

POLYMECHPLAST MACHINES LTD.



25th Annual Report 2011-2012

A Promise to Commitment & Growing Satisfaction



TWENTY FIFTH ANNUAL REPORT 2011 - 2012

BOARD OF DIRECTORS	
Mr. K.R. Bhuva	(Chairman & Managing Director)
Mr. M.R. Bhuva	(Executive Director)
Mr. H.P. Bhuva	(Executive Director)
Mr. D.A. Pathak	(Director)
Mr. V.V. Vachharajani	(Director)
Mrs. H.D. Pathak	(Director)
Ms. Preeti Pola	(Company Secretary)
REGISTERED OFFICE & WORKS	
"Gold Coin House" Plot No. 775, G.I.D.C. Industrial Estate, Makarpura, Vadodara - 390 010. Ph. : (0265) 2632210 E-mail : goldcoin@polymechplast.com Visit us at : www.polymechplast.com	
BAMANGAM UNIT	
Plot No. 515,520,521 & 519A At & Post. Bamangam, Tal. Karjan, Dist. Vadodara	
MUMBAI BRANCH OFFICE	
D-103, Lata Annexe, Goyal Complex, Near National Park, On Western Express Highway Borivali (E), Mumbai - 400066.	
DELHI BRANCH OFFICE	
411, Aggrawal Prestige Mall, Plot No.2 Road No.44, Pitampura (Near M2K) New Delhi - 110034. Phone : (011) 27028101, 65170869	
KOLKATA BRANCH OFFICE	
Room No. 4-C, 4th Floor, Sunderam Building, 46-F Rafi Ahmed Kidwai Road, Kolkata - 700016. Ph. : (033) 22298400 Fax : (033) 22216650	
BANGALORE BRANCH OFFICE	
Swastik Manandi Arcade, 401/2, T/2, Subedar Chatram Road, Seshadripuram, Bangalore - 20.	

AUDITORS	
PARIKH MEHTA & ASSOCIATES Chartered Accountants 101, Shiv Shakti, 84, Sampatrao Colony, Behind Ivory Terrace, R. C. Dutt Road, Vadodara - 390 007.	
BANKERS	
INDIAN OVERSEAS BANK Makarpura Branch, Erda Road, Vadodara - 390 010.	
HDFC BANK LTD Arunoday Society, Alkapuri, Vadodara - 390 007.	
REGISTRAR & SHARE TRANSFER AGENT	
MCS LTD. Neelam Apartment, 88, Sampatrao Colony, Above Chhapanbhog Sweets, Alkapuri, Vadodara - 390 007.	
Contents	Pages
1. Notice	1
2. Directors' Report	2
3. Corporate Governance Report	5
4. Management Discussion & Analysis	11
5. Certification Corporate Governace	12
6. Auditors' Report	13
7. Balance Sheet	16
8. Profit & Loss Account	17
9. Cash Flow Statement	18
10. Schedules	19
11. Notes on account	29
12. Balance Sheet Abstract	34
13. Proxy Form	

NOTICE

NOTICE is hereby given that the 25th Annual General Meeting of the members of the Company will be held on Tuesday the 28th August, 2012 at 11.00 a.m. at the Registered office of the Company at 775, G.I.D.C. Industrial Estate, Makarpura, Vadodara - 390 010 to transact the following business:

ORDINARY BUSINESS :-

1. To receive, consider and adopt the Audited Balance Sheet as on 31st March, 2012 and the Profit and Loss Account of the Company for the year ended on even date along with the Reports of the Directors' and Auditors' thereon.
2. To appoint a Director in place of Mr. V. V. Vachchrajani who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint a Director in place of Mr. H.P. Bhuva. who retires by rotation and being eligible offers himself for re-appointment.
4. To appoint Auditors to hold office from the conclusion of the ensuing Annual General Meeting up to the conclusion of the next Annual General Meeting and to fix their remuneration.

FOR AND ON BEHALF OF THE BOARD

Date : 29th May., 2012
Place : Vadodara

K. R. Bhuva
Chairman & Managing Director

NOTES

1. MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ALSO ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND SUCH PROXY NEED NOT BE A MEMBER OF THE COMPANY.
2. PROXY FORM MUST REACH THE COMPANY'S REGISTERED OFFICE AT LEAST 48 HOURS BEFORE THE TIME FOR HOLDING THE MEETING.
3. Pursuant to Section 154 of the Companies Act, 1956, the Register of Members and Share Transfer Books of the Company will remain closed from 27-08-2012 to 28-08-2012 (both days inclusive).
4. Members are requested to notify immediately any change in their address to the Company.
5. In Line with " GREEN INITIATIVE" of the Ministry of Corporate Affairs vide their circular dated 06-06-2012, member are requested to send their consent to receive communication electronically at the e-mail address in the format appearing in last page of this report.

DIRECTORS' REPORT

Dear Members,

Your Directors have pleasure in presenting their Twenty Fifth Annual Report together with the Audited Statement of Accounts for the Financial Year ended on 31st March, 2012.

1) FINANCIAL AND WORKING RESULTS :

PARTICULARS	ENDED ON 31.03.2012 (Rs.)	ENDED ON 31.03.2011 (Rs.)
Total Income	242328190	255933955
Profit Before Taxation & Depreciation	9135482	18954277
(Less):- Depreciation	(2226027)	(1817317)
Profit Before Tax	6909455	17136960
Add/(less) : Deferred Tax	(759789)	(184754)
(Less): Provision for Taxation	(1445337)	(2800000)
(Less): Litigation Settlement Exp.	NIL	(3367573)
(Less) : Prior year adjustment	NIL	NIL
Profit After Taxation	4704329	10784633
Add : Balance Brought forward	12776744	1992111
BALANCE CARRIED TO BALANCE SHEET	17481073	12776744

(2) YEAR IN RETROSPECT :

In spite of turbulent market world over as well as inflationary pressure including inability to fully pass on increase in input cost to the customers, total income of the Company has dropped only marginally of about 5.32%. Moreover, the Company has earned higher operating profit of Rs. 47.04 lacs for the year ended 31st March, 2012 as against Rs. 20.26 lacs (excluding extraordinary profit of Rs. 87.59 lacs out of sales of assets) for the previous year ended 31st March, 2011.

(3) FUTURE PROSPECTS :

(i) Upgradation of Product line :

The Company has upgraded its product line (a) by adapting to servo power technology in its process enabling its customers to have substantial savings in their electrical consumption and consequent reduction in power bill. Customers have started placing orders showing preference for upgraded product line. (b) The Company has also carved out its market of bigger size machines. Positive impact of the same in the turnover and profitability is likely to be witnessed in the years to come.

(ii) Consolidation of marketing strength :

- (a) Branch office at Bangalore has been fully operational enabling the Company to consolidate its marketing strength in South Region too.
- (b) The Company has increased its workforce at Mumbai region office which would enable the Company to enhance its marketing strength domestically & globally,
- (c) The Company would participate in Inplas'12 Exhibition at Kolkata 2012 ranking No. 3 in India and display its major products there. It would go a long way in boosting marketability of our products.

(iii) Pending orders :

The Company has pending orders of about Rs. 7 crores on hand.

(4) AUDITORS REPORT :

Note-23 of "Notes to Financial Statements" is self explanatory in respect of Auditors Remark in **Clause4(d)** of their Report relating to **AS-29** (Provisions, Contingent Assets and Liability)

The Company has accepted / renewed fixed deposits in compliance with the Companies (Acceptance of Deposits) Rules, 1975.

(6) DIVIDENDS :

By keeping in view, long terms interest of the Company, your Directors do not recommend any dividend for the year under review.

(7) EXPORTS :

During the year under review, the Company has attained export of Rs. 38851768/- as against Rs. 84,11,818/-

(8) PARTICULARS OF EMPLOYEES :

There was no employee drawing remuneration of Rs. 60, 00,000 p. a. or Rs. 5,00,000 p. m. for the part of the year or more and hence no particulars have been furnished as prescribed under Section 217 (2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees Rule, 1975)

(9) ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE :

Information on conservation of energy, technology absorption, foreign exchange earnings and outgo as required to be disclosed in terms of Section -217 (1) (E) of the Companies Act, 1956, read with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules 1988 is annexed and forms part of this report.

(10) DIRECTORS' RESPONSIBILITY STATEMENT :

- (I) Your Directors have followed the applicable accounting standards along with proper explanation relating to material departures, if any, while preparing the Annual Accounts.
- (II) Your Directors have selected such Accounting Policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of financial year and of the profit of the Company for the period.
- (III) Your Directors have taken proper and sufficient care for the maintenance of adequate Accounting 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) Your Directors have prepared the Annual Accounts on a going concern basis.

(11) DIRECTORATE :

Mr. H. P. BHUVA and **Mr. V. V. Vachcharajani** retire at the ensuing Annual general Meeting and being eligible, offer themselves for their reappointment as retiring Directors.

(12) AUDITORS :

M/s. PARIKH MEHTA & ASSOCIATES, Chartered Accountants, Auditors of the Company retire at the conclusion of this Annual General Meeting. They have confirmed that their reappointment, if made would be within the limit of Section 224 (1) (b) of the Companies Act, 1956. You are requested to appoint Auditors and fix their remuneration.

(13) ACKNOWLEDGMENTS :

Your Directors wish to thank the Bank, Government authorities, Customers, Suppliers and Shareholders for their continued support. Your Directors also take this opportunity to record their appreciation for the contributions, made by all the employees to the operations of the Company during the year.

FOR AND ON BEHALF OF THE BOARD

Date : 29-5-2012

Place : Vadodara

K. R. Bhuva

Chairman & Managing Director

ANNEXURE TO THE DIRECTORS' REPORT, 2011-2012 pursuant to

The Companies (Disclosure of the Report of Board of Directors) rules, 1988.

A) CONSERVATION OF ENERGY :

Your Company has taken sufficient steps for Energy Saving in newly constructed assembly building by fitting exhaust ventilator fan electronic power saving lamp and tubes etc.

B) TECHNOLOGY ABSORPTION :

Your Company has adapted to Servo Power Technology in its process and thereby upgraded its product line.

Research and Development (R & D):

1. SPECIFIED AREA:

- i. Development of Servo variable pump control technology in the Injection Moulding Machine will result into the tremendous power saving to the end user
- ii. Development of two big size machines.

2. BENEFITS DERIVED :

Upgraded product line would enable the customers to have substantial saving in their electrical consumption and consequent reduction in their power bill.

1. Future Plan :

Upgradation of as well as addition of bigger size machine in the product line would have positive impact on turnover and profitability of the Company in the years to come.

C) FOREIGN EXCHANGE EARNING AND OUTGO

- 1. Expenditure in foreign currency Rs. 39960759/- (P.Y. Rs. 4, 30, 42,733/-) on account of traveling /supplier payment.
- 2. The Company has made the direct export worth of Rs. 38851768/- (Previous year Rs. 84, 11,818/-).

FORM - A

Form for Disclosure of Particulars with respect to conservation of Energy.

Power and fuel consumption :

1. Electricity -

(a) Purchased (Rs.)

	CURRENT	PREVIOUS
	H.O.	H.O.
	-----	-----
Unit	178507	144908.00
Total Amount	937357	853238.00
Rate / Unit (Rs.)	5.25	5.89
 (b) <u>Own generation</u>		
(i) Through diesel generation	Not Applicable	Not Applicable
(ii) Through steam turbine/ generator	Not Applicable	Not Applicable
 2. <u>Coal (Specify quality and where used)</u>	 Not Applicable	 Not Applicable
 3. <u>Furnace Oil</u>	 Not Applicable	 Not Applicable
4. <u>Others/ internal generation</u>	Not Applicable	Not Applicable

B. Consumption per unit of production (Plastic processing machines i.e Injection & Blow Molding Machines and their parts)

	-----	-----	-----
	Standards	Current Year	Previous
		(if any)	Year
	-----	-----	-----
Products			
<u>(with details) Unit</u>	-	178507	144908
Furnace Oil	-	Nil	Nil
Coal (Specify quality)	-	Nil	Nil
Others (Specify quality)	-	Nil	Nil

For AND ON BEHALF OF THE BOARD

Date : 29-5-2012
Place : Vadodara

K. R. Bhuvu
Chairman & Managing Director

CORPORATE GOVERNANCE REPORT

(I) COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE

The Company believes that sound corporate practices based on openness, credibility and accountability are essential for its long term success. These practices will ensure the Company, having regard to competitive exigencies; conduct its affairs in such a way that would build the confidence of its various stakeholders in it and its Board's integrity. Composition of Board of Directors as on 31.03.2012

(II) BOARD OF DIRECTORS

The Board of Directors comprises of six members out of whom three are Executive Directors and three are Non Executive Directors, who being in wide range of skills and experience to the Board. The Company has an Executive Chairman and one half of the Board Comprises of Independent Directors. The composition of the Board is in conformity with Clause 49 of the Listing Agreement.

The Board of Directors are presented with all the material financial information reflecting the corporate operations including Capital and revenue budget of the year, annual achievements and analysis of variation, if any, by way of agenda papers. Agenda of the Board also includes minutes of Audit Committee, Remuneration Committee, Shareholders;/ Investor' Grievance Committee and materially important show cause notices, demand, prosecution and penalty notice, if any. All other information as required under Clause 49 of the Listing Agreement is also made available to the Board.

COMPOSITION OF BOARD OF DIRECTORS AS ON 31-03-2012.

Name of Director	Category of Director	No. of Board Meeting Attended	Attendance at Last AGM held on 4th September, 2010
Mr. K. R. Bhuva (Managing Director)	Promoter Executive	17	Yes
Mr. M. R. Bhuva (Whole time Director)	Promoter Executive	17	Yes
Mr. H. P. Bhuva (Whole time Director)	Promoter Executive	1	Yes
Mr. D. A. Pathak	Independent Non Executive	17	Yes
Mr.V. V. Vachcharajani	Independent Non Executive	17	Yes
Mrs. H. D. Pathak	Independent Non Executive	17	Yes

* Mumbai based Whole time Director

- (Mr. Devesh A. Pathak is a Director as well as member of the Audit Committee of M/s. All India Origin Chemists and Distributors Ltd. and Samshi Pipe Industries Ltd.

No other Director holds Directorship or membership of any Committee in any other Company.

The meetings of the Board of Directors were held on 23rd April, 2011, 15th May, 2011, 27th July, 2011, 30th July, 2011, 11th August, 2011, 25th August, 2011, 22nd September, 2011, 24th September, 2011, 15th October, 2011, 01st November, 2011, 12th November, 2011, 14th December, 2011, 30th January, 2012, 11th February, 2012, 21st February, 2012, 23rd February, 2012 & 30th March, 2012.

The time gap between two meetings did not exceed four months. Leave of absence was granted by the Board to the Directors who were absent at the respective Board Meeting(s).

Remuneration paid to the CMD & Executive Directors

Particulars	Mr. K. R. Bhuvu (Managing Director)	Mr. M. R. Bhuvu (Executive Director)	Mr. H. P. Bhuvu (Executive Director)
Salary Rs.	7,20,000.00	6,60,000.00	6,60,000.00
Contribution to PF. & Superannuation Fund Rs.	86,400.00	79,200.00	64,629.00
Other Benefits & allowance Rs.	3,44,160.00	3,12,795.00	3,05,024.00
Total Rs.	11,50,560.00	10,51,995.00	10,29,653.00

Remuneration paid to the Non Executive Directors

Non Executive Directors are not being paid any remuneration except sitting Fees as detailed below

Name of Director	Sitting Fees
Mr. Devesh A. Pathak	Rs. 8500.00
Mr. V.V.Vachharajani	Rs. 8500.00
Mrs. H. D. Pathak	Rs. 8500.00

Committees of the Board

The Board of Directors have constituted three committees in compliance of the Corporate Governance norms, viz. Audit Committee, Shareholders'/Investors' Grievances Committee and the Remuneration Committee. Minutes of these Committee Meetings are circulated and subsequently noted by the Board

III AUDIT COMMITTEE

Composition of the Audit Committee as on 31.03.2012

The Audit Committee of the Board comprises of three independent Non Executive Directors as detailed below:

Sr. No.	Name of Directors	Designation	No. of Meetings Attended
1.	Mr. Devesh A. Pathak	Chairman	4
2.	Mr. V. V. Vachcharajani	Member	4
3	Mrs. H. D. Pathak	Member	4

The constitution of the Committee meets with the requirement of the provisions of Section 292A of the Companies Act, 1956 and Clause 49 of the listing Agreement pertaining to Audit Committee and its functioning. The terms of reference, role and scope of the Committee are in line with the aforesaid requirements.

Dates of Audit Committee Meetings.

The meetings of the Audit Committee were held on 11th May, 2011, 30th July, 2011, 12th November 2011 & 30th January 2012. All the members of the Audit Committee have financial and accounting knowledge. The Audit Committee invites such of the executive as it considers appropriate to be present at its meeting. The Audit Committee Meetings are also attended by Managing Director, Executive Director and the representatives of Statutory Auditor. Mr. Dilip Shah, Compliance Officer acts as the Secretary of the Audit Committee.

(IV) REMUNERATION COMMITTEE

The remuneration policy of the Company is aimed at rewarding performance based on systematic and periodical review of achievements. The remuneration policy is in consonance with the prevailing industrial practices and laws.

All the members of the committee viz. Mr. Devesh A. Pathak the Chairman of the Remuneration Committee and other member viz. Mr. V. V. Vachcharajani and Mrs. H. D. Pathak other members are Non- Executive and independent Directors.

Terms of reference

The remuneration and other terms of appointment of the Executive Directors are approved by the Board of Directors subject to approval of shareholders.

The agreement with the Managing Director and whole time Director is contractual in nature. The Agreement may be terminated by either party giving three months' notice or remuneration in lieu thereof.

(V) SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

Composition of Shareholders'/Investors' Grievance Committee as on 31st March, 2012

The Shareholders'/ Investors' Grievance committee constituted by the Board Comprises of Mr. D. A. Pathak as a Chairman and Mr. K. R. Bhuva, and Mr. M. R. Bhuva, as members. The Committee supervises the systems of redressal of investor Grievances and ensures cordial investor relations.

Mr. Dilip Shah, Asst. Manager (Share & Legal) acts as a compliance officer of the Company.

Terms of reference

The Board of Directors has delegated the power of overseeing transfer and transmission of shares and other matters like consolidation of Certificates, issue of duplicate share certificates, dematerialization. Rematerialization of shares, as well as shareholders./ Investors grievance resolution to the Committee. All these matters are dealt with by the Committee, which meets regularly every quarter.

In accordance with Clause 49(VI)(D) of the Listing Agreement with the Stock Exchange, the Committee has authorized Mr. M.R. Bhuva, as authorized signatory to approve share transfer, transmissions, dematerialization/ rematerialization of shares.

During the year, the Company has received 05 nos. of complaints from the shareholders, and all the complaints have been appropriately addressed and no complaints are pending at the end of the period.

(VI) GENERAL BODY MEETINGS

The last three Annual General Meetings (AGMs) of the Company were held at the Registered Office of the Company at Plot No. 775, G. I. D. C., Makarpura, Vadodara- 390010 as detailed below:

Financial Year ended	Date	Day	Time	No. of Special Resolution
31.03.2009	08.08.2009	Saturday	11.00 A.M	3
31.03.2010	04.09.2010	Saturday	11.00 A. M	1
31.03.2011	22.09.2011	Thursday	11.00 A.M	3

Process of the Annual General Meeting

The Company advocates and follows a very transparent system of management and encourages shareholders' participation in the Annual General Meeting. The Company ensures that the Notice of the AGM, along with the Annual Report of the Company is dispatched to the shareholders well in advance to enable them to participate in the meeting.

(VII) DISCLOSURES

1. During the year, the Company has not entered into any transaction of material nature with its promoters, Directors or the management, their subsidiaries or their relatives etc. which may have potential conflict with the interests of the Company at large.
2. The Board has received disclosures from key personnel relating to material, financial and commercial transactions where they and/or their relatives have personal interest. There are no materially significant related partly transactions, which have potential conflict with the interest of the Company at large.
3. There was no material non-compliance during the last three years by the Company on any matters and no penalties were imposed or strictures passed on the Company by Stock Exchanges, SEBI or by any Statutory Authority related to Capital Market.

(VIII) MEANS OF COMMUNICATION

1. The Quarterly financial results of the Company are forwarded to the Stock Exchange immediately upon approval by the Board of Directors and are published in national and local dailies
2. The financial results and other information are proposed to be displayed in the Company's website. www.polymechplast.com
3. The aforesaid website of the Company also displays the official news releases of the Company.
4. Management Discussion & Analysis also forms part of this Annual Report, which is being dispatched to the shareholders of the Company.

(IX) GENERAL SHAREHOLDER INFORMATION

Annual General Meeting

The Twenty Fifth Annual general Meeting of the Company is scheduled to be held on :

Date & Time : at 11.00 A. M

Venue : Registered Office at 775, G. I. D.C
Makarpura, Vadodara- 390010

Listing of Stock Exchange and the Stock Code Allotted

The Company's Equity Shares are presently listed at following Stock Exchange:

The Vadodara Stock Exchange Ltd. (Regional Stock Exchange):

Bombay Stock Exchange Ltd.

-- Stock Code : 526043

-- ISIN : INE 809B01014

Market Price Data

High, Low Market price during each month and trading volumes of the Company's Equity Shares during the last financial year at Bombay Stock Exchange Ltd (BSE) is tabled below:

Month	April-2011	May-2011	June, 2011	July, 2011	August, 2011	September, 2011
High (Rs)	9.07	10.05	8.30	8.00	7.37	6.83
Low (Rs.)	7.12	8.30	7.00	7.00	5.75	5.55
Month	October-2011	November-2011	December-2011	January, -2012	February-2012	March-2012
High (Rs)	6.25	6.17	6.40	6.60	8.82	10.34
Low (Rs.)	5.40	4.45	4.92	5.70	6.30	8.79

Registrar and Share Transfer Agent (RTA)

The Company has complied with the SEBI direction of appointment of common agency for both the physical and electronic form of shareholding. M/s. MCS Limited, Neelam Apartment, 88, Sampatrao Colony, Above Chhappanbhog, Alkapuri, Vadodara act as the Registrar and Transfer Agent (RTA) for the equity shares of the Company for physical and electronic form.

Book Closure Date: 27-08-2012 to 28-08-2012

Dividend: NIL

Financial Calendar for 2012-2013 (tentative)

The next financial year of the company is 1st April, 2012 to 31st March, 2013

The quarterly results will be approved by the Board of Directors as per the following tentative schedule:

For quarter ending	By
June, 2012	14 th August, 2012
September, 2011	14 th November, 2012
December, 2012	14 th February, 2013
March, 2013	14 th May, 2013 / 30th May (Audit) 2013

The Company has already paid Listing Fees up to 31.03.2013 to all the Stock Exchanges where the shares of the Company are listed

Share Transfer System

Share transfers in prescribed form can be lodged with the RTA's address or at the registered office of the Company. The transfers are normally processed by the Registrar and Transfer Agent within 21 days from the date of receipt if the documents are complete in all respects. Share transfers under objection are returned within two weeks. The Committee meets regularly normally once in quarter to consider and oversee all the transfer proposals. Dematerialization of shares are processed and the confirmation is given to the respective depositories i.e. National Securities Depository limited (NSDL) and Central Depository Services Limited (CDSL).

Distribution of Share Holding as on 31st March, 2012

Holding Amount (Rs.)	Shareholders		Shares	
	Shares	Folios	% shares	% Holders
1 to 500	1529670	8860	26.5039	88.3526
501 to 1000	753145	885	13.0494	8.8253
1001 to 2000	202751	128	3.5129	1.2764
2001 to 3000	96015	37	1.6636	0.3690
3001 to 4000	81931	23	1.4196	0.2294
4001 to 5000	76955	16	1.3334	0.1596
5001 to 10000	229774	31	3.9812	0.3091
10,001 to 50,000	934806	34	16.1969	0.3391
50,001 to 1,00,000	459800	6	7.9667	0.0598
And above	1406653	8	24.3724	0.0797
Total	5771500	10028	100.000	100.000

Dematerialization of Shares

The Company's shares are compulsorily traded in dematerialized form and are available for trading on both the Depositories in India- National Securities Depositories Ltd. (NSDL) and Central Depository Services Ltd. (CDSL). Equity Shares of the Company representing % of the Share Capital are dematerialized up to 31st March, 2012

Share holding Pattern as on 31st March, 2012

Category	No. of Shares Held	% of share Holding
Promoters	19,61,518	33.99
Institutional Investors	Nil	-
Banks, FI's Insurance Companies	Nil	-
Private Corporate Bodies	189587	3.29
NRI's OCB's (other than Promoter Group)	111146	1.92
Other Trust & foundations	Nil	-
Indian Public	3509249	60.80
Total	5771500	100.00

Distribution of Share Holding as on 31st March, 2012

--Number, of GDR outstanding: NIL AS AT 31st March, 2012

Plant Location : "Gold Coin House" Plot No. 775, G. I. D.C. Industrial Estate, Makarpura, Vadodara- 390010

(X) COMPLIANCE

As stipulated by Listing Agreement with the Stock Exchange, the Company has obtained the certificate regarding compliance of Corporate Governance from M/s. Devesh Vimal & Co. Practicing Company Secretaries which appears as a part of the Annual Report of the Company

(XI) ADDRESS FOR CORRESPONDENCE

Shareholders' correspondence should be addressed to the Company's RTA's address. Members may also write to the Company's Registered Office mentioned above. Instructions regarding change of address, nomination and power of attorney executed by the Shareholders should be given directly to the respective Depository Participants.

Name of Director	Mr. H.P. Bhuva	Mr. V. V. VACHCHRAJANI
Date of Birth	18th January, 1965	1ST OCTOBER, 1969
Date of Appt.	24th November, 1998	9th September, 2004
Expertise	Industrialist	Company Secretary
Qualifications	Diploma in Pharmaceutical	B.Com, LL.B, F.C.S, ICSAI
List of Companies in which outside Directorship held as on 31st March, 2012	N.A	N.A.
Chairman/ Member of the Committee of the Board of the other Companies on which he is a Director as on 31st March, 2011	N.A	N.A

f. Code of Conduct

The Company has formulated Code of Conduct for Board Members and Senior Management Personnel of the Company inline with Clause 49 (I) (D) of the Listing Agreement. Board members and Senior Management personnel have confirmed their compliance with Code of Conduct for the year ended 31st March, 2012.

g. CEO/CFO Certification

Managing Director and Sr. Manager (Finance & Accounts) of the Company have certified to the Board regarding the Financial Statements for the year ended 31st March, 2012 in compliance with Clause 49 (V) of the Listing Agreement.

Place : Vadodara
Date : 29-5-2012

K. R. Bhuva
Chairman & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

INDUSTRY STRUCTURE AND DEVELOPMENTS

Though US economy has exhibited sustained improvement and appears to be poised for slow but steady growth, global economy as a whole is yet to recover especially due to continued uncertainty in euro zone in view of high debt level and austerity measures.

However, on domestic front, in view of lower per capita steel consumption of 50 kg as against 405 kg of China, 490 kg in Japan and world average consumption of 180 kg, India is likely to witness increase in demand by 12 million MT.

OPPORTUNITIES AND OUTLOOK

Consolidation of market strength, adaptation to servo power technology enabling our customers to have substantial saving in power and cost as also added strength to manufacture bigger size of machines would enable the Company to obtain higher turnover and profitability.

FINANCIAL PERFORMANCE WITH RESPECT TO OPERATIONAL PERFORMANCE

Total Income and Net Profit of the Company were Rs. 242328190/- and Rs. 4704329/- respectively during the year under review as against Rs 254664205/- and Rs. 10784633/- in the previous year.

RISK MANAGEMENT

Pessimism in global economy is not likely to go soon in view of financial crisis in US economy followed by uncertainties in euro zone. Market Conditions and variation in the prices of raw material coupled with Government Policy on exports constitute major external risk to the Company.

The Company utilizes steel as its raw material and the Company may not be able to pass on increase in price of inputs which may affect it adversely.

In order to meet the challenges of marketing conditions, the Company has taken aggressive steps to consolidate its marketing strength as also quality improvement & upgradation

INTERNAL CONTROL SYSTEM AND THEIR EFFICACY

The Company has an adequate system of internal control and checks supported and monitored by well-developed Management Information System to ensure and every business transaction are carried out effectively and efficiently as per laid down procedure and appropriately delegated authority.

The Company also has a system of Annual Business Plan including budget and significant variation for the annual plan and budget are reported on quarterly basis to the Board through the Audit Committee.

STATUTORY COMPLINES

Based on the review of the working of each department, adequate steps are taken to ensure legal compliance.

QUALITY

The Company gives major thrust to the quality and it is constant endeavor to give value for money to our customers by providing high quality products at affordable prices. We have achieved such reduced cost due to the benefit of economies of scale. We have been concentrating on the 'Advantage Model'. Prompt after sales services have also helped in maintaining and widening the range of our present and prospective customers.

MATERIAL DEVELOPMENT IN HUMAN RESOURCES/INDUSTRIAL RELATIONS

The Company has been organizing various seminar & workshops on Personality development for increasing productive efficiency of the workers.

These seminars have helped the employees of the Company in achieving the higher efficiency leading to achievement of organizational goals of the Company as a whole.

It has also created an environment of proximity entirely and mutual understanding among the employees in the Company apart from morale boosting.

CAUTIONARY STATEMENT

Statement in this management discussion and analysis detailing the Company's objectives, projections, estimates, expectations or predictions may be "forward looking" statements within the meaning of applicable securities laws and regulations. Actual results may differ materially from those expressed or implied. Important factors that make difference to the Company's operations include global and Indian demand supply conditions, finished goods prices, feed availability and prices, cyclical demands and pricing in the Company's principal markets, changes in Government regulations, economic development within India and the countries within which the Company carries on business and other factors like litigation and labour negotiations.

CERTIFICATE ON CORPORATE GOVERNANCE

The members
Polymechplast Machines Ltd.
Vadodara.

We have examined the compliance of conditions of corporate governance by Polymechplast Machines Limited, for the financial year began on 1st April, 2011 and ended on 31st March, 2012 as stipulated in Clause 49 of the Listing Agreements of the said Company with Stock Exchange in India.

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 conditions of Corporate governance. It is neither an audit nor an expression of the opinion on the financial statements of the Company

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

We state that in respect of investor grievances received during the year ended 31st March, 2012 no investor grievance is pending against the Company for a period exceeding one month as per the records maintained by the Company.

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

Date : 29-5-2012
Place : Vadodara

For Devesh Vimal & Co.
Practising Company Secretaries

Partner
Membership No. ACS:26007
CP No. 9325

AUDITORS' REPORT

To
The Members
Polymechplast Machines Ltd.
Vadodara.

1. We have audited the attached Balance Sheet of **POLYMECHPLAST MACHINES LTD.** as on **31st March 2012**, and also the Profit and Loss Account for the period ended on that date annexed thereto and the cash flow statement for the period ended on that date annexed thereto. These financial statements are the responsibility of the Company's Management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We conducted our audit in accordance with auditing standards generally accepted in India. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditor's Report) Order, 2003 Issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Companies Act, 1956, we enclose in the Annexure a statement on the matters specified in paragraph 4 and 5 of the said Order.
4. Further to our comments in the Annexure referred to above, we report that:
 - a. We have obtained all the information and explanation, which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b. In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - c. The Balance Sheet, Profit and Loss Account and Cash flow statement dealt with by this report are in agreement with the books of account;
 - d. In our opinion, the Balance Sheet, Profit and Loss Account and Cash flow statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of 'The Companies Act' 1956;
Except :-
AS-29 : Provisions, Contingent Assets and Contingent Liability (Refer Note-23 OF " Notes to Financial Statements")
 - e. On the basis of written representations received from the directors, as on 31st March 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956;
 - f. In our opinion and to the best of our information and according to the explanations given to us, subject to our notes read thereon the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :
 - a) in the case of the Balance Sheet, of the state of affairs of the Company as at 31st March 2012.
 - b) in case of Statement of Profit and Loss of the **profit** of the Company for the year ended on that date and
 - c) in case of Cash Flow statement, of the Cash Flows for the year ended on that date.

For PARIKH MEHTA & ASSOCIATES
Chartered Accountants
Firm Reg. No. 112832 W

Ashish Parikh
Partner
Membership No. 116745

Place : Vadodara.
Date : 29/05/2012

ANNEXURE TO THE AUDITORS' REPORT

REFERRED TO IN PARAGRAPH 1 OF OUR REPORT OF EVEN DATE

- i. (a) The Company has not maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) According to the information and explanation given to us, the fixed assets have been physically verified by the management during the year in a phased periodical manner which, in our opinion is reasonable having regard to the size of the company and the nature of the assets. No material discrepancies were noticed on such verification.
- (c) No significant part of the fixed assets has been disposed off or revalued during the year.
- ii. (a) As explained to us, the inventories have been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable having regard to the size of the company and the nature of its business.
- (b) In our opinion, according to the information and explanation given to us, the procedures of physical verification of inventories followed by the management are reasonable and adequate in relation to the size of the company and the nature of the business.
- (c) The company has maintained proper records of the inventory. As explained to us there is no material discrepancies noticed on physical verification of having regard to the size of the operations of the company.
- iii In our opinion, according to the information and explanation given to us, the company has neither granted nor taken any loans, secured or unsecured to/from companies, firms or other parties covered under section 301 of the Companies Act 1956.

Sr. No.	Particulars	Amount (Rs)
1.	H. R. BHUVA	821360.00
2.	K.R.BHUVA	518488.00

- iv. In our opinion and according to the information and explanation given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business for the purchase of inventory and fixed assets and for the sale of goods. In our opinion and according to the information and explanation given to us, there is no continuing failure to correct major weakness in internal control.
- v. In our opinion and according to the information and explanation given to us, the transactions made in pursuance of contracts or arrangements entered in the register maintained u/s 301 of the Companies Act, 1956, and aggregating during the year to Rs.5 lakh or more in respect of each party, have been made at a price which are reasonable having regard to prevailing market price as available with the company.
- vi. In our opinion and according to the information and explanation given to us, directives issued by the Reserve Bank of India and the provision of section 58A, 58AA or any other relevant provision of The Companies Act, 1956 and rules framed there under, to the extent applicable, have been complied with. We are informed by the management that no order has been passed by the Company Law Board, National Company Law Tribunal or Reserve Bank of India or any court or any other Tribunal U/S 58A and 58AA.
- vii. In our opinion, the company has an internal audit system commensurate with the size and the nature of its business.
- viii This clause is not applicable since the Maintenance of cost records as applicable to this company u/s 209 (1)(d) of the Companies Act has not been prescribed by the central government.
- ix. (a) According to the information and explanation given to us, there are no undisputed statutory dues payable in respect of Provident Fund, Investors Education & Protection Fund, Employees' State Insurance, Income Tax, Sales Tax, Wealth Tax, Custom Duty, Excise Duty, cess or any other statutory dues with the appropriate authorities to the extent of the arrears of outstanding statutory dues as at the last day of the financial year concerned for a period of more than six months from the date they became payable, shall be indicated by the auditor, except Sales Tax as mentioned in the table below.

Sr. No.	Particulars	Amount (Rs)
1.	H. R. BHUVA	1,21,360.00
2.	K.R.BHUVA	18,488.00

- x. Accumulated / Cash Losses
There is no accumulated losses available to the company.
- xi. In our opinion, the company has not defaulted in repayment of dues to the financial institution or bank.
- xii. The company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- xiii. This clause is not applicable to the company as the company is not engaged in the business of Chit Fund / Nidhi / Mutual Benefit Fund / Societies.
- xiv. This clause is not applicable to the company as the company is not engaged in dealing or trading in shares, securities, debentures and other investments.
- xv. According to the information and explanation given to us, the company has not given any guarantee for loans taken by others from banks or financial institutions.
- xvi. According to the information and explanation given to us, term loans were applied for the purpose for which loans were obtained.
- xvii. According to the information and explanation given to us, the funds raised on short-term basis have not been applied for long-term investment.
- xviii. According to the information and explanation given to us the company has not made any preferential allotment of shares to companies, firms or other parties listed in the register maintained u/s 301 of the Companies Act, 1956.
- xix. The company has not issued debentures during the year and hence requirement of reporting regarding creation of securities in respect of debentures issued does not arise.
- xx. Company has not raised any money by public issue during the year.
- xxi. According to the information and explanation given to us, no fraud on or by the company has been noticed or reported during the year.

For PARIKH MEHTA & ASSOCIATES
Chartered Accountants

Ashish Parikh
Partner
Membership No. 116745

Place : Vadodara.
Date : 29/05/2012

BALANCE SHEET AS AT 31th MARCH, 2012

	Note No.	AS AT 31-3-2012 Amount (Rs.)	AS AT 31-3-2011 Amount (Rs.)
I. EQUITY AND LIABILITIES			
1. Shareholders Funds			
(a) Share Capital	1	51,551,000	50,939,000
(b) Reserves and Surplus	2	17,481,073	12,776,744
(c) Money Received against Share Warrants		---	---
2. Share Application Money Pending Allotment			
		---	---
3. Non-Current Liabilities			
(a) Long-term Borrowings	3	434,736	---
(b) Deferred Tax Liabilities (Net)		---	---
(c) Other Long term Liabilities	6	---	---
(d) Long-term Provisions	5	32,206	30,576
4. Current Liabilities			
(a) Short-term Borrowings	7	41,025,433	32,531,158
(b) Trade Payables	4	18,829,406	21,569,998
(c) Other Current Liabilities	6	26,006,693	28,116,924
(d) Short-term Provisions	5	4,405,364	6,436,321
TOTAL		159,765,911	152,400,721
II. ASSETS			
1. Non-Current Assets			
(a) Fixed Assets	8		
(i) Tangible Assets		71,994,759	57,962,451
(ii) Intangible Assets		---	---
(iii) Capital Work -in-origress		---	---
(iv) Intangible Assets Under Development		---	---
(b) Non-Current Investments	9	800,699	328,351
(c) Deferred Tax Assets (Net)		51,631	811,420
(d) Long-term Loans and Advances	10	1,755,254	1,585,713
(e) Other Non-Current Assets	11	924,634	1,163,920
2. Current Assets			
(a) Current Investments		---	---
(b) Inventories	12	54,274,151	57,263,784
(c) Trade Receivables	13	15,652,938	22,577,339
(d) Cash and Cash Equivalents	14	13,720,853	9,311,579
(e) Short-Term Loans and Advances	10	346,244	1,109,660
(f) Other Current Assets	11	244,748	232,504
TOTAL		159,765,911	152,400,721

AS PER OUR ATTACHED REPORT OF EVEN DATE

FOR PARIKH MEHTA & ASSOCIATES

Chartered Accountants

Ashish Parikh

Partner

Membership No. 116745

FOR & ON BEHALF OF BOARD OF DIRECTORS
FOR POLYMECHPLAST MACHINES LTD.**K. R. Bhuva**
Chairman &
Managing Director**M. R. Bhuva**
Executive Director**Priti M Pola**
ACS No. 28264**B. J. Vyas**
Sr. Manager (F & A)Place : Vadodara
Date : 29-5-2012Place : Vadodara
Date : 29-5-2012

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

PARTICULARS	Refer Note No.	For the Year Ended 31-3-2012	For the Year Ended 31-3-2011
I Revenue from Operations	15	267,425,100	276,465,938
Less : Excise Duty & Service Tax		21,233,995	24,678,143
Less : VAT and CST		4,819,447	6,490,987
Revenue from Operations (Net)		241,371,658	245,296,808
II Other Income	16	956,532	10,637,147
III Total Revenue (I+II)		242,328,190	255,933,955
IV Expenses :			
Cost of Materials Consumed	17	166,690,809	191,037,001
Changes in Inventories of Finished Goods Work-in-Progress and Stock-in-Trade	18	4,636,941	(16,254,455)
Employee Benefits Expense	19	17,883,653	16,260,665
Finance Costs	20	4,623,453	3,411,011
Depreciation and Amortization Expense	8	2,226,027	1,817,317
Other Expenses	21	39,357,853	42,525,456
Total Expenses		235,418,735	238,796,995
Profit before Exceptional and Extraordinary Items and Tax		6,909,455	17,136,960
V (III-IV)		6,909,455	17,136,960
VI Less : Litigation Settlement Expense		---	3,367,573
VII Profit Before Extraordinary Items and Tax (V-VI)		6,909,455	13,769,387
VII. Extraordinary Items			
IX. Profit Before Tax (VII-VIII)		6,909,455	13,769,387
X Tax Expense :			
(1) Current Tax		1,445,337	2,800,000
(2) Deffered Tax		759,789	184,754
XI Profit (Loss) for the Period (VII-VIII)		4,704,329	10,784,633
XVI Earnings Per Equity Share			
(1) Basic		0.91	2.12
(2) Diluted		0.91	2.12

AS PER OUR ATTACHED REPORT OF EVEN DATE

FOR PARIKH MEHTA & ASSOCIATES

Chartered Accountants

Ashish Parikh

Partner

Membership No. 116745

FOR & ON BEHALF OF BOARD OF DIRECTORS
FOR **POLYMECHPLAST MACHINES LTD.****K. R. Bhuva**
Chairman &
Managing Director**M. R. Bhuva**
Executive Director**Priti M Pola**
ACS No. 28264**B. J. Vyas**
Sr. Manager (F & A)

Place : Vadodara

Date : 29-5-2012

Place : Vadodara

Date : 29-5-2012

POLYMECHPLAST MACHINES LIMITED
CASH FLOW STATEMENT FOR THE YEAR ENDED 31ST MARCH 2012 (Rs. in Lacs)

Particulars	Year ended 31-03-2012	Year ended 31-03-2011
A. Cash Flow from Operating Activities :		
Net Profit / (Loss) before tax and extra ordinary items Adjusted for :	6909455	17136960
Add : Depreciation	2226027	1817317
Miscellaneous Expenditure Written Off	-	1954054
Gain or Loss on Sale or Disposal of Fixed Assets	-	(8758632)
Gain or Loss on Foreign Exchange Fictutation	1665358	(782932)
Interest on Borrowing	4623453	2926370
Interest Received	(439056)	(1269749)
Operation Profit before Working Capital Charges Adjustment for :	14985237	13023388
Increase / (Decrease) in Current Assets		
Change in Inventory	2989633	(6858698)
Change in Loans & Advances	573943	5391699
Change in Debtors	(4447690)	10246690
Increase / (Decrease) in Current Liabilities	1543267	8157009
Cash Generated From Operations	15644390	29960088
Less : Litigation Expenses		(3367573)
Net Cash from Operation Activities ... A	15644390	26592515
B. Cash Flow from Investing Activities :		
Purchase of Fixed Assets & Capital Work in Progress	(16258335)	(51074865)
Interest Received	439056	1269749
Dividend Received	---	---
Sale of fixed Asset	---	26666444
Purchase of Investment	(418348)	(310762)
Fixed Deposit Matured	404002	1064785
Fixed Deposit Kept		
Net Cash used in Investing Activities ... B	(15833625)	(22384649)
C. Cash Flow from Financing Activities :		
Increase in Share Capital	612000	198500
Interest Paid	(4623453)	(2926370)
Foreign Exchange Fluctuation Gain / Loss NET	(1665358)	782931
Loan received	10679321	482080
Net Cash used in Financing Activities ... C	5002511	(1462859)
Net Increase / Decrease in cash and cash equivalents (A+B+C)	4813275	2745007
Cash & Cash Equivalents on the year opening	4058825	1313818
cash & Cash Equivalents on the year end	8872101	4058825

Note : Figures in Brackets represents outflows
Previous Year Figures are Recasted/Restated Wherever necessary

FOR PARIKH MEHTA & ASSOCIATES
Chartered Accountants

Ashish Parikh
Partner
Membership No. 116745

FOR POLYMECHPLAST MACHINES LTD.

K. R. Bhuva
Chairman &
Managing Director

M. R. Bhuva
Executive Director

Priti M Pola
ACS No. 28264

B. J. Vyas
Sr. Manager (F & A)

Place : Vadodara
Date : 29-5-2012

Place : Vadodara
Date : 29-5-2012

8) FIXED ASSETS

(Rupees)

Particulars	Freehold Land	Leasehold Land	Building	Plant & machinery	Computer	Vehicles	Furniture	Office Equipment	Electrical Installation	Testing Equipment	Pattern Die & Mould	Air Conditionor	Total
Gross black													
At 01.04.2010	2,470,068	607,415	25,643,572	2,558,961	5,177,611	7,082,463	1,024,743	840,016	1,322,824	471,915	1,384,288	110,544	48,694,420
Additions	33,303,934		13,385,604	3,000,076	205,639	50,529	454,594	196,346	141,295	312,748		24,100	51,074,865
Deduction	930,026		16,778,000	30,220		169,566							17,907,812
At 31.03.2011	34,843,984	607,415	22,251,176	5,528,817	5,383,250	6,963,426	1,479,337	1,036,362	1,464,119	784,663	1,384,288	134,644	81,861,473
Additions	468,991	7,002,200	6,423,354		392,059	126,043	1,083,702	116,136	218,892	23,437		324,054	16,178,868
Disposals													
Adjustment													
Borrowing cost capitalised		79,467											79,467
As 31.03.2012	35,312,975	7,689,082	28,674,530	5,528,817	5,775,309	7,089,469	2,563,039	1,152,498	1,683,011	808,100	1,384,288	458,698	98,119,816
Depreciation / Amortisation													
At 04.04.2010			7,050,135	2,444,805	4,918,731	4,012,523	973,506	251,111	889,042	149,151	1,364,957	27,751	22,081,712
For the year			554,847	180,329	195,357	673,634	74,025	44,590	65,631	23,654		5,251	1,817,318
Deduction													
At 31.03.2011			7,604,982	2,625,134	5,114,088	4,686,157	1,047,531	295,701	954,673	172,805	1,364,957	33,002	23,899,030
For the year			623,734	262,619	372,456	666,515	120,681	52,445	74,072	37,643		15,862	2,226,027
Deduction													
At 31.03.2012			8,228,716	2,887,753	5,486,544	5,352,672	1,168,212	348,146	1,028,745	210,448	1,364,957	48,864	26,125,057
Net Block													
As at 31.03.2011	34,843,984	607,415	14,646,194	2,903,683	269,162	2,277,269	431,806	740,661	509,446	611,858	19,331	101,642	57,962,451
As At 31.03.2012	35,312,975	7,689,082	20,445,814	2,641,064	288,765	1,736,797	1,394,827	804,352	654,266	597,652	19,331	409,834	71,994,759

Significant Accounting Policies & Notes to Financial Statements for the Year ended 31st March 2012

SCHEDULE-20 SIGNIFICANT ACCOUNTING POLICIES

1. Method of Accounting :

The Financial Statements are prepared as a going-concern under historical cost convention on an accrual basis except those with significant uncertainty and in accordance with the Companies Act, 1956. Accounting Policies not stated explicitly otherwise are consistent with generally accepted accounting principles.

2. Revenue Recognition :

Sales include inter-divisional transfers, sale of scrap, Sales Outsource Products and Invoices for price escalation as per Contracts with the relevant customers on accrual basis. Insurance Claims, Insurance claims arising out of accident covered under the respective Insurance Policies and Prima Facie Admitted by the Insurance Companies are recognized on receipt basis.

3. Fixed Assets :

Fixed Assets are stated at cost (net of CENVAT) less accumulated depreciation up to the year. Expenditure incurred on improvement or replacement, which in the opinion of the management is likely to substantially increase the life of the assets and future benefits from it, is capitalized.

4. Depreciation :

Depreciation is charged on Straight Line basis at rates specified in Schedule XIV of the Companies Act. 1956. Depreciation on Addition/Deletion or Discarded Fixed Assets during the year is charged on monthly pro rata basis.

5. Investment :

Long-term investments are valued at cost.

6. Inventories :

Stock of raw materials and stores is valued at cost. Inventories of finished goods are valued at lower of costs or net realizable value inclusive of Excise Duty. Work in process is valued at cost representing material, labour and apportioned overheads as certified by the management. Other inventories are valued at cost.

7. Retirement Benefits :

Provident Fund : The Company has schemes of Retirement Benefits for provident Fund, in respect of which, the company's contribution are charged to Profit and Loss Account. The contributions towards Provident Fund are made to Statutory Authority.

Gratuity scheme : Liabilities for Gratuity is provided through a policy taken from Life Insurance Corporation of India (LIC) by an approved trust formed for the purpose. The contribution to the trust is made on the basis of actuarial valuation made by LIC to cover the year's liability and such contribution is charged to the Profit & Loss A/c.

Leave Encashment : Liability for leave encashment is provided in accordance with the rules of the company at prevailing salary rate for the entire unavailed leave balance as at the balance sheet date.

8. Foreign Currency Conversion :

Foreign currency transactions are recorded at the rates prevailing at the time of transaction. The exchange rate difference arising at the time of actual payment or receipt are recognized as Income or expense and transferred to exchange rate difference account, so far as revenue items are concerned. Monetary assets and Monetary Liabilities relating to foreign currency transaction remaining unsettled at the end of the year are translated at the closing rates, and difference arising there from, if any, is transferred to profit & Loss Account.

9. Borrowing Cost :

Borrowing Cost attributable to acquisition and construction of qualifying Assets, which takes substantial period of time to get ready for its Intended use, are capitalized as part of the cost of respective assets up to the date when such asset is ready for its intended use. Borrowing cost for the borrowings taken for working of the company, i.e. on working capital liabilities are charged to revenue in the year, in which it is incurred on accrual basis.

10. Tax Expenses :

Tax Expenses include current tax & deferred tax have provided actual rates prevailing in the financial year as per Income tax act 1962.

Deferred Tax is recognized on timing difference: being the difference between taxable Incomes and accounting Income that originate in one period and are reversible in one or more subsequent period.

Deferred tax Assets & Liabilities are provided on the basis of virtual certainty of business. However the rate for calculating differed tax has applied which is enacted in the subsequent financial year as per income tax act 1962.

11. Impairment of Assets :

At the end of the year management identified all the assets and reviewed fair value/market value of the assets which is compared to carrying value/value in use of the assets. If Fair Value of Market Value is less than carrying value/value in use of assets than impairment has been provided and if the Fair Value or Market Value is more than it's carrying value/value in use than no impairment provided in the books, Hence as per working said above at the end of the year impairment loss has been provided.

12. Financial Expenses :

Financial charges are charged to profit and loss account.

13. Product warranty expenses :

Product Warranty expenses has been accounted as and when actual liability is determined.

Share Capital

Particulars	As at 31 March 2012		As at 31 March 2011	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Authorised Equity Shares of Rs. 10/- each	7,500,000	75,000,000	7,500,000	75,000,000
Issued Subscribed & Paid up shares				
Equity Shares of Rs.10/- each	5,771,500	57,715,000	5,771,500	57,715,000
Less : Calls Unpaid ---	6,164,000	---	6,776,000	
Total Issued, Subscribed and Paid-up share capital	5,771,500	51,551,000	5,771,500	50,939,000
Total	5,771,500	51,551,000	5,771,500	50,939,000

a) Reconciliation of shares outstanding at the beginning and at the end of the reporting period.

Equity Shares

Particulars	As at 31 March 2012		As at 31 March 2011	
	Number	Amount (Rs.)	Number	Amount (Rs.)
Shares outstanding at the beginning of the year	5,771,500	51,551,000	5,771,500	50,939,000
Shares Issued during the year	---	---	---	---
Shares bought back during the year	---	---	---	---
Shares outstanding at the end of the year	5,771,500	51,551,000	5,771,500	50,939,000

b) Details of Shareholders Holding more than 5% shares in the company.

There are no shareholders holding more than 5% shares in the company during the F.Y.2011-12 & 2010-11.

c) Terms/rights attached to equity shares

The company has only class of equity shares having at par value of Rs.10 per share. On show hands, each holder of equity shares is entitled to one vote per share. On a poll the voting rights of a holder of equity shares shall be as specified in Section 87 of the Companies Act, 1956.

The dividend proposed by the Board of Directors is subject to the approval of the shareholders in the ensuing Annual General Meeting, During the year ended 31st March 2012 (as well as year ended 31st March 2011), company has not declared dividend.

If the company shall be wound up and the assets available for distribution among the members as such shall be distributed so that as nearly as may be the losses shall be borne by the members in proportion to the capital paid-up or which ought to have been paid-up at the commencement of the winding up on the shares held by them respectively. And if in a winding-up the assets available for distribution among the members shall be more than sufficient to repay the whole of the capital paid-up at the commencement of the winding-up the excess shall be distributed winding-up is paid-up or which to have been paid-up on the shares held by them respectively, But this Article is to be without prejudice to the rights of the holders of shares issued upon special terms and conditions.

- d) Out of the unpaid call money of Rs.67,76,000/- as per previous year, company has received Rs. 6,12,000/- (PY Rs. 1,98,500/-) from shareholders upto 31st March 2012. The balance amount of Rs.61,64,000/-(PY 67,76,000/-) are shown as unpaid call money.(Directors and Officers unpaid call money is Rs. NIL) in the Balance sheet.

Reverse & Surplus

Particulars	As at 31st March 2012 Amount (Rs.)	As at 31 March 2011 Amount (Rs.)
Surplus/Deficit in the statement of Profit & Loss Account		
Balance as per last financial statement	12,776,744	1,992,111
Add : Net Profit/(Net Loss) For the year	4,704,329	10,784,633
Balance at the end of the year	17,481,073	12,776,744
Total Reserves & Surplus	17,481,073	12,776,744

3) Long Term Borrowings

Particulars	Current Portion		Non-Current Portion	
	As at 31 March 2012	As at 31 March 2011	As at 31 March 2012	As at 31 March 2011
Term Loans				
From Banks				
Kotak Mahindra Bank Ltd.	2,926,971	---	434,736	---
	2,926,971	---	434,736	---
Less : Taken to 'Other Liabilities' (see Note No.6)	2,926,971	---	---	---
Net Amount	---	---	434,736	---
Secured	---	---	---	---
Unsecured	2,926,971	---	434,736	---

4) Trade Payable

Particulars	Current Portion		Non-Current Portion	
	As at 31 March 2012	As at 31 March 2011	As at 31 March 2012	As at 31 March 2011
Trade Payables (Refer Note No.27 for details of does to Micro, small & Medium Enterprise)	18,829,406	21,569,998	---	---
TOTAL	18,829,406	21,569,998	---	---

Particulars	Current Portion		Non-Current Portion	
	As at 31 March 2012	As at 31 March 2011	As at 31 March 2012	As at 31 March 2011
(a) Provision for employee benefits				
For Salary & Wages Payable	968,517	947,415	---	---
For Ex-gratia	289,138	301,194	---	---
For Leave Encashment	821,407	779,823	32,206	30,576
For Bonus	230,968	226,227	---	---
(b) Other Provisions				
For Income Tax	1,445,337	2,800,000	---	---
For Expenses	649,997	1,381,662	---	---
TOTAL	4,405,364	6,436,321	32,206	30,576

6) Other Liabilities

Particulars	Current Portion		Non-Current Portion	
	As at 31 March 2012	As at 31 March 2011	As at 31 March 2012	As at 31 March 2011
Advance for land	7,033,341	2,326,969	---	---
Duties & Taxes	3,914,745	2,510,068	---	---
Group Gratuity Trust (LIC)	---	2,040,903	---	---
Creditors for Capital Goods	3,740,028	---	---	---
Current Maturities of Long term loan (See Note No.3)	2,926,971	---	---	---
Advance from customers	8,391,608	21,202,984	---	---
TOTAL	26,006,693	28,116,924	---	---

8) Borrowings

Particulars	As at 31st March 2012 Amount (Rs.)	As at 31 March 2011 Amount (Rs.)
<u>Secured</u>		
(a) Loans repayable on demand From banks		
1) Cash Credit facility from Indian Overseas Bank (Secured By Stock & Book debts and further Secured by equitable mortgage of factory land & building and industrial shed) (Directors have given personal guarantee for the said loan)	37,075,410	31,630,408
2) Cash Credit facility from State Bank of Saurashtra (Secured by hypothecation charge over raw materials, consumables, stock-in- process, finished goods & receivables) (Directors have given personal guarantee for the said loan)		(12,316)
3) Bank Overdraft from HDFC Bank Ltd. (Secured against Fixed Deposit kept with Bank)	2,593,467	732,032
<u>Unsecured</u>		
From Directors	1,339,848	139,848
From Others	16,708	41,186
TOTAL	41,025,433	32,531,158

9) Investments

Particulars	Current Portion		Non-Current Portion	
	As at 31 March 2012	As at 31 March 2011	As at 31 March 2012	As at 31 March 2011
Shares of The Makarpura Industrial Estate Co-Operative Bank Ltd. (4 fully paid shares pf Rs. 25 each)	---	---	100	100
Investment in Gold	---	---	800,599	382,351
TOTAL	---	---	800,699	382,351

Particulars	Current Portion		Non-Current Portion	
	As at 31 March 2012	As at 31 March 2011	As at 31 March 2012	As at 31 March 2011
Aggregate amount of quoted Investments	---	---	---	---
Aggregate amount of unquoted Investments	---	---	800,699	382,351

10) Advances

Particulars	Current Portion		Non-Current Portion	
	As at 31 March 2012	As at 31 March 2011	As at 31 March 2012	As at 31 March 2011
a. Security Deposits				
Unsecured, considered good	85,050	582,378	1,687,074	1,554,013
	85,050	582,378	1,687,074	1,554,013
b. Other loans and advances				
Unsecured, considered good				
- Central Excise CENVAT & PLA	16,806	24,495	---	---
- Service Tax Receivable	44,984	44,984	---	---
- Loans & Advances to Staff and workers	17,402	100,680	68,180	31,700
- Duty Drawback receivable	19,665	---	---	---
- Prepaid Expenses	123,290	187,654	---	---
- Income Tax Deducted at source	39,047	169,469	---	---
	261,194	527,282	68,180	31,700
TOTAL	346,244	1,109,660	1,755,254	1,585,713

11) Other Current Assets

Particulars	Current Portion		Non-Current Portion	
	As at 31 March 2012	As at 31 March 2011	As at 31 March 2012	As at 31 March 2011
a. Trade receivables				
Unsecured, considered good	---	---	924,634	1,163,920
b. Others (specify nature)				
Unsecured, considered good				
interest Accured but not received on FD	244,748	232,504		
	244,748	232,504	924,634	1,163,920

12) Inventories

Particulars	As at 31st March 2012 Amount (Rs.)	As at 31 March 2011 Amount (Rs.)
a. Raw Materials and components	22,680,410	21,033,102
b. Work-in-progress	21,309,456	15,689,371
c. Finished goods	10,284,285	10,487,297
d. Stock-in-trade	---	10,054,014
TOTAL	54,274,151	57,263,784

- a) Inventories of Finished goods are valued at lower of cost or Net Realisable Value inclusive of excise duty, work in-process is valued at cost representing material, labour and apportioned overheads as certified by the management, Other inventories are valued at cost.

13) Receivable (Current)

Particulars	As at 31st March 2012 Amount (Rs.)	As at 31 March 2011 Amount (Rs.)
Trade receivable outstanding for a period less than six months from the date they are due for payment (Unsecured, considered good)	8,963,602	18,019,307
	8,963,602	18,019,307
Trade receivables outstanding for a period exceeding six months from the date they are due for payment Unsecured, considered good	6,689,336	4,558,032
	6,689,336	4,558,032
TOTAL	15,652,938	22,577,339

14) Cash & Bank Balance

Particulars	Current Portion		Non-Current Portion	
	As at 31 March 2012	As at 31 March 2011	As at 31 March 2012	As at 31 March 2011
Cash & Cash Equivalents				
Balance with Bank				
- In Current Account	678,080	397,361	---	---
- In IOB Capital Gain Account	144,712	619,564	---	---
- Deposits with original maturities of less than 3 months*	8,000,000	3,000,000	---	---
Cash on Hand	49,310	41,900	---	---
Other Bank Balance				
- Deposits with original maturities of more than 3 months upto 12 months*	1,348,752	1,752,754	---	---
- Deposits with original maturities of less than 3 months**	3,500,000	3,500,000	---	---
	13,720,853	9,311,579	---	---

* the said deposits includes margin money & Letter of Credits etc.

** Kept as a security deposit by Bank Overdraft

Revenue from Operations

Particulars	2011 - 12 Amount (Rs.)	2010 - 11 Amount (Rs.)
Revenue from Operations		
Sale of Products		
Manufacturing Sales	234,045,235	260,834,859
Trading Sales	32,465,839	15,285,543
Sale of Services	914,026	345,536
Revenue from Operations (Gross)	267,425,100	276,465,938
Less :		
Excise duty & Service Tax	21,233,995	24,678,143
VAT and CST	4,819,447	6,490,987
Revenue from Operations (Net)	241,371,658	245,296,809
Details of Products Sold (Excluding Excise Duty, Service Tax, VAT and CST)		
Manufacturing Sales		
Sale of Machines	194,892,147	222,653,222
Sale of Parts / Components	13,184,999	7,125,720
	208,077,146	229,778,942
Trading Sales Including Highsea Sales		
Sale of Machines	28,125,862	13,620,531
Sale of Parts / Components	4,339,977	1,584,066
	32,465,839	15,204,597
Sale of Services - Repairing Service		
Repairing Service	828,673	313,268

Other Income

Particulars	2011 - 12 Amount (Rs.)	2010 - 11 Amount (Rs.)
Interest Income		
On Bank Fixed Deposit	393,693	971,531
On IOB Capital Gain Account	45,362	298,218
Insurance Claim Received		
Gain on sale of Fixed Assets	-	8,758,633
Rent Income	-	608,316
Other Operating Income		
Duty Draw back Income	134,960	-
Excess Gratuity Provision Written Off	186,907	-
Misc. Income	10,711	449
TOTAL	956,532	10,637,147

Material Consumed

Particulars	2011 - 12 Amount (Rs.)	2010 - 11 Amount (Rs.)
Materials / Components Consumed		
At the beginning of the year	21,033,102	30,428,859
Add : Raw Material / Components Purchase during the year	147,609,096	173,475,367
Add : Trading Purchase during the Year	20,729,021	8,165,877
Less : At the end of the year	22,680,410	21,033,102
TOTAL	166,690,809	191,037,001
Details of Purchase during the year		
Raw Material / Components Purchase		
Raw Material / Components	147,609,096	173,475,367
	147,609,096	173,475,367
Trading Purchase including High Sea Purchase		
Purchase of Machines	20,270,138	7,760,688
Purchase of Parts	458,883	405,189
	20,729,021	8,165,877

18) Increase / (Decrease) in Finished Goods & Work in Progress

Particulars	2011 - 12 Amount (Rs.)	2010 - 11 Amount (Rs.)
Increase / (Decrease) in stocks		
Closing Stock of Finished Goods	10,284,285	20,541,311
Closing Stock of Work in Process	21,309,456	15,689,371
TOTAL-A	31,593,741	36,230,682
Less :		
Opening Stocks of Finished Goods	20,541,311	7,485,513
Opening Stock of Work in Process	15,689,371	12,490,714
TOTAL-B	36,230,682	19,976,227
INCREASE / (DECREASE) IN STOCKS (A-B)	(4,636,941)	16,254,455

19) Benefit Expenses

Particulars	2011 - 12 Amount (Rs.)	2010 - 11 Amount (Rs.)
Salaries, Wages and Other Pay & Allowances	15,517,788	14,425,419
Bonus & Exgratia	557,652	818,544
Contribution to provident and other funds	1,055,893	1,002,074
Employees Welfare Expenses	118,895	137,333
Gratuity	633,425	-122,705
TOTAL	17,883,653	16,260,665

20) Finance Cost

Particulars	2011 - 12 Amount (Rs.)	2010 - 11 Amount (Rs.)
Bank Interest		
Interest on CC A/c	3,514,818	2,490,724
Interest on Overdraft	144,584	183,848
Interest paid on Term Loan	311,735	251,798
Bank Charges	189,629	484,642
Interest on Income Tax	189,629	---
TOTAL	4,623,453	3,411,011

21) Other Expenses

Particulars	2011 - 12 Amount (Rs.)	2010 - 11 Amount (Rs.)
Power and fuel Expenses	549,469	510,724
Advertisement Expenses	528,103	333,708
Auditors Remuneration	179,776	165,450
Carting Charges	770,497	828,849
Clearing Forwarding Agency Charges	152,749	213,752
Computer Expense	266,706	277,711
Debit Credit Balance Written Off	130,764	2,031,488
Donation Expenses	23,253	20,310
Electricity Expenses	1,031,835	685,497
Entertainment Expenses	27,259	25,866
Excise Duty on Finished Goods	989,110	1,777,455
Factory Expenses	100,568	128,164
Foreign Exchange Rate Fluctuation (Net)	1,665,358	-782,932
Freight Inward & Octroi	639,057	909,267
General Repairs	280,257	689,539
Goods Transport Agency Expenses	115,647	112,204
Import Expenses	1,975,319	2,354,693
Insurance Premium	46,343	53,699
Legal Expenses & Income Tax	217,254	485,949
Listing Fee	27,276	20,681
Labour Charges	11,093,522	11,612,194
Membership Fee	31,918	36,017
Office & Sundry Expenses	483,709	532,267
Office Rent	267,242	189,250
Postage Telephone & Telegram	901,893	1,009,049
Printing & Stationery	486,235	792,338
Professional Fee	1,119,895	889,109
Repairs to :		
Plant and Machinery	261,030	279,337
Factory Building	217,326	244,057
Sales Promotion Expenses	354,503	244,547
Rent Rates and Taxes	21,811	12,275
Insurance (Sales)	87,547	58,994
Seminar Expenses	30,645	11,894
Comission on Sales	1,691,703	3,126,093
Export Expenses	206,969	49,033
Export Freight	3,932,128	3,432,840
Loading & Unloading Expenses	45,008	204,717
After Sales Service Expenses	99,132	53,687
Discount on Sale of Goods	---	102,500
Exhibition Exp(Domestic) & (International)	4,576,420	4,703,476
Incentive on Sales	197,800	1,020,000
Security Service Charges	674,643	419,970
Sitting Fees	25,500	25,500
Traveling and Conveyance	2,331,088	2,219,948
Vehicle Expenses	494,233	414,209
Prior Period Adjustment	9,353	---
TOTAL	39,357,853	42,525,456
Details of Auditor Remuneration :		
Audit Fees	70,000	70,000
Taxation Matter	30,000	30,000
Other Services	10,000	10,000
Management Consultancy	50,000	40,000
Service Tax	19,776	15,450
	179,776	165,450

B. NOTES TO FINANCIAL STATEMENTS :**22. Employees Benefit Plans :****Provident Fund :**

The company makes contribution towards Employee's Provident Fund, Amount of Rs. 8,02,227 (P.Y. Rs. 7,55,624) is recognized as expense and included in note no.19 of Statement of Profit & Loss.

Gratuity scheme :

The company makes contributions to "The Trustees Polmechplast Machines Ltd, Employees" Group Gratuity Assurance Scheme", administered by LIC, a funded defined benefit plan for qualifying employees. The scheme provides for a lump sum payment to vested employees at retirement, death while in employment or on termination of employment, Vesting occurs upon completion of five years of service.

1. Amount to be recognised in Balance Sheet	Amount (Rs.)	2. Exp. to be recognised in Income Statement	Amount (Rs.)
Present Value of Funded Obligations	4534977	Current Service Cost	187037
Fair Value of Plan Assets	4239061	Interest on obligation	299927
Present value of unfunded obligations		Expected Return on Plan Assets	-251320
Unrecognised past service cost		Net actuarial losses (gains) recognised in the year	397781
Net Liability	295916	Past Service Cost	0
Amounts in the Balance Sheet		Loss(gains) on curtailments and settlement	
Liability	4534977	Expenses to be recognised in P & L A/C	633425
Assets	4239061		
Net Liability	295916		

3. Change in Benefit Obligation	Amount (Rs.)	4. Fair Value of Plan Assets	Amount (Rs.)
Opening Defined Benefit Obligation on 1/04/2011	3749084	Opening fair value of plan assets as on 01/04/2011	1708181
Service Cost for the year	187037	Expected Return	251320
Past Service Cost	0	Actuarial gains and(losses)	(98852)
Interest cost for the year	299927	Assets distributed on settlement	0
Actuarial losses(gains)	397781	contribution by employer	2378412
Benefits paid	(98852)	Assets acquired in an amalgamation in the nature of purchase	0
Closing defined benefit obligation on 31/03/2012	4534977	Exchange differences on foreign plans	0
		Benefits paid	0
		Closing balance of fund as on 31/03/2012	4239061

Leave Encashment :

Provision of leave salaries, is made for value of unutilized leave due to employees at the end of the year. (Quantification is not possible as per AS-15(Revised))

23. Product warranty expenses have been accounted as & when paid & no provision of such expenses have been made at the year end. The procedure is not in the line of AS-29, "Provisions, Contingent Assets and Contingent Liability" provided by the Institute of Chartered Accountants of India. Further the quantification is not possible in this regards.

24. Segment Information :

The company has identified two reportable segments viz. Trading Activity & Manufacturing Activity. The following table shows the distribution of the Company's consolidated sales by Trading Activity & Manufacturing Activity.

(1) Primary Segment Information :

Sr. No.	Particulars	Trading Activity	Manufacturing Activity	Total
1	Segment Revenue External Turnover	3,24,65,839	20,89,05,818	24,13,71,657
2	Segment Result (before Interest, Depreciation, Taxes & other adjustments)	32,55,972	95,46,431	1,28,02,403
	Add : Other Income			9,56,532
	Less - Other Items			0
	- Interest Exp			46,23,453
	- Depreciation			22,26,027
	Profit before Tax			69,09,455
	Current Tax			14,45,337
	Deferred Tax			7,59,789
	Net Profit after Tax			47,04,329

As per Accounting Standard on Segment Reporting (AS-17), issued by the Institute of Chartered Accountants of India, the company has reported segments information on consolidated basis.

(2) Secondary Segement Information :**a. Segment Revenue - External Turnover :**

-	Within India	20,25,19,890
-	Outside India	<u>3,88,51,767</u>
-	Total Revenue	<u>24,13,71,657</u>

b. Segment Assets (Gross) :

-	Within India	71,994,759
-	Outside India	---
-	Total Revenue	<u>71,994,759</u>

25. Related Party Disclosures :

Name of Related Parties & Description of Relationship :

1. Key Management Personnel :

Mr. K. R. Bhuva
Mr. M. R. Bhuva
Mr. H. P. Bhuva
Mr. D. A. Pathak
Mr. V. V. Vachharajani
Mrs. H. D. Pathak

2. Relatives of Key Management Personnel :

Mrs. V. R. Bhuva

3. Enterprises over which management or relative of key management personnel have significant influence

Plastomech Equipments Pvt. Ltd.
Plastico

Transactions	Key Management Personnel	Relative of Key Management Personnel	Significant influence	Total
Directors Remuneration	32,61,779	Nil	Nil	32,61,779
Professional Fees	72,000	Nil	Nil	72,000
Loan Received	Nil	Nil	Nil	Nil
Loan Repaid	Nil	Nil	1,139	1,139
Purchase of Land & Office Building	Nil	Nil	84,17,400	84,17,400
OPENING BALANCE				
Unsecured Loan	1,39,848	Nil	17,847	1,57,695
CLOSING BALANCE				
Loan Payable	13,39,848	Nil	16,708	13,56,556

26. Earning Per Share :

Nominal value of ordinary share	:	Rs. 10/-
Paid up Equity Share Capital	:	Rs. 5,15,51,000/-
No. of Shares	:	No. 51,55,100
Net Profit/Loss	:	Rs. 47,04,329/-
Basic / Diluted earning per share	:	Rs. 0.91

27. The Company in the process of identifying the small scale units and Micro, Small & medium Enterprises and hence.

- (a) Interest, if payable as per Interest on Delayed Payment to Small Scale and Ancillary Industrial Undertakings Ordinance, 1993 and the Micro, Small and Medium Enterprises Development Act, 2006 is not ascertainable
(b) and Amount payable to Small scale - units is not ascertainable.

28. DEFERRED TAX :

Deferred Tax is recognized on timing difference; being the difference between taxable incomes and accounting income that originate in one period and are reversible in one or more subsequent period.

	Particulars	Deferred Tax Assets	Deferred Tax Liability
A	Difference of depreciation between Books & Taxation for current year	---	1,98,275
B	Gratuity for current year	---	5,72,885
C	Leave Encashment	13,353	---
D	Bonus & Exgratia		1,981
	Total	13353	7,73,141
	Net Deferred Tax Liability.....		7,59,788

29. Supplementary statutory information

(a) Indigenous and imported stores and spares consumed :

Sr	Particular	2011-12 (Amount in Rs.)	In %	2010-11 (Amount in Rs)	In %
A	Imported (Including Custom Duty & other related charges)	3,43,50,517	20.61%	5,52,19,481	28.91%
B	Indigenous	13,23,40,292	79.39%	13,58,17,520	71.09%
	Consumption	16,66,90,809	100.00%	19,10,37,001	100.00%

(b) Expenditure in foreign currency

Sr	Particular	2011-12 (Amount in Rs.)	2010-11 (Amount in Rs)
A	Payment to Supplier	3,96,23,561	4,23,30,851
B	Traveling Expenses	3,37,198	7,11,882

- c) Earning in Foreign currency on account of Sales of Machine & Components is Rs. 3,88,51,768/- (P.Y. Rs. 1,62,72,184/-) ,(Out of the above realized - 649698 US \$) (P.Y. 3,51,879.78 US\$ & 7500 EUR).
- d) The company has made the Direct Export worth of Rs.3,88,51,768/- (Previous year Rs.84,11,818/-) and Export through Other Parties worth of Rs.-Nil- (Rs. Nil) respectively.
30. The Insurance Claim of the Company for stock of materials damaged due to heavy rainfall & rainwater entering in factory premises in the year 1997-98 and the case is awarded by the Arbitration Court still it is not settled with the Insurance Company. The said amount of stock is reflected as non-moving items under the Schedule of Inventories.
31. Debtors, Loans & Advances and Creditors balances are subject to confirmations.
32. Previous year's figures have been recast/restated wherever necessary.
33. **Contingent Liabilities :**
- 1) No provision has been made on which case is pending under labour court, as the judgement are awaited and for which amount could not be ascertained.
 - 2) No provision has been made for underwriting commission payable by the company for which cases are pending in various civil court amounting to Rs. 86,000/-.
 - 3) No provision has been made for professional fees payable to Mr. Devesh Pathak for F.Y. 2010-11 & F.Y. 2011-12, Rs. 72,000 for each financial year, as Approval from Central Government under Section 309(1)(b) of the Companies Act, 1956 is pending.

Signature to Notes 1 to 33

AS PER OUR ATTACHED REPORT OF EVEN DATE

FOR PARIKH MEHTA & ASSOCIATES

Chartered Accountants

Ashish Parikh
Partner
Membership No. 116745

K. R. Bhuva
Chairman &
Managing Director

M. R. Bhuva
Executive Director

Priti M Pola
ACS No. 28264

B. J. Vyas
Sr. Manager (F & A)

Place : Vadodara

Date : 29-5-2012

Place : Vadodara

Date : 29-5-2012

AUDITORS' CERTIFICATE

To
The Board of Directors,
Polymechplast Machines Limited
Gold Coin House, Plot No. 775
GIDC Industrial Estate
Makarpura, Vadodara - 390 010

We have examined the attached Cash Flow Statement of POLYMECHPLAST MACHINES LTD. for the year ended 31st March, 2012. The Statement has been prepared by Company

in accordance with requirements of listing agreement clause 32 with Stock Exchanges and is based on and in agreement with the corresponding Profit & Loss Account and Balance Sheet of the Company Covered by our report 29-5-2012 to the members of the Company.

For Parikh Mehta & Associates
Chartered Accounts

Place : Vadodara.
Date : 29-5-2012

(Ashish Parikh)
Partner

**Statement pursuant to Part - IV of Schedule - V of The Companies Act , 1956.
BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE**

I Registration Details

Registration No.

9	5	1	7
---	---	---	---

 State Code

0	4
---	---

 Balance Sheet Date

3	1	-	0	3
---	---	---	---	---

2	0	1	2
---	---	---	---

II Capital Raised During the year (Amount in Rs. Thousands)

Public Issue	Right Issue										
<table border="1" style="display: inline-table;"><tr><td> </td><td>N</td><td>I</td><td>L</td><td> </td></tr></table>		N	I	L		<table border="1" style="display: inline-table;"><tr><td> </td><td>N</td><td>I</td><td>L</td><td> </td></tr></table>		N	I	L	
	N	I	L								
	N	I	L								
Bonus Issue											
<table border="1" style="display: inline-table;"><tr><td> </td><td>N</td><td>I</td><td>L</td><td> </td></tr></table>		N	I	L		<table border="1" style="display: inline-table;"><tr><td> </td><td>N</td><td>I</td><td>L</td><td> </td></tr></table>		N	I	L	
	N	I	L								
	N	I	L								

III Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)

	Total Liabilities	Total Assets												
	<table border="1" style="display: inline-table;"><tr><td>1</td><td>5</td><td>9</td><td>7</td><td>6</td><td>5</td></tr></table>	1	5	9	7	6	5	<table border="1" style="display: inline-table;"><tr><td>1</td><td>5</td><td>9</td><td>7</td><td>6</td><td>5</td></tr></table>	1	5	9	7	6	5
1	5	9	7	6	5									
1	5	9	7	6	5									
Source of Funds	Paid up Capital	Reserve & Surplus												
	<table border="1" style="display: inline-table;"><tr><td>5</td><td>1</td><td>5</td><td>5</td><td>1</td></tr></table>	5	1	5	5	1	<table border="1" style="display: inline-table;"><tr><td>1</td><td>7</td><td>4</td><td>8</td><td>1</td></tr></table>	1	7	4	8	1		
5	1	5	5	1										
1	7	4	8	1										
	Secured Loans	Unsecured Loans												
	<table border="1" style="display: inline-table;"><tr><td>3</td><td>9</td><td>6</td><td>6</td><td>9</td></tr></table>	3	9	6	6	9	<table border="1" style="display: inline-table;"><tr><td>0</td><td>4</td><td>7</td><td>4</td><td>2</td></tr></table>	0	4	7	4	2		
3	9	6	6	9										
0	4	7	4	2										
Application of Funds	Net Fixed Assets	Investments												
	<table border="1" style="display: inline-table;"><tr><td>7</td><td>1</td><td>9</td><td>9</td><td>5</td></tr></table>	7	1	9	9	5	<table border="1" style="display: inline-table;"><tr><td>0</td><td>0</td><td>8</td><td>0</td><td>1</td></tr></table>	0	0	8	0	1		
7	1	9	9	5										
0	0	8	0	1										
	Net Current Assets	Misc. Expenditure												
	<table border="1" style="display: inline-table;"><tr><td>3</td><td>4</td><td>9</td><td>9</td><td>7</td></tr></table>	3	4	9	9	7	<table border="1" style="display: inline-table;"><tr><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></tr></table>	0	0	0	0	0		
3	4	9	9	7										
0	0	0	0	0										
	Accumulated Losses													
	<table border="1" style="display: inline-table;"><tr><td>0</td><td>0</td><td>0</td><td>0</td><td>0</td></tr></table>	0	0	0	0	0								
0	0	0	0	0										

IV Performance of Company (Amount in Rs. Thousands)

	Turnover (including other income)	Total Expenditure												
	<table border="1" style="display: inline-table;"><tr><td>2</td><td>4</td><td>2</td><td>3</td><td>2</td><td>8</td></tr></table>	2	4	2	3	2	8	<table border="1" style="display: inline-table;"><tr><td>2</td><td>3</td><td>5</td><td>4</td><td>1</td><td>8</td></tr></table>	2	3	5	4	1	8
2	4	2	3	2	8									
2	3	5	4	1	8									
+ -	Profit / Loss Before Tax *	Profit / Loss After Tax *												
<table border="1" style="display: inline-table;"><tr><td> </td><td>+</td></tr></table>		+	<table border="1" style="display: inline-table;"><tr><td>0</td><td>6</td><td>9</td><td>0</td><td>9</td></tr></table>	0	6	9	0	9	<table border="1" style="display: inline-table;"><tr><td>+</td><td>-</td></tr></table>	+	-			
	+													
0	6	9	0	9										
+	-													
+ -	Earning Per Share in Rs.	Dividend Rate %												
<table border="1" style="display: inline-table;"><tr><td> </td><td>+</td></tr></table>		+	<table border="1" style="display: inline-table;"><tr><td>0</td><td>.</td><td>9</td><td>1</td></tr></table>	0	.	9	1	<table border="1" style="display: inline-table;"><tr><td>--</td><td>Nil</td><td>--</td></tr></table>	--	Nil	--			
	+													
0	.	9	1											
--	Nil	--												

V Generic Names of Three Principal Products / Services of the Company :

(As per monetary terms)

Item Code No.

8	4	7	7	3	0	0	0
---	---	---	---	---	---	---	---

 (I T C Code)

Product Description

Plastic Processing Machines

FOR PARIKH MEHTA & ASSOCIATES
Chartered Accountants

Ashish Parikh
Partner
Membership No. 116745

FOR POLYMECHPLAST MACHINES LTD.

K. R. Bhuva
Chairman &
Managing Director

M. R. Bhuva
Executive Director

Priti M Pola
ACS No. 28264

B. J. Vyas
Sr. Manager (F & A)

Place : Vadodara
Date : 29-5-2012

Place : Vadodara
Date : 29-5-2012



POLYMECHPLAST MACHINES LIMITED

Registered Office : 775, G.I.D.C. Estate, Makarpura, Vadodara - 390 010

PROXY

DP ID : *	
Client ID : *	

Master Folio No.	
No. of Shares :	

I/We _____

Of _____

Being a Member(s) of Polymechplast Machines Limited hereby appoint

of _____

or failing him, _____

of _____

as my/our proxy to vote for me/us and on my/our behalf at the Annual General Meeting of the Company to be held on Tuesday, 28th August, 2012 and at any adjournment thereof.

As witness my/our hand this _____ day of _____

Signature

Affix a
Rs. 1/-
Revenue
Stamp

Note : 1. Proxy must reach the Company's Registered Office not less than 48 hours before the meeting. 2. Admission restricted to Members/Proxy holders only.

*In case of shareholders holding shares in dematerialised form.

ADMISSION SLIP

PLEASE FILL THE ATTENDENCE SLIP AND HAND IT OVER AT THE ENTRANCE OF THE MEETING HALL.

Joint Share holders may obtain additional slip at the venue of the meeting.

DP ID : *	
Client ID : *	

Master Folio No.	
No. of Shares :	

Name and Address of the Shareholder

No. of Share (s) Held :

I hereby record my presence at the 25th Annual General Meeting of the Company to be held on Tuesday, 28th August, 2012 at 11:00 a.m. at 775, G.I.D.C. Estate, Makarpura, Vadodara-390010.

*In Case of shareholder holding shares in dematerialised form.

Signature of Shareholder/proxy

To,
The Shares Department
Polymechplast Machines Ltd.
Baroda.

Sub : "GO GREEN" Initiative by the Ministry of Corporate Affairs, Government of India.

Dear Sir,

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 & Client ID _____

No. of Shares held _____

Name _____

E-mail ID _____ OR as provided to DP from time to time

Signature of First Holder : _____ Date ____/____/____

If Undelivered Please return to :

POLYMECHPLAST MACHINES LIMITED

Regd. Office : "Gold Coin House"

Plot No. 775, G.I.D.C., Makarpura,

Vadodara - 390 010. GUJARAT, INDIA

