,209	1,28,90,099
From others		
Secured	—	—
Unsecured	8,63,417	43,75,626
	8,63,417	43,75,626
(b) Loans and advances from related parties		
Secured	—	—
Unsecured	6,10,89,299	2,52,13,551
	6,10,89,299	2,52,13,551
Total	13,11,77,925	4,24,79,276

Details of Security & Terms of Repayment :

- Term Loan amounting to ₹ 46.44 lacs (March, 31st, 2011 ₹ 107.16 Lacs) Repayable in monthly installments, last installment due in 30.09.2013. Rate of interest as at year end 15 % and secured against First Charge on Fixed Assets & Current Assets of Silvassa Unit
- Term Loan amounting to ₹ 13.20 lacs (March, 31st, 2011 ₹ Nil) Repayable in monthly installments, last installment due in 31.05.2013. Rate of interest as at year end 15 % and secured against First Charge on Fixed Assets & Current Assets of Patna Unit .
- Foreign Currency Term Loan amounting to ₹ 300 lacs (March, 31st, 2011 ₹ Nil) Repayable in monthly installments, last installment due in 31.03.2017. Rate of interest as at year end 15 % and secured against First Charge on Fixed Assets & Current Assets of Silvassa & Patna Unit.
- Vehicle Loan amounting to ₹ 57.29 lacs (March, 31st, 2011 ₹ Nil) Repayable in monthly installments, last installment due in 31.03.2017. Rate of interest as at year end 11.75 % and secured against specific vehicle.

- v) Vehicle Loan amounting to ₹ 4.26 lacs (March, 31st, 2011 ₹ 9.96) Repayable in monthly installments, last installment due in 05.04.2013. Rate of interest as at year end 11.72 % and secured against specific vehicle.
- vi) Vehicle Loan amounting to ₹ Nil lacs (March, 31st, 2011 ₹ 11.78) Repayable in monthly installments, and secured against specific vehicle.
- vii) Term Loan amounting to ₹ 271.05 lacs (March, 31st, 2011 ₹ Nil) Repayable in quarterly installments, last installment due in 31.03.2017. Rate of interest as at year end 12.50 % and secured against First Charge on Fixed Assets & Current Assets of Nellore Unit.
- viii) Unsecured Term Loan amounting to ₹ 8.63 lacs (March, 31st, 2011 ₹ 22.76 lacs) Repayable in monthly installments, last installment due in 03.10.2013. Rate of interest as at year end 15%.
- ix) Unsecured Loans amounting to ₹ 610.89 lacs (March, 31st, 2011 ₹ 252.13 lacs) represents loans from related parties and generally of long term nature however no repayment schedule is specified.

Note 4 : Other long-term liabilities

Particulars	As at 31 st March, 2012 ₹	As at 31 st March, 2011 ₹
Security deposits received (against lease of premises)	1,11,00,000	—
Total	1,11,00,000	—

Note 5 : Long-term provisions

Particulars	As at 31 st March, 2012 ₹	As at 31 st March, 2011 ₹
Provision for employee benefits: Provision for gratuity (net) refer note no 28(b) xiv	18,98,769	15,76,673
Total	18,98,769	15,76,673

Note 6 : Short-term borrowings

Particulars	As at 31 st March, 2012 ₹	As at 31 st March, 2011 ₹
(a) Loans repayable on demand		
From banks		
Secured - Guaranteed by Directors	12,93,47,363	8,14,17,107
Unsecured	—	—
Total	12,93,47,363	8,14,17,107

Notes:

Details of security for the secured short-term borrowings:

- (i) Cash Credit facility from bank amounting to ₹ 438.90 lacs (Previous year ₹ 636.77 lacs) secured against first charge on Fixed Assets and Current Assets of Silvassa and Patna Units.
- (ii) Foreign Currency Loan from bank amounting to ₹ 600.00 lacs (Previous Year ₹ NIL) secured against first charge on Fixed Assets and Current Assets of Silvassa Unit.
- (iii) Packing Credit Loan amounting to ₹ 135.80 lacs (Previous Year ₹ 147.11 lacs) secured against First charge on Fixed Assets and Current Assets of Silvassa Unit.
- (iv) Post Shipment Credits amounting to ₹ 12.62 lacs (Previous Year ₹ 30.29 lacs) secured against First charge on Fixed Assets and Current Assets of Silvassa Unit.
- (iv) Cash Credit facility from bank amounting to ₹ 106.16 lacs (Previous year ₹ NIL) secured against first charge on Fixed Assets and Current Assets of Nellore Unit.

Note 7 : Other current liabilities

Particulars	As at 31 st March, 2012 ₹	As at 31 st March, 2011 ₹
(a) Current maturities of long-term debt	2,77,48,864	1,98,35,360
(b) Other payables		
(i) Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax, etc.)	1,66,16,240	19,77,522
(ii) Payables on purchase of fixed assets	23,94,306	41,85,864
(vi) Trade / security deposits received	51,90,625	1,40,49,234
(vii) Advances from customers	29,41,359	49,00,375
Total	5,48,91,394	4,49,48,355

Note : Security Deposits received from customers in the ordinary course of the business are not expected to be settled within twelve months after the reporting date. The company has however presented the same as current liability, since it does not have unconditional right to defer its settlement for twelve months after the reporting date.

Trade payables *

Particulars	As at 31 st March, 2012 ₹	As at 31 st March, 2011 ₹
Trade payables:	9,43,09,757	3,15,86,273
Acceptances	—	—
Other than Acceptances	—	—
Total	9,43,09,757	3,15,86,273

Note 8 : Short-term provisions

Particulars	As at 31 st March, 2012 ₹	As at 31 st March, 2011 ₹
(a) Provision for employee benefits	—	—
(b) Provision - Others:		
(i) Provision for proposed equity dividend	45,64,800	91,29,600
(ii) Provision for tax on proposed dividends	23,10,438	14,81,050
(iii) Provision for excise duty on closing stock	66,63,635	56,20,146
Total	1,35,38,873	1,62,30,796

Note 9 : Fixed Assets

A	TANGIBLE ASSET	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
		Balance as at 01/04/11	Additions	Disposal/ Adjustments	Balance as at 31/03/12	Balance as at 01/04/11	Depreciation/ Amortisation expense of the year	Disposal/ Adjustments	Balance as at 31/03/12	Balance as at 31/03/12	Balance as at 31/03/11
(a)	Land										
	Freehold	33,01,603,	2,82,31,610	—	3,15,33,213	—	—	—	—	3,15,33,213	33,01,603
	Leasehold	—	44,88,223	—	44,88,223	—	49,869	—	49,869	44,38,354	—
(b)	Buildings										
	Own use	4,05,05,117	2,13,82,031	—	6,18,87,148	1,88,86,111	11,78,686	—	2,00,64,797	4,18,22,351	2,16,19,006
	Given under operating lease*	3,05,67,854	8,25,000	—	3,13,92,854	1,61,50,440	13,78,679	—	1,75,29,119	1,38,63,735	1,44,17,414
(c)	Plant and Equipment	12,52,98,061	5,50,78,730	—	18,03,76,791	6,98,32,517	66,68,313	—	7,65,00,830	10,38,75,961	5,54,65,544
(d)	Dies & Moulds	15,00,77,908	85,29,200	—	15,86,07,108	12,40,93,387	52,12,768	—	12,93,06,155	2,93,00,953	2,59,84,521
(e)	Furnitures & Fixtures	26,63,594	1,05,450	—	27,69,044	19,36,381	67,179	—	20,03,560	7,65,484	7,27,213
(f)	Vehicles	88,55,296	98,02,113	—	1,86,57,409	37,55,421	9,17,641	—	46,73,062	1,39,84,347	50,99,875
(g)	Office Equipment	42,78,018	4,75,304	—	47,53,322	27,05,052	2,39,125	—	29,44,177	18,09,145	15,72,966
(h)	Electrical Installation	—	1,06,99,585	—	1,06,99,585	—	25,655	—	25,655	1,06,73,930	—
(i)	Others (Specify Nature)	1,800	34,350	—	36,150	1,784	605	—	2,389	33,761	16
	Total	36,55,49,251	13,96,51,596	—	50,52,00,847	23,73,61,093	1,57,38,520	—	25,30,99,613	25,21,01,234	12,81,88,158
	Previous year	34,59,62,462	2,76,86,789	—	37,3649,251	22,90,46,884	1,36,34,300	—	23,73,61,093	12,81,88,158	—

Note : Additions includes preoperative expenses capitalised for Patna plant amounting to Rs. 41,71,260/- & for Nellore plant Rs. 76,23,476/-

Note 10 : Non-current investments

Particulars	As at 31 st March, 2012 ₹	As at 31 st March, 2011 ₹
Investments (At cost): UNQUOTED		
Investment in government or trust securities		
(i) Government Securities	61,000	1,000
National Savings Certificates (Pledged with Government Authorities)	—	
Total	61,000	1,000

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Note 11 : Deferred Tax Assets (Net)

Particulars	As at 31 st March, 2012 ₹	As at 31 st March, 2011 ₹
Deferred tax (liability) / asset		
<u>Tax effect of items constituting deferred tax liability</u>		
On difference between book balance and tax balance of fixed assets	1,49,26,558	1,52,49,945
Tax effect of items constituting deferred tax liability	<u>1,49,26,558</u>	<u>1,52,49,945</u>
<u>Tax effect of items constituting deferred tax assets</u>		
Provision for compensated absences, gratuity and other employee benefits	6,16,056	5,23,731
Unabsorbed depreciation & Business Losses carried forward	4,55,94,236	4,83,19,963
Others		
Tax effect of items constituting deferred tax assets	<u>4,62,10,292</u>	<u>4,88,43,694</u>
Net deferred tax (liability) / asset	<u>3,12,83,734</u>	<u>3,35,93,749</u>

Note : The Company has recognised deferred tax asset on unabsorbed depreciation to the extent of the corresponding deferred tax liability on the difference between the book balance and the written down value of fixed assets under Income Tax (or) The Company has recognised deferred tax asset on unabsorbed depreciation and brought forward business losses based on the Management's estimates of future profits considering the non-cancellable customer orders received by the Company.

Note 12 : Long-term loans and advances

Particulars	As at 31 st March, 2012 ₹	As at 31 st March, 2011 ₹
Unsecured Considered good		
(i) Capital Advances	67,77,991	1,82,34,232
(ii) Security Deposits	42,76,897	16,28,740
(iii) Taxes Paid in Advance (Net of Provisions)	15,48,806	14,19,861
(iv) MAT credit entitlement	1,51,71,888	86,36,439
(v) Other Loans and Advances	58,21,610	74,54,949
	<u>3,35,97,192</u>	<u>3,73,74,221</u>
Less: Provision for other doubtful loans and advances	—	—
Total	<u>3,35,97,192</u>	<u>3,73,74,221</u>

Note 13 : Inventories (At lower of cost and net realisable value)

Particulars	As at 31 st March, 2012 ₹	As at 31 st March, 2011 ₹
(a) Raw materials	6,33,74,167	1,53,75,134
Goods-in-transit	60,97,731	—
(b) Work-in-progress @ (Refer Note below)	3,53,75,916	2,74,82,380
Goods-in-transit		
(c) Finished goods (other than those acquired for trading)	7,28,06,594	6,84,13,019
Goods-in-transit		
(d) Stock-in-trade (acquired for trading)	96,14,010	1,15,793
Goods-in-transit		
(e) Stores and spares	9,34,327	9,05,441
Goods-in-transit		
(f) Others - Packing Material	43,71,769	38,25,110
Goods-in-transit		
Total	19,25,74,514	11,61,16,877

Note 14 : Trade receivables

Particulars	As at 31 st March, 2012 ₹	As at 31 st March, 2011 ₹
Trade receivables outstanding for a period exceeding six months from the date they were due for payment		
Unsecured, considered good	3,74,01,013	3,73,95,169
	<u>3,74,01,013</u>	<u>3,73,95,169</u>
Less: Provision for doubtful trade receivables	—	—
Other Trade receivables		
Unsecured, considered good	9,92,44,664	6,80,10,975
Less: Provision for doubtful trade receivables	—	—
Total	13,66,45,677	10,54,06,144

Note 15 : Cash and cash equivalents

Particulars	As at 31 st March, 2012 ₹	As at 31 st March, 2011 ₹
(a) Cash on hand	9,84,980	15,62,603
(b) Balances with banks		
(i) In current accounts	2,23,614	12,64,714
(ii) In deposit accounts (Refer Note (i) below)	45,41,139	24,25,000
(iii) In earmarked accounts		
- Balances held as margin money or security against borrowings, guarantees and other commitments	1,95,758	2,46,991
Total	59,45,491	54,99,308

Notes:

- (i) Balances with banks include deposits amounting to ₹ 1,00,000/- (₹ 9,25,000/-) which have an original maturity of more than 12 months.

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Note 16 : Short-term loans and advances

Particulars	As at 31 st March, 2012 ₹	As at 31 st March, 2011 ₹
Unsecured, considered good		
(a) Loans and advances to employees	21,54,073	7,66,530
(b) Prepaid expenses	13,07,364	8,24,708
(c) Balances with government authorities		
(i) CENVAT credit receivable	76,11,728	20,08,054
(ii) VAT credit receivable	77,38,067	69,99,105
(iii) Service Tax credit receivable	1,81,999	—
(iv) Electricity / Entry tax refund receivable	8,00,861	—
(v) Subsidy receivable	74,79,546	—
(d) Others	18,08,676	28,31,724
Total	2,90,82,314	1,34,30,121

Note 17 : Other current assets

Particulars	As at 31 st March, 2012 ₹	As at 31 st March, 2011 ₹
(a) Accruals		
(i) Interest accrued on deposits	3,03,909	1,63,057
(ii) Interest accrued on trade receivables	1,18,706	1,18,706
(b) Others		
(i) Other Receivables	16,14,865	—
Total	20,37,480	2,81,763

Note 18 : Revenue from operations

Particulars	For the year ended 31 st March, 2012 ₹	For the year ended 31 st March, 2011 ₹
(a) Sale of products (Refer Note (i) below)	63,09,53,769	61,24,18,085
(b) Sale of services (Refer Note (ii) below)	1,36,55,667	1,15,40,134
(c) Other operating revenues (Refer Note (iii) below)	39,96,558	—
	64,86,05,994	62,39,58,219
<u>Less:</u>		
(d) Excise duty	5,04,48,365	4,74,86,945
Total	59,81,57,629	57,64,71,274

Note	Particulars	For the year ended 31 st March, 2012 ₹	For the year ended 31 st March, 2011 ₹
(i)	Sale of products comprises :		
	<u>Manufactured goods</u>		
	Moulded Plastic Articles	62,35,03,998	61,24,18,085
	Total - Sale of manufactured goods	62,35,03,998	61,24,18,085
	<u>Traded goods</u>		
	Moulded Plastic Articles	74,49,771	—
	Total - Sale of traded goods	74,49,771	—
	Total - Sale of products	63,09,53,769	61,24,18,085
(ii)	Sale of services comprises:		
	Rent	1,36,55,667	1,15,40,134
	Total - Sale of services	1,36,55,667	1,15,40,134
(iii)	Other operating revenues comprise:		
	Vat/Entry Tax Refund	30,53,071	—
	Others	9,43,487	—
	Total - Other operating revenues	39,96,558	—

Note 19 : Other income

Particulars	For the year ended 31 st March, 2012 ₹	For the year ended 31 st March, 2011 ₹
(a) Interest income from Banks on Deposits	5,32,614	2,34,978
(b) Net gain on foreign currency transactions and translation (other than considered as finance cost)	21,98,229	—
(c) Other non-operating income (net of expenses directly attributable to such income) (Refer Note (i) below)	1,05,371	9,00,000
Total	28,36,214	11,34,978

Notes	Particulars	For the year ended 31 st March, 2012 ₹	For the year ended 31 st March, 2011 ₹
(i)	Other non-operating income comprises:		
	Rental income from others		9,00,000
	Prior period items (net) (Refer Note (ii) below)	1,05,371	—
	Total - Other non-operating income	1,05,371	9,00,000
(ii)	Details of Prior period items (net)		
	Prior period income (give details)	3,05,137	—
	Prior period expenses (give details)	1,99,766	—
	Total	1,05,371	—

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Note 20 : Cost of materials consumed

Particulars	For the year ended 31st March, 2012 ₹	For the year ended 31st March, 2011 ₹
Opening stock	1,53,75,134	80,81,488
Add: Purchases	44,48,66,739	38,60,11,513
	46,02,41,873	39,40,93,001
Less: Closing stock	6,94,71,898	1,53,75,134
Cost of material consumed	39,07,69,975	37,87,17,867
Material consumed comprises:		
Plastic Powder	37,22,72,361	36,76,32,721
Masterbatch /Pigments	1,46,21,452	1,07,47,708
Others	38,76,162	3,37,438
Total	39,07,69,975	37,87,17,867

Note 21 : Purchase of traded goods

Particulars	For the year ended 31st March, 2012 ₹	For the year ended 31st March, 2011 ₹
Moulded Plastic Articles	1,68,64,399	9,10,990
Total	1,68,64,399	9,10,990

Note 22 : Changes in inventories of finished goods, work-in-progress and stock-in-trade

Particulars	For the year ended 31st March, 2012 ₹	For the year ended 31st March, 2011 ₹
Inventories at the end of the year:		
Finished goods	7,28,06,594	6,84,13,019
Work-in-progress	3,53,75,916	2,74,82,380
Stock-in-trade	96,14,010	1,15,793
	11,77,96,520	9,60,11,192
Inventories at the beginning of the year:		
Finished goods	6,84,13,019	5,38,74,714
Work-in-progress	2,74,82,380	1,36,37,742
Stock-in-trade	1,15,793	—
	9,60,11,192	6,75,12,456
Net (increase) / decrease	(2,17,85,328)	(2,84,98,736)

Note 23 : Employee benefits expense

Particulars	For the year ended 31 st March, 2012 ₹	For the year ended 31 st March, 2011 ₹
1 Salaries , Wages & Bonus	1,83,19,523	1,47,32,565
2 Contributions to provident and other funds	10,88,808	8,89,203
3 Staff welfare expenses	6,65,938	7,89,503
Total	2,00,74,269	1,64,11,271

Note 24 : Finance Costs

Particulars	For the year ended 31 st March, 2012 ₹	For the year ended 31 st March, 2011 ₹
(a) Interest expense on:		
(i) Borrowings	1,94,01,600	1,06,76,451
(ii) Trade payables	3,91,019	—
(iii) Others		
- Interest on delayed / deferred payment of income tax	1,62,103	17,224
(b) Other borrowing costs	19,50,374	14,29,845
Total	2,19,05,096	1,21,23,520

Note 25 : Other Expenses

Particulars	For the year ended 31 st March, 2012 ₹	For the year ended 31 st March, 2011 ₹
1 MANUFACTURING EXPENSES		
1.1 Consumption of stores & spare parts	20,09,485	18,81,859
1.2 Consumption of packing materials	1,22,12,915	118,78,029
1.3 Increase / (decrease) of excise duty on inventory	10,45,021	11,49,648
1.4 Labour Charges	1,31,90,565	1,73,38,804
1.5 Electricity, Power and fuel	2,35,76,643	1,91,74,284
1.6 Water	1,46,601	85,017
1.7 Repairs and maintenance - Buildings	4,59,038	2,00,388
1.8 Repairs and maintenance - Machinery	48,87,885	56,89,793
1.9 Security charges	16,27,442	11,25,618
2 SELLING AND DISTRIBUTION		
2.1 Freight and forwarding	1,47,87,636	1,31,34,822
2.2 Sales commission	90,868	8,19,699
2.3 Sales discount and sales returns	3,33,88,685	4,30,73,411
2.4 Advertisement and Sales Promotion Expenses	93,98,584	35,87,139
2.5 Export Expenses	86,95,854	1,02,15,975

Note 25 : Other Expenses (Contd.)

Particulars	For the year ended 31 st March, 2012 ₹	For the year ended 31 st March, 2011 ₹
3 ESTABLISHMENT EXPENSES		
3.1 Rent including lease rentals	24,34,400	18,94,933
3.2 Repairs and maintenance - Others	3,70,159	2,74,680
3.3 Insurance	7,37,420	5,46,422
3.4 Rates and taxes	12,06,616	5,34,017
3.5 Communication	20,42,482	20,06,709
3.6 Travelling and conveyance	98,91,015	70,47,857
3.7 Printing and stationery	7,58,596	6,97,547
3.8 Motor car expenses	6,46,548	9,10,309
3.9 Donations and contributions	78,001	56,000
3.10 Legal and professional	22,02,323	8,39,410
3.11 Payments to auditors (Refer Note (i) below)	2,25,000	1,50,000
3.12 Bad trade and other receivables, loans and advances written off	—	66,66,229
3.13 Net Loss on Foreign Currency Transactions (other than Finance Cost)	—	8,62,407
3.14 Prior period items (net) (Refer Note (ii) below)	—	10,85,623
3.15 Loss on sale of fixed assets	—	6,79,909
3.16 Miscellaneous expenses	25,69,861	10,41,253
Total	<u>14,86,79,643</u>	<u>15,46,47,791</u>
NOTES :		
(i) Payments to the auditors comprises (net of service tax, input credit, where applicable): As auditors - statutory audit	2,25,000	1,50,000
Total	<u>2,25,000</u>	<u>1,50,000</u>
(ii) Details of Prior period items (net) Prior period expenses (Unaccounted Expenses)	—	12,10,970
Prior period income (give details)	—	1,25,347
Total	<u>—</u>	<u>10,85,623</u>

NOTES FORMING PART OF THE FINANCIAL STATEMENTS

Note 26(A) : Corporate Information and Significant Accounting Policies

a) Corporate information

The company is engaged in manufacturing plastic injection moulded articles and mattresses. The company is having manufacturing plants at Silvassa, Patna and Nellore.

b) Significant accounting policies (illustrative)

i) Basis of accounting and preparation of financial statements

The financial statements of the Company have been prepared in accordance with the Generally Accepted Accounting Principles in India (Indian GAAP) to comply with the Accounting Standards notified under the Companies (Accounting Standards) Rules, 2006 (as amended) and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared on accrual basis under the historical cost convention. The accounting policies adopted in the preparation of the financial statements are consistent with those followed in the previous year.

ii) Use of estimates

The preparation of the financial statements in conformity with Indian GAAP requires the Management to make estimates and assumptions considered in the reported amounts of assets and liabilities (including contingent liabilities) and the reported income and expenses during the year. The Management believes that the estimates used in preparation of the financial statements are prudent and reasonable. Future results could differ due to these estimates and the differences between the actual results and the estimates are recognised in the periods in which the results are known / materialise.

iii) Inventories

Inventories are valued at the lower of cost (on FIFO basis) and the net realisable value after providing for obsolescence and other losses, where considered necessary. Cost includes all charges in bringing the goods to the point of sale, including octroi and other levies, transit insurance and receiving charges. Work-in-progress and finished goods include appropriate proportion of overheads and, where applicable, excise duty.

iv) Cash and cash equivalents (for purposes of Cash Flow Statement)

Cash comprises cash on hand and demand deposits with banks. Cash equivalents are short-term balances (with an original maturity of three months or less from the date of acquisition), highly liquid investments that are readily convertible into known amounts of cash and which are subject to insignificant risk of changes in value.

v) Cash flow statement

Cash flows are reported using the indirect method, whereby profit / (loss) before extraordinary items and tax is adjusted for the effects of transactions of non-cash nature and any deferrals or accruals of past or future cash receipts or payments. The cash flows from operating, investing and financing activities of the Company are segregated based on the available information.

vi) Depreciation and amortisation

Depreciation has been provided on the straight-line method as per the rates prescribed in Schedule XIV to the Companies Act, 1956 except in respect of the following categories of assets, in whose case the life of the assets has been assessed as under:

Leasehold land is amortised over the duration of the lease.

Assets costing less than ₹ 5,000 each are fully depreciated in the year of capitalisation.

vii) Revenue recognition

Sale of goods

Sales are recognised on transfer of significant risks and rewards of ownership to the buyer, which generally coincides with the delivery of goods to customers. Sales include excise duty, sales tax and value added tax. Trade discounts and returns has been disclosed seperately under Other Expenditure.

viii) Other income

Interest income is accounted on accrual basis. Dividend income is accounted for when the right to receive it is established.

ix) Tangible fixed assets

Fixed assets, are carried at cost less accumulated depreciation and impairment losses, if any. The cost of fixed assets includes interest on borrowings attributable to acquisition of qualifying fixed assets up to the date the asset is ready for its intended use and other incidental expenses incurred up to that date. Exchange differences arising on restatement / settlement of long-term foreign currency borrowings relating to acquisition of depreciable fixed assets are charged to profit and loss account. Machinery spares which can be used only in connection with an item of fixed asset and whose use is expected to be irregular are capitalised and depreciated over the useful life of the principal item of the relevant assets. Subsequent expenditure relating to fixed assets is capitalised only if such expenditure results in an increase in the future benefits from such asset beyond its previously assessed standard of performance.

Capital work-in-progress:

Projects under which assets are not ready for their intended use and other capital work-in-progress are carried at cost, comprising direct cost, related incidental expenses and attributable interest.

x) Pre Operative Expenditure

All expenses prior to commencement of the new projects are treated as pre operative expenses and shall be capitalised to the value of major fixed assets of the relevant project in appropriate manner, direct or indirect, upon commencement of commercial production at such projects.

xi) Foreign currency transactions and translations

Initial recognition

Transactions in foreign currencies entered into by the Company and its integral foreign operations are accounted at the exchange rates prevailing on the date of the transaction or at rates that closely approximate the rate at the date of the transaction.

Measurement of foreign currency monetary items at the Balance Sheet date.

Foreign currency monetary items (other than derivative contracts) of the Company outstanding at the Balance Sheet date are restated at the year-end rates. Exchange differences arising out of this translation is charged to Profit and Loss Account.

xii) Government grants, subsidies and export incentives

Government grants and subsidies are recognised when there is reasonable assurance that the Company will comply with the conditions attached to them and the grants / subsidy will be received. Government grants and subsidy received towards capital outlay is treated as Capital Reserve.

Export benefits are accounted for in the year of exports based on eligibility and when there is no uncertainty in receiving the same.

xiii) Investments

Long-term investments (excluding investment properties), are carried individually at cost less provision for diminution, other than temporary, in the value of such investments. Current investments are carried individually, at the lower of cost and fair value. Cost of investments include acquisition charges such as brokerage, fees and duties.

xiv) Employee Retirement benefits

The company has a policy of payment of Gratuity only at the time of retirement and the same has been provided as per actual calculations as per Payment of Gratuity Act, 1972.

xv) Borrowing costs

Borrowing costs include interest, amortisation of ancillary costs incurred and exchange differences arising from foreign currency borrowings to the extent they are regarded as an adjustment to the interest cost. Costs in connection with the borrowing of funds to the extent not directly related to the acquisition of qualifying assets are charged to the Statement of Profit and Loss over the tenure of the loan. Borrowing costs, allocated to and utilised for qualifying assets, pertaining to the period from commencement of activities relating to construction / development of the qualifying asset upto the date of capitalisation of such asset is added to the cost of the assets.

xvi) Earnings per share

Basic earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) by the weighted average number of equity shares outstanding during the year. Diluted earnings per share is computed by dividing the profit / (loss) after tax (including the post tax effect of extraordinary items, if any) as adjusted for dividend, interest and other charges to expense or income relating to the dilutive potential equity shares, by the weighted average number of equity shares considered for deriving basic earnings per share and the weighted average number of equity shares which could have been issued on the conversion of all dilutive potential equity shares. Potential equity shares are deemed to be dilutive only if their conversion to equity shares would decrease the net profit per share from continuing ordinary operations. Potential dilutive equity shares are deemed to be converted as at the beginning of the period, unless they have been issued at a later date. The dilutive potential equity shares are adjusted for the proceeds receivable had the shares been actually issued at fair value (i.e. average market value of the outstanding shares). Dilutive potential equity shares are determined independently for each period presented. The number of equity shares and potentially dilutive equity shares are adjusted for share splits / reverse share splits and bonus shares, as appropriate.

xvii) Taxes on income

Current tax is the amount of tax payable on the taxable income for the year as determined in accordance with the provisions of the Income Tax Act, 1961. Minimum Alternate Tax (MAT) paid in accordance with the tax laws, which gives future economic benefits in the form of adjustment to future income tax liability, is considered as an asset if there is convincing evidence that the Company will pay normal income tax. Accordingly, MAT is recognised as an asset in the Balance Sheet when it is probable that future economic benefit associated with it will flow to the Company. Deferred tax is recognised on timing differences, being the differences between the taxable income and the accounting income that originate in one period and are capable of reversal in one or more subsequent periods. Deferred tax is measured using the tax rates and the tax laws enacted or substantially enacted as at the reporting date. Deferred tax liabilities are recognised for all timing differences. Deferred tax assets in respect of unabsorbed depreciation and carry forward of losses are recognised only if there is virtual certainty that there will be sufficient future taxable income available to realise such assets. Deferred tax assets are recognised for timing differences of other items only to the extent that reasonable certainty exists that sufficient future taxable income will be available against which these can be realised. Deferred tax assets and liabilities are offset if such items relate to taxes on income levied by the same governing tax laws and the Company has a legally enforceable right for such set off. Deferred tax assets are reviewed at each Balance Sheet date for their realisability.

Current and deferred tax relating to items directly recognised in equity are recognised in equity and not in the Statement of Profit and Loss.

xviii) Impairment of assets

The carrying values of assets / cash generating units at each Balance Sheet date are reviewed for impairment. If any indication of impairment exists, the recoverable amount of such assets is estimated and impairment is recognised, if the carrying amount of these assets exceeds their recoverable amount.

NATIONAL PLASTIC INDUSTRIES LIMITED

The recoverable amount is the greater of the net selling price and their value in use. Value in use is arrived at by discounting the future cash flows to their present value based on an appropriate discount factor.

xix) Insurance claims

Insurance claims are accounted for on the basis of claims admitted / expected to be admitted and to the extent that there is no uncertainty in receiving the claims.

xx) Service tax input credit

Service tax input credit is accounted for in the books in the period in which the underlying service received is accounted and when there is no uncertainty in availing / utilising the credits.

Note 26(B) : Additional information to the financial statements (Figures of amounts in Lacs)

Particulars	As at 31 st March, 2012 ₹	As at 31 st March, 2011 ₹
a) Contingent liabilities and commitments (to the extent not provided for)		
(i) Contingent liabilities		
(a) Claims against the Company not acknowledged as debt (give details)		
Income Tax demand in appeal	—	21.76
(b) Bank Guarantees Outstanding	38.25	38.25
(ii) Commitments		
(a) Estimated amount of contracts remaining to be executed on capital account and not provided for		
Tangible assets	25.98	441.33

b) Disclosures required under Section 22 of the Micro, Small and Medium Enterprises Development Act, 2006.

The company does not possess necessary information as regards to Micro, Small and Medium Enterprises for the necessary provision of interest and disclosures.

c) Value of imports calculated on CIF basis @:

Particulars	As at 31 st March, 2012 ₹	As at 31 st March, 2011 ₹
Raw materials	—	10.36
Handels & Other Purchases	24.46	—
Traded Purchases	118.34	—
Total Other Purchases	142.80	10.36
Capital goods	202.48	246.9

d) Expenditure in foreign currency #:

Particulars	As at 31 st March, 2012 ₹	As at 31 st March, 2011 ₹
Repairs to Machinery	—	0.92
Foreign Travel Expenses	3.42	3.44
Bank Charges	3.80	3.82

e) Details of consumption of imported and indigenous items *

Particulars	As at 31 st March, 2012 ₹	As at 31 st March, 2011 ₹
Imported		
Raw materials	—	—
%		
Handels & Other Purchases	28.37	—
%	(73.19)	
Traded Purchases	137.11	—
%	(81.30)	
Total	165.48	—
%	(2.12)	
Indigenous		
Raw materials	3,868.94	3,783.80
%	(100)	(100)
Handles & Other Purchases	10.39	3.37
%	(26.81)	(100)
Traded Purchases	31.53	9.11
%	(18.70)	(100.00)
Total	3,910.86	3,796.28
%	(95.94)	(100.00)

f) Earnings in foreign exchange @:

Particulars	As at 31 st March, 2012 ₹	As at 31 st March, 2011 ₹
Export of goods calculated on FOB basis	705.46	631.62

g) In the opinion of the management the Current Assets, Loans and Advances are expected to realize at least amount at which they are stated, if realized in the ordinary course of the business and provision of all known liabilities have been adequately made in the accounts.

NATIONAL PLASTIC INDUSTRIES LIMITED

- h) The company has capitalized following preoperative expenses to various fixed assets on such basis as certified by the management, in respect of following new plants on their commencement of commercial production:

EXPENDITURE HEAD	PATNA UNIT	NELLORE UNIT	TOTAL
Advertising Expense	1,19,000	30,080	1,49,080
Bank Charges	5,41,688	3,26,967	8,68,655
Bank Interest (Term Loan)	3,88,144	21,33,675	25,21,819
Electricity Expenses	2,23,939	9,80,848	12,04,787
Freight Charges	3,05,681	29,590	3,35,271
Insurance Premium	2,388	31,883	34,271
Interest Others	2,97,622	11,42,285	14,39,907
Labour Charges	–	21,005	21,005
Legal & Professional Charges	9,58,368	52,000	10,10,368
Other Expenses	2,38,198	5,53,706	7,91,904
Motar Car Expenses	–	31,245	31,245
Printing & Stationery	350	18,303	18,653
Rent & Taxes	3,28,355	2,65,955	5,94,310
Repairs & Maintaince	28,267	79,742	1,08,009
Salary & Bonus & Staff welfare	5,65,227	14,54,637	20,19,864
Security Guard Expenses	43,699	1,38,794	1,82,493
Telephone & Mobile Charges	–	32,543	32,543
Travelling - Other	1,30,334	1,48,480	2,78,814
Trial Consumption	–	1,51,738	1,51,738
	41,71,260	76,23,476	1,17,94,736

- i) **Related party transactions**

Details of related parties:

Description of relationship	Names of related parties
Key Management Personnel (KMP)	Mr. Paresh Vinod Parekh Mr. Ketan Vinod Parekh
Relatives of KMP	Mr. Vinod V Parekh Mrs. Nalini V Parekh Mrs. Nipa V Parekh Mr. Harsh P Parekh Mr. Vivek P Parekh
Company in which KMP / Relatives of KMP can exercise significant influence	M/s. National Plastic Industries. M/s. Enpee Credit & Capital (India) Pvt Ltd. Mr. Ketan Vinod Parekh (HUF)

Note: Related parties have been identified by the Management.

Details of related party transactions during the year ended 31st March, 2012 and balances outstanding as at 31st March, 2012:

	KMP	Relatives of KMP	Entities in which KMP / relatives of KMP have significant influence	Total
Loans/Advances Received /Taken	11.36 (21.36)	12.22 0.00	459.94 (218.86)	483.52 (240.22)
Loans/Advances Repaid /Given	11.25 (8.05)	12.22 (4.00)	101.29 (297.96)	124.76 (310.01)
Remuneration Paid	15.36 (15.36)	1.65 (1.47)	0.00 0.00	17.01 (16.83)
Balances outstanding at the end of the year				
Borrowings	19.22 (10.16)	0.00 0.00	591.68 (233.03)	610.90 (243.19)

In terms of our report attached

For **Sheth Doctor & Associates**

Chartered Accountants
Firm Reg. No. : 124822W

Paresh S. Doctor
Membership No. 36056

Place : Mumbai
Date : 30th May, 2012

FOR AND BEHALF OF THE BOARD OF DIRECTORS

Paresh V. Parekh
Managing Director

Umesh L. Shenoy
Vice President - Finance

Ketan V. Parekh
Director

Hitesh P. Gundigara
Company Secretary

NATIONAL PLASTIC INDUSTRIES LIMITED

CASH FLOW FOR THE YEAR ENDED 31ST MARCH, 2012

(Pursuant to the listing agreement with stock exchange)

	March 31 st , 2012 (₹ in Crores)	March 31 st , 2011 (₹ in Crores)
A. <u>Cash flow from operating activities</u>		
Net profit Before Tax & Extra - Ordinary	0.87	2.97
Adjusted for		
Depreciation	1.57	1.36
Loss on Sale of Assets	-	0.07
Gratuity Provision	0.03	0.15
Bad Debts	-	0.66
Interest Charged (Net)	2.14	1.19
	3.74	3.43
Operating profit before working capital changes	4.62	6.40
Changes in		
Trade Receivables	-3.12	0.56
Inventories	-7.54	-3.80
Loans and advances	-0.63	-0.25
Taxes Paid	-0.67	-0.91
Trade Payables & Others	8.34	1.07
	-3.62	-3.33
Cash generated from operations	0.999	3.07
Cash Flow before Extra-ordinary items	0.999	3.07
Extra-ordinary items	-	-
	-	-
(Deferred revenue Expenses)		
Net cash from operating activities	0.999	3.07
B. <u>Cash flow from investing activities</u>		
Purchase of fixed assets / C W I P etc.	-12.29	-6.02
Interest Received	0.04	0.21
Purchase/Sale of investments (FDR with Bank)	-0.22	-0.16
Capital Subsidy received	0.75	-
Investment	-0.01	-
	-	-
Net cash used in investing activities	-11.72	-5.97
C. <u>Cash flow form financing activities</u>		
Long Term Borrowings	8.87	2.94
Short Term Borrowings	4.79	2.30
Interest paid	-2.19	-1.19
Dividend Paid (Including Taxes)	-0.91	-1.07
NET CASH USED IN FINANCING ACTIVITIES	10.56	2.98
NET CHANGES IN CASH & CASH EQUIVALENTS (A-B+C)	-0.16	0.08
CASH & CASH EQUIVALENTS - OPENING BALANCE	0.28	0.20
CASH & CASH EQUIVALENTS - CLOSING BALANCE	0.12	0.28

PLACE : Mumbai
DATE : 30th May, 2012

Paresh V. Parekh : Managing Director
Ketan V. Parekh : Director
Umesh L. Shenoy : Vice President - Finance
Hitesh P. Gundigara : Company Secretary

AUDITOR'S CERTIFICATES

We have verified above cash flow statement of National Plastic Industries Limited derived from the annual financial statement audited for the years ended March 31st, 2012 and found the same to be drawn in accordance therewith requirements of Clause 32 of the listing agreements with stock exchanges.

SHETH DOCTOR & ASSOCIATES

Chartered Accountants
Firm Reg. No. : 124822W

Place: Mumbai
Date : 30th May, 2012

PARESH S. DOCTOR
Membership No. 36056



NATIONAL PLASTIC INDUSTRIES LIMITED

Regd Office : A-59, MIDC, Road No. 1, Marol, Andheri (East), Mumbai - 400093

E-COMMUNICATION REGISTRATION FORM

To,
Sharex Dynamic (India) Pvt.Ltd.,
Unit: **National Plastic Industries Ltd.**
Unit-1, Luthra Ind. Premises, Safed Pool,
Andheri-Kurla Road, Andheri (E)
Mumbai – 400072

Dear Sir / Madam,

RE: Green Initiative in Corporate Governance

I agree to receive all communication from the Company in electronic mode. Please register my e-mail id in your records for sending communication through e-mail.

Folio No. : _____

DP ID: _____

Client ID : _____

PAN No.: _____

Name of First Registered Holder: _____

Name of Joint Holder(s): _____

Registered Address: _____

E-mail ID: _____

Date : _____

Signature of the first holder: _____

IMPORTANT NOTES :

- 1) On registration, all the communication will be sent to the e-mail ID registered in the Folio/DP ID & Client ID.
- 2) The form is also available on the website of the company www.nationalplastic.com
- 3) Shareholders are also requested to keep company informed as and when there is any change in the email address. Unless the email id given above is changed by you by sending another communication in writing, the company will continue to send the notices/documents to you on the above mentioned e-mail ID.



NATIONAL PLASTIC INDUSTRIES LIMITED

Regd. Office: A-59, MIDC, Road No. 1, Marol, Andheri (East), Mumbai – 400093

DP ID NO.

Client ID No.

ATTENDANCE SLIP

(To be handed over at the entrance of the meeting hall)

Name of the Shareholder (IN BLOCK LETTERS)

Members Folio Number :

Name of the Proxy (IN BLOCK LETTERS)
to be filled if the Proxy attends
instead of the Member

No. of Shares held _____

I hereby record my presence at the 25th Annual General Meeting held on 25th September, 2012 at 11.00 a.m. at Hotel Suba Galaxy, N. S. Phadke Road, Off Western Express Highway, Andheri (East), Mumbai - 400069.

Signature of Shareholder / Proxy



NATIONAL PLASTIC INDUSTRIES LIMITED

Regd. Office: A-59, MIDC, Road No. 1, Marol, Andheri (East), Mumbai – 400093

DP ID NO.

Client ID No.

PROXY FORM

Members Folio No. : _____

I/We _____ of _____

being member(s) of the above named Company, hereby appoint _____

_____ of _____ failing him

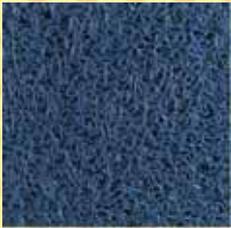
_____ of _____ as my/our proxy to attend and vote for me/us on my/our behalf at the 25th Annual General Meeting held on 25th September 2012, at 11.00 a.m. at Hotel Suba Galaxy, N. S. Phadke Road, Off Western Express Highway, Andheri (East), Mumbai - 400069 or at any adjournment thereof.

Signed the _____ day of _____ 2012.

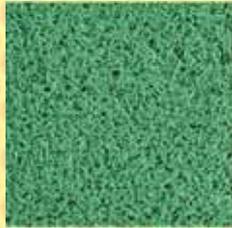
Date : _____



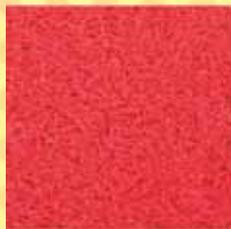
- Notes:**
1. The Instrument of proxy form shall be deposited at the Registered Office of the Company not less than 48 hours before holding the Meeting.
 2. The form should be signed across the stamp as per specimen signature registered with the Company.
 3. A proxy need not be a member of the Company.



UNO FOMA BLUE



UNO FOMA GREEN



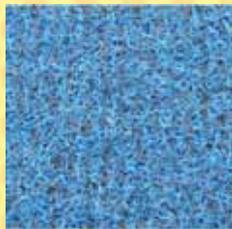
UNO FOMA RED



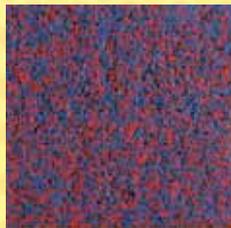
UNO FOMA BLACK



DUO FOMA GREEN & BLACK



DUO FOMA BLUE & BLACK



DUO FOMA RED & BLUE



DUO FOMA BLACK & WHITE



DUO FOMA BLUE & GREEN



DUO FOMA BROWN & YELLOW



DUO FOMA RED & BLACK



DUO FOMA RED & GREEN



DUO FOMA RED & GREEN



DUO FOMA RED & BLACK

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If undelivered, please return to:
National Plastic Industries Limited
A-59, MIDC Indl. Area, MIDC,
Road No. 1, Andheri (E),
Mumbai - 400093