

Annual General Meeting
22nd, Annual General Meeting
At – Vishal Hall, Hall No.1
Vishal Shopping Centre,
Hotel Highway Inn,
Andheri Kurla Road
Andheri (E), Mumbai-400 069

BOARD OF DIRECTORS

Mr. Vinod V Parekh : Chairman
Mr. Paresh V Parekh : Managing Director
Mr. Ketan V Parekh : Executive Director
Mr. Ashwin Goradia : Director
Mr. Dhirajlal J. Sanghvi : Director

Auditor

Sheth Doctor & Associates

Registered Office

412, Rewa Chambers,
New Marine Lines,
Mumbai - 400 020
Tel: 2203 9129, 22085878

Corporate Office & Share Department

A-59, MIDC Industrial Area, MIDC, Road No.1,
Marol, Andheri (E), Mumbai - 400 093.
Tel: 6766 9999 / 2831 1555
E-mail: info@nationalplastic.com
Website: www.nationalplastic.com

Registrar & Transfer Agents

Sharex Dynamic (India) Pvt. Ltd.
Unit 1, Luthra Industrial Premises,
Safed Pool, Andheri Kurla Road
Andheri (East)
Mumbai - 400 072
Tel: 2851 5606/5644

Listing on Stock Exchange

Bombay Stock Exchange Ltd.

Phiroje Jeejeebhoy Towers,
25th floor, Dalal Street
Mumbai - 400 001

The Stock Exchange Ahmedabad

Kathmandu Complex, Panjara Pole
Amdawadi, Ahmedabad - 380 015

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NOTICE

NOTICE IS HEREBY GIVEN THAT THE TWENTY SECOND ANNUAL GENERAL MEETING OF THE MEMBERS OF NATIONAL PLASTIC INDUSTRIES LIMITED, will be held on Tuesday the 22nd day of September, 2009 at 11 a.m. at Vishal Hall, Hall No. 1 Vishal shopping Centre, Hotel Highway Inn, Andheri Kurla Road, Near Railway Station, Andheri (East), Mumbai- 400069 to transact the following business:

ORDINARY BUSINESS

1. To receive, consider and adopt the Balance Sheet as at 31st March, 2009 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 appoint a Director in place of Mr. Ashwin Goradia who retire by rotation and being eligible offers himself for re-appointment.
3. To appoint Auditors and fix their remuneration.

On behalf of the Board of Directors
For NATIONAL PLASTIC INDUSTRIES LIMITED

PARESH V. PAREKH
Managing Director

Place : Mumbai
Date : 30.06.2009

NOTES

- a. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.

The proxy form, duly completed and stamped, must reach the registered office of the company not less than 48 hours before the time for holding the aforesaid meeting.

- b. The Register of members and share transfer book shall remain closed from 16th September 2009 to 22nd September 2009 (both days inclusive).
- c. All correspondence relating to transfer and transmission of shares must be sent to Registrar and Transfer agent and not to the Company.
- d. The members desirous of obtaining any information concerning the accounts and the operations of the company are requested to send their queries to the company at least seven days before the date of the meeting, so that the information required can be made available at the meeting.
- e. Members are requested to bring their copies of Annual Report at the meeting.
- f. Members are requested to immediately address their communications regarding transfer of shares, change of address, dividend mandates etc., quoting their folio numbers(s) to the Company's Registrar and Transfer Agents.

Sharex Dynamic (India) Pvt Ltd

Unit 1, Luthra Industrial Premises,
Safed Pool, Andheri Kurla Road
Andheri (East)
Mumbai - 400 072
Tel: 28515606 /5644

- g. Members holding shares in identical order of names in more than one folio are requested to write the Company's Registrar and Transfer Agents, and send their share certificate to enable consolidation of their holding into one folio.
- h. Re-appointment of Director

Additional information as per listing Agreement

Mr Ashwin Goradia is an industrialist having rich experience in marketing which is expected to benefit the company.

DIRECTORS' REPORT

To,
The Members,
NATIONAL PLASTIC INDUSTRIES LIMITED

Yours Directors present their 22nd Annual Report together with Audited Accounts, for the year ended March 31, 2009.

FINANCIAL RESULTS:

REVIEW OF FINANCIAL PERFORMANCE:

	2008-09 (Rs. in Lakhs)	2007-08 (Rs. in Lakhs)
Sales & Other Income	4319.21	3300.35
(Loss) / Gross Profit before Depreciation & Interest	333.47	253.45
Less : Depreciation	126.13	126.38
Interest	88.14	45.74
(Loss) / Profit for the year	119.20	81.33
Less: Prior Period Adjusted	(0.34)	(0.59)
Less: Tax Provision (FBT)	(4.90)	(11.13)
Less : Deferred Tax Liabilities	(19.31)	580.65
(Loss)/ Net Profit	94.66	650.27
Add: Balance brought forward from previous year(Adjusted)	(66.87)	(827.72)
Balance carried to Balance Sheet	27.79	(177.45)

YEAR IN RETROSPECT

The year under review has been an eventful year for the Company. Due to our persistent efforts we were able to substantially reduce all our secured debts. The Company is glad to inform that as on 30th June, 2009 the company has become totally debt free. In spite of the Global Recessionary Scenario prevailing and highly volatile prices, the company has shown decent growth in the operating profit.

Industrial undertaking at Kashmirira:

The Company had taken your consent through Postal Ballot for disposal of Industrial undertaking at Kashmirira for the purpose of clearing of Secured debts. Since entire secured debts have been paid the company has decided not to proceed with the sale of Kashmirira unit and this unit has been given on Leave & License and is contributing towards profitability of the company.

DIVIDEND:

In order to conserve the resources and to improve the financial position of the company your Directors have decided not to recommend any dividend for the current year.

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.

DIRECTORS RESPONSIBILITY STATEMENT

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

- a) In the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures.
- b) The Directors had 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.

- c) The Directors had 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.
- d) 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. Ashwin Goradia, Director of the company retires by rotation at the ensuing Annual General Meeting. The retiring Director being eligible has offered himself 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 reappointment.

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 from 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 Rs. 24, 00,000/- per annum or Rs. 2,00,000/- 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 appreciation of the co-operation and support they have received during the year from the participating Financial Institutions & Banks namely IDBI Bank Limited & State Bank of India, State Government, Local Authorities and Employees.

PLACE: MUMBAI
DATE: 30.06.2009

On behalf of the Board
VINOD V. PAREKH
CHAIRMAN

"ANNEXURE "A" TO THE DIRECTORS' REPORT

(Additional information given in terms of notification 1029 of 31/12/1988 issued by the Department of Company Affairs)
Disclosures

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 earning and outgo for the financial accounting year 31/03/2009 is as follows:

- | | |
|---|------------------|
| a) Earnings | |
| Value of Export (FOB) | Rs. 843.22 Lakhs |
| b) Outgo | |
| Capital Goods, repairs of machinery, Bank Charges, etc. | Rs. 57.45 Lakhs |

PLACE: MUMBAI
DATE: 30.06.2009

On behalf of the Board
VINOD V. PAREKH
CHAIRMAN

CORPORATE GOVERNANCE

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 Goradia	Non-Executive Independent	NIL
Mr. Dhirajlal J. Sanghvi	Non-Executive Independent	NIL

BOARD MEETING

The Board meets atleast once in a quarter to consider amongst other business, the quarterly performance of the company, the Financial Results. The Board held 7 meetings during the financial year 2008-2009 on 30th June 2008, 31st July 2008, 10th October 2008, 31st October 2008, 15th November 2008, 31st January 2009 and 31st March 2009. 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	7	Present
Mr. Paresh V. Parekh	7	Present
Mr. Ketan V. Parekh	7	Present
Mr. Ashwin Goradia	7	Absent
Mr. Dhirajlal J. Sanghvi	7	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 that 5 committees of Board.

3. COMMITTEE OF DIRECTORS

(A) AUDIT COMMITTEE

The Audit Committee comprises of 2 (Two) non-executive directors and 1(One) Executive Director namely Mr. Ashwin Goradia & Mr. Dhirajlal J. Sanghvi & Mr. Paresh Vinod Parekh, respectively.

Four Audit Committee meetings were held during the year 2008-2009 on 30th June 2008, 31st July 2008, 31st October 2008 and 31st January 2009.

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

Sr. No.	Name of Director	No. of Meetings Attended
1	Mr. Paresh V. Parekh	4
2	Mr. Ashwin Goradia	4
3	Mr. Dhirajlal J. Sanghvi	4

The Audit Committee is responsible for overseeing the company's financial reporting process, reviewing with the management the financial statements and adequacy of internal accounting functions and discusses significant findings on the accounting statements. The committee acts as a link between the management, external auditors and the Board of Directors of the Company.

(B) SHARE TRANSFER COMMITTEE

The Share Transfers are approved by Finance Committee which comprises of one Non-Executive Director & two Executive Directors namely Mr. Vinod V. Parekh, Chairman of the Committee, Mr. Ketan V. Parekh & Mr. Paresh V. Parekh respectively.

The Committee meetings were held 23 times during the year to take on record share transfers received from shareholders in physical mode.

(C) SHAREHOLDERS/INVESTOR GRIEVANCE COMMITTEE

The Board has constituted shareholder/investor grievance, which looks into redressal of shareholders and investors grievances.

The following are the members of the committee

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

Mr. Umesh Shenoy, Vice President Finance is the Compliance Officer.

4. DIRECTORS INTEREST IN THE COMPANY

Details of Remuneration to all Directors for the financial year 2008-2009 are as follows:

Director	Sitting Fees	Salary & Perks	Commission	Total
Mr. Vinod V. Parekh	Nil	Nil	Nil	Nil
Mr. Paresh V. Parekh	Nil	Rs. 649600/-	Nil	Rs. 649600/-
Mr. Ketan V. Parekh	Nil	Rs. 649600/-	Nil	Rs. 649600/-

5. MANAGEMENT DISCUSSION & ANALYSIS

The Management Discussion and Analysis Report forms part of the Annual Report.

6. GENERAL SHAREHOLDERS INFORMATION

(i) Annual General Meetings

Details of last 3 Annual General Meetings were held as under:

Year	Location	Date	Time
31-Mar-06	Vishal Hall, Andheri (E), Mumbai	28-Sep-06	11.00 a.m.
31-Mar-07	Vishal Hall, Andheri (E), Mumbai	28-Sep-07	11.00 a.m.
31-Mar-08	Vishal Hall, Andheri (E), Mumbai	19-Sep-08	11.00 a.m.

7. 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.

The Company has a Website www.nationalplastic.com. The Company has incorporated the Unaudited / Audited Financial Results up to 31st March 2009.

8. MEANS OF COMMUNICATION

Recommendation

Quarterly Results: Whether published
Any website were displayed
Whether it also displays official news releases and Presentations made to institutional investors / analysis
Whether shareholders information section Forms part of the Annual Report

Compliance

Free Press Journal & Navshakti
www.nationalplastic.com

No

Yes

9. GENERAL SHAREHOLDER INFORMATION
SHAREHOLDER INFORMATION

Financial Calender (tentative)
Financial Reporting for the quarter ended 30/06/2009
Financial Reporting for the quarter ended 30/09/2009
Financial Reporting for the quarter ended 31/12/2009
Financial Reporting for the quarter ended 31/03/2010
Annual General Meeting (Date, Time & Place)

31st of July 2009
31st of October 2009
31st of January 2010
30th of June 2010
22nd September, 2009 11.a.m.
Vishal Hall, Hotel Highway-In,
Andheri - Kurla Road, Andheri (E), Mumbai.
Mumbai, Ahmedabad

Listing of Equity Shares on Stock Exchanges at Registrars and Share Transfer Agents (Share transfer and communication regarding share certificates, dividends and change of address)

Sharex Dynamic (India) Pvt. Ltd.
Unit 1, Luthra Industrial Premises,
Safed Pool, Andheri - Kurla Road,
Andheri (East), Mumbai - 400 072

Stock Code

The Bombay Stock Exchange Ltd., Mumbai
Book Closure Date
ISIN Nos. for the Company's Equity Shares
In Demat Form

526616
16th Sept. 2009 to 22nd Sept. 2009
NE233DO1013

Depositors Connectivity

NSDL / CDSL

Complaints received during the year:

Received	Cleared	Pending
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Complaints received from Shareholders

3	3	Nil
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Letters received from Stock Exchange/SEBI

2	2	Nil
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10. Market Price Data:

The Bombay Stock Exchange Ltd.

Month	High (Rs.)	Low (Rs.)
April 08	9.22	7.34
May 08	9.43	7.88
Jun 08	8.45	7.42
July08	8.15	6.52
August08	8.29	6.96
September 08	8.86	7.05
October 08	8.31	6.76
November 08	8.35	6.70
December 08	8.50	6.37
January 09	7.83	6.28
February 09	8.00	6.22
March 09	8.20	5.70

11. SHARE TRANSFER SYSTEM

Trading in equity shares of the Company is permitted only in Dematerialized form.

Share Transfer in Physical form are registered and returned within 30 days form the date of receipt of documents in order in all respects.

12. DISTRIBUTION OF SHAREHOLDINGS AS ON 31/03/09

No. of shares	No. of shareholders	% of shareholders	No. of shares held	% of Total
Upto 5000	15405	95.06	19642860.00	21.52
5001- 10000	428	02.64	3587460.00	3.93
10001- 20000	168	01.04	2538510.00	2.78
20001- 30000	88	00.54	2214220.00	2.43
30001- 40000	19	00.12	698980.00	.77
40001- 50000	30	00.19	1429330.00	1.57
50001- 100000	27	00.17	1906880.00	2.09
100001 & above	40	00.25	59277760.00	64.93
Total	16205	100.00	91296000.00	100.00

13. CATEGORIES OF SHAREHOLDERS AS ON 31/03/09

Category	No. of Shares held	Voting Strength (%)
Promoters, Relatives & Associate companies	5006838	54.84
Public	—	—
NRI/FII's/OCB's	272085	02.98
Banks and Mutual Funds	8000	00.09
Domestic Companies (including Financial Institutions)	205900	02.26
Other	3636777	39.83
Total	9129600	100.00

Declaration under Clause 49 I (D) (ii) by the Managing Director of affirmation by the Board of Directors and Senior Management of Compliance with the Code of Conduct.

The Shareholders,

Paresh V. Parekh, Managing Director of the Company do hereby declare that all the Board Members and Senior Management Personnel have affirmed compliance with the Code of Conduct adopted by the Board at its meeting held on 31st January, 2006, applicable to the Board of Directors and Senior Management of the Company.

Place : Mumbai.
Date : 30.06.2009

Sd/-
PARESH V. PAREKH
Managing Director

CERTIFICATE ON CORPORATE GOVERNANCE

To the Shareholders 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 March 31, 2009 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 2009.

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 nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, we certify that the Company has complied, 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

Place : Mumbai.
Date : 30.06.2009

PARESH S. DOCTOR
Partner
Membership No. 36056

MANAGEMENT ANALYSIS AND DISCUSSION

1. Business of the Company:

The Company is engaged in manufacturing and sale of plastic moulded product namely furniture and household. At present, the company is concentrating mainly on 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 name National Plastic.

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

2. Review of Operations:

The total income for the year was at Rs. 43.19 Crores as against Rs. 33.00 Crores for 2007-08. Out of this, exports were Rs. 9.19 Crores as against Rs. 6.58 Crores of last year 2007-08. The profit before depreciation and interest was at Rs. 336.47 Lacs, as against Rs. 253.45 Lacs of 2007-08. The performance during the year has been satisfactory despite of Global Recessionary Environment.

3. Taxation

The company has earned taxable profits during the year which has been adjusted towards unabsorbed depreciation and losses as per Income Tax Act, 1961 and management expects reasonable certainty of continuation of such profit in future. As such the Company has recognized deferred tax assets as per Accounting Standard-22 with effect from current year.

4. Key Strength and Growth Driver

The companies' product range have been well accepted due to its quality and price. The company is exploring to sale its products in the other market where it is not existing. 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.

5. Business Outlook

The year 2009-10 has started on a positive note with stability in the pricing of raw material and also domestic demand. Further the company has paid of all its secured debts there by ensuring reduction in finance cost. Further the company has under taken various measure to cut down the cost and reschedule the product and sales mix. The positive effect of the measures will be felt in the current year.

Further, we feel that there is a huge room for growth in the domestic market as per capital consumption is very low as compare to international market. Further due to introduction of VAT there is an orderly VAT tax system at one rate is prevailing throughout the country which will help in increasing the market shares and also to reach the places where we do not have a presence.

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

6. Finance & Financial risk:

In order to reduce the financial expenses and improve return to the shareholders the company has initiated steps for settlement of debts, which are expected to produce positive result in the future year.

7. 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.

Compliance officer have been appointed by the Board to ensure compliance of SEBI regulation and provision of listing agreements.

8. Industrial Relations and Human Resource:

Industrial relation continued to remain cordial both at manufacturing unit as well as in branches. The training and education of employees across department is ongoing process of the company. The company is quality policy strives for the same. This has enabled the company to maintain ISO 9001:2000 certification for its Silvassa facility.

9. 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 etc. 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.

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 2009 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) Reference is invited and following notes of schedule "15"
 - i. **No.4 of Re.: Non-Confirmation of Balances of Debtors.**
 - ii. **No.8 of Re.: Non-Provision of liability for retirement benefits and for impairment of Fixed Assets as required under Accounting Standard -15 & 28 respectively.**
 - e) 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, except for the provision for Retirement benefits & impairment of Fixed Assets as referred to in note no. 8 of schedule "15".
 - f) 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 2009 from being appointed as a director of the Company u/s 274 (1)(g) of the Companies Act, 1956.
 - g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts, subject to note given in Para (d) above and 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 2009,
 - 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

PARESH S. DOCTOR
Partner
Membership No. 36056

Place : Mumbai.
Date : 30.06.2009

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 2009)

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.
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 except for the balances under Sundry Debtors & Advances given and 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 Rs. 5,00,000/-, or more in respect of each party.
6. The Company has not accepted any deposits form the Public.
7. The Company has no internal audit system.
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 period of more than six months from the date they become payable.
- 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.
11. Based on our audit procedures and on the information and explanation given by management, we are of the opinion that the Company has defaulted during the year in repayment of dues to financial institution. However the Company has repaid in full dues of the 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 not raised any fund through the Term Loan 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

PARESH S. DOCTOR
Partner
Membership No. 36056

Place : Mumbai.
Date : 30.06.2009

BALANCE SHEET AS AT MARCH 31, 2009			
	Schedule	31.03.2009 Rupees (TOTAL)	31.03.2008 Rupees (TOTAL)
I. SOURCES OF FUNDS			
1. SHARE HOLDERS FUNDS			
a. Share Capital	1	91,296,000	91,296,000
b. Reserve & surplus	2	118,660,185	115,881,613
		209,956,185	207,177,613
2. LOAN FUNDS			
a. Secured Loans	3	66,446,234	60,607,826
b. Unsecured Loans	4	41,689,894	14,178,370
		108,136,128	74,786,196
TOTAL		318,092,313	281,963,809
II. APPLICATION OF FUNDS			
1. FIXED ASSETS			
a. Gross Block	5	330,444,132	328,651,131
Less : Depreciation		216,116,874	205,579,276
		114,327,257	123,071,855
b. Capital work in progress & Advance ag.Capital Exp.		1,136,713	—
Net Block		115,463,970	123,071,855
2. INVESTMENT	6	1,000	1,000
3. CURRENT ASSETS, LOANS & ADVANCES	7		
a. Current Assets		172,331,400	167,666,587
b. Loans & Advances		17,300,916	20,496,466
		189,632,316	188,163,053
Less : Current Liabilities & Provisions	8	43,138,915	93,970,117
Net Current Assets		146,493,401	94,192,936
4. DEFERRED TAX ASSETS		56,133,942	58,064,553
5. MISCELLANEOUS EXPENDITURE (to the extent not written off or adjusted)			
a. Profit & Loss Account (Balance as per annexed account)		—	6,633,465
TOTAL		318,092,313	281,963,809
SIGNIFICANT ACCOUNTING POLICIES	14		
NOTES ON ACCOUNTS	15		
As per our attached Report of even date FOR AND ON BEHALF OF THE BOARD			
For SHETH DOCTOR & ASSOCIATES			
Chartered Accountants			
PARESH S. DOCTOR Partner	VINOD V. PAREKH CHAIRMAN	PARESH V. PAREKH MANAGING DIRECTOR	UMESH L. SHENOY VICE PRESIDENT-FINANCE
Membership No. 36056			
PLACE : MUMBAI			
DATE : 30-06-2009			

PROFIT AND LOSS FOR THE YEAR ENDED MARCH 31, 2009

	Schedule	31.03.2009 Rupees (TOTAL)	31.03.2008 Rupees (TOTAL)
I. INCOME			
Sales	9	419,352,657	360,683,628
Less :- Excise Duty		28,369,043	38,816,172
<i>Net Sale</i>		390,983,614	321,867,456
Other Income	10	12,568,828	8,168,392
Increase/(Decrease) in Stocks	11	(21,799,763)	13,670,468
		381,752,679	343,706,316
II. EXPENDITURE			
Raw Material Consumed	12	236,992,837	229,924,683
Purchase		1,133,448	1,348,489
Other Expenditure	13	110,279,301	87,087,917
Interest & Other Financial Charges (Net)		8,813,991	4,573,889
Depreciation		12,613,408	12,637,610
		369,832,985	335,572,588
Profit/ (Loss) Before Tax		11,919,694	8,133,728
Add :- Prior Period Adjustment		(34,501)	(59,129)
Add :- Provision For Fringe Benefit Tax		(490,267)	(558,000)
Add :- Short Prov. Tax Earlier Year		—	(555,089)
Add :- Prov For Deferred Tax Assets		(1,930,611)	58,064,553
Profit/ (Loss) Brought Forward From Previous Year		(6,685,743)	(82,771,215)
Amount available for appropriation		2,778,572	(17,745,152)
APPROPRIATIONS			
Transfer from General Reserve		—	11111687
Balance Carried To Balance Sheet		2,778,572	(6,633,465)
		2,778,572	(17,745,152)
SIGNIFICANT ACCOUNTING POLICIES	14		
NOTES ON ACCOUNTS	15		

As per our attached Report of even date

FOR AND ON BEHALF OF THE BOARD

For SHETH DOCTOR & ASSOCIATES

Chartered Accountants

PARESH S. DOCTOR

Partner

Membership No. 36056

PLACE : MUMBAI

DATE : 30-06-2009

VINOD V. PAREKH

CHAIRMAN

PARESH V. PAREKH

MANAGING DIRECTOR

UMESH L. SHENOY

VICE PRESIDENT-FINANCE

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2009

	31.03.2009 (TOTAL)	31.03.2008 (TOTAL)
SCHEDULE – 1		
SHARE CAPITAL		
Authorised		
20000000 (20000000) Equity Shares of Rs.10/- each	200,000,000	200,000,000
Issued subscribed & Paid up		
9129600 (9129600) Equity Shares of Rs.10/- each fully paid up	91,296,000	91,296,000
	<u>91,296,000</u>	<u>91,296,000</u>
SCHEDULE – 2		
RESERVE & SURPLUS		
General Reserve	—	11,111,687
Less:- Transfer to Profit & Loss A/c	—	11,111,687
	—	—
Capital Reserve		
As per last Balance Sheet	115,881,613	115,881,613
Profit & Loss Account	—	—
Balance as per P&L A/c	2,778,572	—
	<u>118,660,185</u>	<u>115,881,613</u>
SCHEDULE – 3		
SECURED LOANS		
a) FROM FINANCIAL INSTITUTIONS #		
Bank	59,186,132	60,000,000
Add: Interest Accured & due	7,069,726	
b) FROM OTHERS		
Secured against Hypothication of Motor Car	190,376	607,825
	<u>66,446,234</u>	<u>60,607,825</u>

NOTES :

- 1) # Secured against first mortgage and charge on all movable & immovable properties both present and future and against irrevocable and unconditional personal guarantee of directors.
- 2) * Secured against Hypothication of all current assets, stocks, receivables & second fixed assets of the company at Dadra & personal guarantee of Directors.
- 3) # Amount repayable within one year Rs. 664.46 lacs (Rs 600 lacs.)

SCHEDULE – 4

UNSECURED LOAN

Others	41,689,894	14,178,369
	<u>41,689,894</u>	<u>14,178,369</u>

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2009

SCHEDULE – 5 FIXED ASSETS

SR. NO.	DESCRIPTION	COST			DEPRECIATION			NET BLOCK			
		AS ON 01.04.2008	ADDITION	DEDUC- TION	AS ON 31.03.2009	AS ON 01.04.2008	FOR THE YEAR	DEDUC- TION	AS ON 31.03.2009	AS ON 31.03.2009	AS ON 31.03.2008
I	FREE HOLD LAND	3301603	—	—	3301603	—	—	—	0	3301603	3301603
II	BUILDING	70074277	0	—	70074277	28015107	2340481	—	30355588	39718689	42059170
III	PLANT & MACHINERY	112262135	5292546	3,170,000.00	114384681	59991754	5393376	1,782,572.00	63602558	50782122	52270380
IV	DIES & MOULD	130875353	—	—	130875353	111477464	4045943	—	115523407	15351946	19397889
V	FUR. & FIXTURE	2613334	0	—	2613334	1652843	165424	—	1818268	795066	960491
VI	OFFICE EQUIPMENT	3478785	317352	—	3796137	2103182	176052	—	2279234	1516903	1375603
VII	MOTOR VEHICLE	6043844	—	646,897.00	5396947	2337483	491961	293,238.00	2536206	2860741	3706361
VIII	OTHER ASSETS	1800	—	—	1800	1442	171	—	1613	187	358
	PREVIOUS YEAR	328651131 319521258	5609898 9129873	3816897 0	330444132 328651131	205579276 192941667	12613408 12637610	2075810 0	216116874 205579276	114327257 123071854	123071854

**31.03.2009
(TOTAL)**

**31.03.2008
(TOTAL)**

SCHEDULE – 6

INVESTMENT LONG TERM (UNQUOTED)

100 Shares Of Rs.10/- Each of Janata Sahakari Bank Ltd.

1,000

1,000

1,000

1,000

SCHEDULE – 7

CURRENT ASSETS, LOANS & ADVANCES :

(A) CURRENT ASSETS :

1) Income Receivables	118,706	273,375
2) Inventories	—	—
(As taken valued & certified by the Managing Director)	—	—
a) Packing Material, Stock-& spares (At Cost)	2,023,996	972,573
b) Stock in trade	—	1,492,008
(At Cost except otherwise stated)	—	—
i) Finished Products	21,946,140	44,109,474
(At Cost or Net Realisable value whichever is less)	—	—
ii) Mach. & Spares (Consumable)	—	915,737
iii) Semi finished Products (At Cost)	17,769,106	15,913,527
iv) Raw Material (At Cost)	14,905,091	11,371,141
Total	56,644,333	74,774,460
3) Sundry Debtors	—	—
(Unsecured considered good)	—	—
Due for more than six months	42,956,920	36,328,996
Other Debts	67,175,026	52,246,561
Total	110,131,947	88,575,557
4) Cash & Bank Balances	—	—
a) Cash on Hand	1,556,050	2,457,635
b) With scheduled Banks	—	—
i) In FDR Account	625,933	1,437,379
ii) In Current Account	3,254,431	148,180
Total	5,436,414	4,043,194
TOTAL (1+2+3+4)	172,331,400	167,666,586

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2009

	31.03.2009 (TOTAL)	31.03.2008 (TOTAL)
(B) LOANS & ADVANCES :		
(Unsecured considered good)		
Advances recoverable in cash or in kind or for value to be received	14,139,801	16,827,096
Deposits	1,029,487	1,061,345
Income Tax	1,862,189	2,138,274
Prepaid Expenses	269,440	469,751
Total	17,300,916	20,496,466
TOTAL (A + B)	189,632,316	188,163,052

SCHEDULE – 8

CURRENT LIABILITIES AND PROVISIONS

(A) CURRENT LIABILITIES :

For Other Expenses Etc.	7,777,577	10,305,580
For Purchase Expenses	13,282,126	32,044,746
For Other Finance	1,675,291	6,721,546
For Capital Goods	508,068	396,000
Advance Against Order	1,354,322	1,140,450
Security Deposit	13,100,234	13,000,234
Temporary overdrawn Bank Balance	3,957,648	28,741,091
Total	41,655,267	92,349,647

(B) PROVISIONS :

Fringe Benefit Tax	1,442,647	1,579,469
Wealth Tax	41,000	41,000
Total	1,483,647	1,620,469
TOTAL (A + B)	43,138,914	93,970,116

SCHEDULES ANNEXED TO AND FORMING PART OF THE PROFIT AND LOSS A/C AT MARCH 31, 2009

	31.03.2009 (TOTAL)	31.03.2008 (TOTAL)
SCHEDULE – 9		
SALES		
Local	326,379,368	296,429,965
Export	91,900,688	65,768,413
Difference in Exchange	1,072,601	(1,514,750)
	419,352,657	360,683,628

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2009

	31.03.2009 (TOTAL)	31.03.2008 (TOTAL)
SCHEDULE – 10		
OTHER INCOME		
Interest on I. Tax refund	—	540,152
Rent Received	12,000,000	7,333,667
Interest on F.D.R	28,143	143,383
Miscellaneous Income	390,685	151,190
Bad debts Recovery	150,000	—
	<u>12,568,828</u>	<u>8,168,392</u>
SCHEDULE – 11		
INCREASE/(DECREASE) IN STOCK		
Closing Stock		
Finished Products	21,946,140	44,109,474
Stock in trade	—	1,492,008
Semi Finished Products	17,769,106	15,913,527
	<u>39,715,246</u>	<u>61,515,009</u>
Less : Opening Stock		
Finished Products	44,109,474	33,917,816
Stock in trade	1,492,008	1,866,187
Semi Finished Products	15,913,527	12,060,538
	<u>61,515,009</u>	<u>47,844,541</u>
	<u>(21,799,763)</u>	<u>13,670,468</u>
SCHEDULE – 12		
RAW MATERIAL CONSUMED		
Opening Stock	11,371,141	11,602,817
Purchase (Net)	240,526,787	229,693,007
	<u>251,897,928</u>	<u>241,295,824</u>
Less : Closing Stock	14,905,091	11,371,141
	<u>236,992,837</u>	<u>229,924,683</u>

SCHEDULES ANNEXED TO AND FORMING PART OF THE BALANCE SHEET AS AT MARCH 31, 2009

	31.03.2009 (TOTAL)	31.03.2008 (TOTAL)
SCHEDULE – 13		
OTHER EXPENDITURE :		
Advertising & Promotion Expenses	1,364,691	2,815,956
Auditors Remuneration	120,000	120,000
Computer Expenses	519,911	70,236
Commission & Brokerage	—	445,000
Conveyance Expenses	537,168	524,783
Directors Remuneration	1,299,200	858,000
Discount on sales	28,623,567	26,730,552
Electricity & Fuel Charges	18,140,782	15,827,297
Employers contribution to PF, FPF, ESIC	554,581	541,471
Export Expenses	13,540,939	7,012,531
Entertainment Expenses	900,127	870,034
Insurance charges	390,439	626,955
Labour Charges	7,455,217	4,222,018
Legal, professional charges	861,076	608,458
Loss on sale of Assets	1,207,754	—
Miscellaneous Expenses	458,111	348,968
Motor car expense	311,101	432,284
Packing, Forwarding Expenses	8,281,686	5,807,837
Postage, Telephone, Telex exps	1,721,168	1,458,363
Printing & Stationery	657,288	325,346
Rent, Rates, Taxes	3,451,242	349,309
Repairs & Maintenance-Others	128,862	180,246
Repairs & Maintenance-Machinery	3,404,338	2,820,050
Repairs & Maintenance-Building	126,469	882,838
Salary, Wages, Bonus etc	8,203,343	6774349
Security Guard Expenses	756,395	720,475
Staff welfare Expenses	330,941	404,186
Store & Consumable	1,254,226	373,420
Sundry Balances written back	169,015	(83,929)
Travelling Expenses	5,509,664	5,020,886
TOTAL	<u>110,279,301</u>	<u>87,087,919</u>

SCHEDULES ANNEXED TO AND FORMING PART OF THE PROFIT & LOSS A/C. AS AT MARCH 31,2009

SCHEDULE – 14

SIGNIFICANT ACCOUNTING POLICIES :

a. Basis of Accounting

The financial statements are prepared in accordance with requirements of the Companies Act, 1956 under historical cost convention on an accrual basis.

b. Fixed Assets and Capital Work -in-Progress

Fixed assets are recorded at cost of acquisition inclusive of relevant levies, transportation and other expenses incidental to acquisition and installation.

c. Depreciation on Fixed Assets

Depreciation on fixed assets has been provided on straight line method at the rate and in the manner specified in Schedule XIV of the Companies Act, 1956

d. Inventories

Inventories are valued as under:-

- i. Raw Material - At cost (on first in first out basis).
- ii. Finished Goods - At cost Raw material cost & share of appropriate overheads or selling price, whichever is lower. The Excise duty in respect of closing inventory of finished goods is included as part of finished goods.
- iii. Traded Items - At cost.
- iv. Semi - Finished Goods - At cost Raw material cost & share of appropriate overheads.

e. Sales

- A) Sales net off Sales Tax, Excise Duty, Sales Return (On Approval)
- B) Export Sales is accounted at value prevailing on the transaction date. Unrealised bills at the year end are restated at the rates prevailing at the year end.

f. Export Benefits

Export benefits / Incentives are accounted on accrual basis.

g. Provision for taxation

Deferred Tax resulting from timing differences between book profit & the tax profit is accounted for under the liability method at the effecting Current Rate of Tax applicable to the year in which such timing differences are expected to be reversed.

SCHEDULE – 15

NOTES FORMING PART OF THE ACCOUNTS :

1 Contingent liability not provided for in respect of :

- a) Bank Guarantees Outstanding Rs. 36.25 Lacs (Previous Year Rs. 21.25 Lacs)
- b) Capital Commitment Outstanding (Net of Advance) Rs. Nil. (Previous year Rs. 28.22 Lacs).

2 As the Company has no taxable profit relevant to this accounting year, no provision for Income Tax has been made. However, the company has provided for Fringe Benefit Tax for the year.

3 Deferred Tax

The company has earned taxable profits during the year which has been adjusted towards unabsorbed depreciation and losses as per Income Tax Act, 1961 and management expects reasonable certainty of continuation of such profit in future. As such The company has recognised deferred tax assets / liabilities as per Accounting Standard 22 - Accounting for Taxes on income and break up of net Deferred Tax Assets as at 31.3.2009 is as under.

ITEMS	31.03.2009	31.03.2009	31.03.2008	31.03.2008
	DTA	DTL	DTA	DTL
	Rs. In Lacs	Rs. In Lacs	Rs. In Lacs	Rs. In Lacs
1 Difference between book depreciation and depreciation under Income Tax Act, 1961.	—	179.5	—	196.44
2 Unabsorbed losses and depreciation	740.83	—	777.08	—
Net Deferred Tax Assets	—	561.33	—	580.64

- 4 Balances of Sundry Debtors are subject to confirmation and hence, they are shown as they appear in the books of accounts and in the absence of information no provision has been made for the amounts irrecoverable if any.
- 5 Additional information pursuant to paragraphs 3.4C and 4D of part to Schedule VI of the Companies Act, 1956.
- a. Details of Capacity, Production, Turnover, Opening Stock and Closing Stock of Finished Goods. (Excluding products of third party manufactured on Labour job basis.)

CAPACITIES

	PARTICULARS	2008/2009	2007/2008
1	Licensed Capacity	10200 TPA	10200 TPA
2	Installed Capacity (As Certified by Director)	9200 TPA	9200 TPA
3	Product Manufactured	Injection Moulded Items	Injection Moulded Items

Quantitative Details

a) Manufacturing Activities (Rs. In 000)

Item	Opening Stock		Production (PCS)	Turnover*		Closing Stock	
	(PCS)	Rs.		(PCS)	Rs.	(PCS)	Rs.
Injection Moulded item	483,652	44,109	3,198,901	3,471,120	389,258	211,433	21,946
	(328,525)	(33,918)	0	(3,155,742)	(320,060)	(483,652)	(44,109)

b) Trading Activities (Rs. In 000)

Item	Opening Stock		Purchase*		Turnover		Closing Stock	
	(PCS)	Rs.	(PCS)	Rs.	(PCS)	Rs.	(PCS)	Rs.
Injection Moulded Item	—	—	5,860	1,078	5,860	1,078	—	—
Wooden Furniture Items	(—)	(—)	(—)	(—)	(—)	(—)	(—)	(—)
Other Items	780	1,337	49	56	829	647	—	—
	(675)	(1,278)	(1,224)	(984)	(1,119)	(1,134)	(780)	(1,337)
	—	—	—	—	—	—	—	—
		(558)		(364)		(673)		(70)

c) Details of Raw Material Consumed : (Rs. In Lacs)

Particulars	2008-2009		2007-2008	
	Qty MT	Rs. MT	Qty	Rs.
Plastic Powder	3530	2,300.63	3915	2,227.70
Others		69.30	0	71.55
Total	3530	2369.93	3915	2,299.25

d) Details of imported and indigenous Raw Materials Consumed :

Particulars	2008-2009		2007-2008	
	Rupees in Lacs	%	Rupees in Lacs	%
Imported	0.00	0	0.00	0.00
Indigenous	2369.93	100	2299.25	100.00
TOTAL	2369.93	100	2299.25	100.00

e) Sale of Raw Material Rs. NIL (Previous year Rs. 8.88 Lacs)

f) Earning in Foreign Exchange

F.O.B. Value of Export

Injected Moulded Items Rs. 843.22 Lacs (Previous Year Rs. 633.83 Lacs)

g) CIF Value of Imports (Rs. In Lacs)

Particulars	2008-2009	2007-2008
Capital Goods	53.77	37.71
Trading Goods	NIL	NIL

h) Expenditure in Foreign Currency (Rs. In Lacs) (Cash Basis)

Particulars	2008-2009	2007-2008
Bank Charges	3.68	1.02
Repairs to Machinery	NIL	4.32

7 Auditors Remuneration (Rs.)

Particulars	2008-2009	2007-2008
Audit Fees	120000	120000

8 No provision has been made for liability for retirement benefits as required by Accounting Standard - 15 and for impairment of Fixed Assets as required by Accounting Standard - 28 and impact on results of the company is not ascertained

9 Disclosures of Transactions with Related Party

(Information Restricted to Transactions During the Year Only)

i) List of Related Parties:-

a) Key Management Personnel

Mr. Paresh Vinod Parekh

Mr. Ketan Vinod Parekh

b) Relatives of Key Management Personnel

Mr. Vinod V. Parekh

Mrs. Nalini V. Parekh

Mrs. Nipa V. Parekh

Mrs. Priti P. Parekh

Mrs. Nita K. Parekh

Mr. Harsh P. Parekh

c) Enterprises owned or Significantly Influenced by any Key Management Personnel or Relatives

M/s National Plastic Industries

M/s Enpee Credit & Capital (I) Ltd.

ii) Transactions With Related Parties :- (Rs. In Lacs)

	Loans / Adv. Given / Repaid	Loans / Adv. Taken / Recd.	Sale of Others	Remuneration	Loans Taken O/s
a) Key Management Personnel	0.00	0.00	NIL	12.99	0
b) Relatives of Key Management Personnel	27.84	27.84	NIL	0.70	0
c) Enterprises owned or Significantly Influenced by any Key Management Personnel or Relatives	316.61	591.72	NIL	NIL	416.90

9 Figures of Previous Year has been regrouped / rearranged wherever necessary.

10 Earning Per Share (EPS)

	2008-2009	2007-2008
Numerator - Net Profit as disclosed in Profit & Loss A/c	11,919,694.00	8,133,728.50
Denominator - Weighted avg. number of Equity Shares outstanding	9129600	9129600
Basic	1.31	0.89
EPS - Basic/Diluted (in Rs.)	10	10
Nominal Value of Shares (in Rs.)		

11 Segment - Wise Revenue & Results :-

Sr. No.	Particulars	Accounting Year	
		31.3.2009	31.3.2008
1	Segment Revenue :		
	a. Plastic Moulded Products	390,337,009	320,060,084
	b. Wooden Furniture Products	646,605	1,807,372
		<u>390,983,614</u>	<u>321,867,456</u>
	Less : Inter Segment Revenue	—	114,150
	Net Sales / Income from Operations	<u>390,983,614</u>	<u>321,753,306</u>
2	Segment Results :		
	a. Plastic Moulded Products	21,617,619	13,971,547
	b. Wooden Furniture Products	(918,435)	(1,323,059)
		<u>20,699,184</u>	<u>12,648,488</u>
	Less : (I) Interest	8,813,991	4,573,889
	Total Profit / (Loss) Before Tax	<u>11,885,193</u>	<u>8,074,599</u>
	Less : Tax		
	(a) Taxation for Earlier Years written back	—	(555,089)
	(b) Fringe Benefit Tax	490,267	(558,000)
	(c) Deferred Tax Liability / Assets	1,930,611	58,064,553
	Net Profit / (Loss) after tax	<u>9,464,315</u>	<u>65,026,063</u>
3	Other Information :		
	<i>Segment Assets</i>		
	a. Plastic Moulded Products	302,693,085	215,254,238
	b. Wooden Furniture Products	541,012	2,011,553
	Total Assets	<u>303,234,097</u>	<u>217,265,791</u>
	<i>Segment Liabilities</i>		
	a. Plastic Moulded Products	41,441,644	72,786,195
	b. Wooden Furniture Products	213,623	2,000,000
	Total Liabilities	<u>41,655,267</u>	<u>74,786,195</u>

12 Additional Information as required under Part IV of Schedule VI of the Companies Act. 1956

Balance Sheet Abstract and Company's General Profile.:

I. Registration Details :

Registration No.	44707
State Code	11
Balance Sheet Date	31.03.2009

II. Capital Raised during the year :

Public Issue	Nil
Rights Issue	Nil
Bonus Issue	Nil
Private Placement	Nil

III. Position of Mobilisation and Development of Funds :

Total Liabilities	318092313
Total Assets	318092313

Sources of Funds :

Paid -up Capital	91,296,000
Share Application Money	—
Reserve & Surplus	118,660,185
Secured Loans	66,446,234
Unsecured Loans	41,689,894

Application of Funds :

Net Fixed Assets	114,327,257
Investments	1,000
Net Current Assets	146,493,401
Deferred Tax Assets	56,133,942
Misc. Expenditure	—
Accumulated Losses	—

IV. Performance of Company :

Turnover	381,752,679
Total Expenditure	369,832,985
Profit /(Loss) Before Tax	11,919,694
Profit /(Loss) After Tax	2778572
Earning Per Share (Rs.)	0.30
Dividend Rate%	—

V. Generic Names of Three Principal / Services of Company (as per monetary terms)

Item code No. (ITC Code)	9403
Product Description	Moulded Furniture
Item code No. (ITC Code)	3924
Product Description	Plastic Crates
Item code No. (ITC Code)	3925
Product Description	Houseware

As per our attached Report of even date

FOR AND ON BEHALF OF THE BOARD

For SHETH DOCTOR & ASSOCIATES

Chartered Accountants

PARESH S. DOCTOR

Partner

Membership No. 36056

PLACE : MUMBAI

DATE : 30.06.2009

VINOD V. PAREKH

CHAIRMAN

PARESH V. PAREKH

MANAGING DIRECTOR

UMESH SHENOY

V. P - FINANCE

CASH FLOW FOR THE YEAR ENDED MARCH, 31ST 2009

(pursuant to the listing agreement with stock exchange)

	March 31, 2009 (Rs. In Lakhs)		March 31, 2008 (Rs. In Lakhs)	
A. Cash flow from operating activities				
Net profit Before Tax & Extra - Ordinary		1.22		81.34
Less : Prior year adjustment	0.00	0.00	-0.59	-0.59
		1.22		80.75
Adjusted for				
Depreciation	1.26		126.38	
Loss on Sale of Assets	0.12			
Interest Charged (Net)	0.88	2.26	38.90	165.28
Operating profit before working capital changes		3.48		246.03
Changes in				
Trade & other receivables	2.16		83.57	
Inventories	-1.81		-144.43	
Loans and advances	-0.29		-3.57	
Taxes Paid	-0.03		14.99	
Trade payables & provisions	5.08	5.11	469.32	419.88
Cash generated from operations		-1.62		665.91
Cash flow before extra-ordinary items		-1.62		665.91
Extra-ordinary items (Deferred revenue Expen.)		—		—
Net cash from operating activities			-1.62	665.91
B. Cash flow from investing activities				
Purchase of fixed assets		0.67		-91.30
Sale of Fixed assets		0.05		—
Purchase/sale of investments (FDR with Bank)		0.08		-5.35
Interest received		0.00		6.84
Net cash used in investing activities			0.54	-89.81
C. Cash flow form financing activities				
Proceeds from borrowings (Waiver Benefit)				
Repayment of Borrowings		0.58		-401.66
Unsecured loan		2.75		-129.75
Interest paid		0.88		-45.74
NET CASH USED IN FINANCING ACTIVITIES			2.45	-577.15
NET CHANGES IN CASH & CASH EQUIVALENTS (A-B+C)			0.29	-1.05
CASH & CASH EQUIVALENTS- OPENING BALANCE			0.26	27.94
CASH & CASH EQUIVALENTS- CLOSING BALANCE			0.55	26.06

PLACE : MUMBAI
DATE : 30.06.2009

Vinod V. Parekh : Chairman
Paresh V. Parekh : Managing Director
Umesh L. Shenoy : Vice President - Finance

AUDITORS' 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 31, 2009 and found the same to be drawn in accordance therewith requirements of Clause 32 of the listing agreements with stock exchanges.

For SHETH DOCTOR & ASSOCIATES
Chartered Accountants

PLACE : MUMBAI
DATE : 30-06-2009

PARESH S. DOCTOR
(Partner)



NATIONAL PLASTIC INDUSTRIES LIMITED

Regd. Office: 412, Rewa Chambers, New Marine Lines, Mumbai - 400 020

DP ID No. _____

Client ID No. _____

ATTENDANCE SLIP

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

Name of 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 22nd ANNUAL GENERAL MEETING to be held on Tuesday, 22nd September, 2009 at 11.00 a.m at Vishal Hall, Hall No. 1, Vishal Shopping Centre, Hotel Highway Inn, Andheri Kurla Road, Andheri (East), Mumbai - 400 069.

Signature of Shareholder / Proxy

-----Tear Here-----



NATIONAL PLASTIC INDUSTRIES LIMITED

Regd. office: 412, Rewa Chambers, New Marine Lines, Mumbai - 400 020

DP ID No. _____

Client ID No. _____

PROXY FORM

Members Folio No.: _____

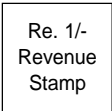
I/We of _____ of _____

Being a member/members 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 22nd Annual General Meeting to be held on Tuesday, 22nd September, 2009 at 11.00 at Vishal Hall, Hall No. 1, Vishal Shopping Centre, Hotel Highway Inn, Andheri Kurla Road, Andheri (East), Mumbai - 400 069., or at any adjournment thereof.

Signed the _____ day of _____ 2009.

Date: _____



- NOTE:
1. The Instrument of Proxy form shall be deposited at the Registered Office of the Company not less than 48 hours before holding of 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.