

**NP**  
**NATIONAL**<sup>®</sup>  
*Since 1952*




32nd  
ANNUAL REPORT  
2018-19

**National Plastic Industries Limited**



 Corporate Office

 Branch Office

 Factory Units

FINANCIALS OF THE COMPANY AT A GLANCE					
OPERATING RESULTS	2014-15	2015-16	2016-17	*2017-18	*2018-19
Sales (Gross)	96,38,88,823	1,14,07,64,407	1,12,17,77,081	1,20,67,53,091	1,29,15,83,914
Profit before Interest, Depreciation and Tax	7,74,27,764	10,22,10,635	7,76,70,702	10,19,08,247	9,53,35,712
Interest	4,06,54,443	3,93,90,234	2,70,11,392	3,42,69,358	3,23,72,794
Depreciation	1,79,35,744	1,78,91,263	2,11,83,261	2,53,12,912	2,83,79,026
<b>Profit before Tax(Loss)</b>	<b>1,88,37,577</b>	<b>4,49,29,138</b>	<b>2,94,76,049</b>	<b>4,23,25,977</b>	<b>3,45,83,891</b>
<b>Profit after Tax (Loss)</b>	<b>1,27,77,576</b>	<b>1,97,70,279</b>	<b>1,06,69,690</b>	<b>3,25,22,131</b>	<b>2,22,80,534</b>
Dividend (%)	10	10	10	10	10
Equity Capital	9,12,96,000	9,12,96,000	9,12,96,000	9,12,96,000	9,12,96,000
Reserves & Surplus	13,88,28,938	14,74,85,842	14,72,92,589	16,67,86,685	17,59,71,253
<b>Net worth</b>	<b>23,01,24,938</b>	<b>23,87,81,842</b>	<b>23,85,88,589</b>	<b>25,80,82,685</b>	<b>26,72,67,253</b>
<b>Borrowings</b>					
Long Term	10,04,27,749	10,22,97,672	13,97,04,160	12,91,38,585	15,44,63,327
Short Term - Bank	23,85,49,129	23,18,29,332	23,80,69,019	26,98,03,945	27,15,32,136
<b>Total Borrowings</b>	<b>33,89,76,878</b>	<b>33,41,27,004</b>	<b>37,77,73,179</b>	<b>39,89,42,530</b>	<b>42,59,95,462</b>
<b>Gross Block</b>	<b>55,87,47,602</b>	<b>59,25,14,639</b>	<b>66,24,90,752</b>	<b>70,74,24,260</b>	<b>75,15,26,113</b>
Less : Depreciation	32,43,93,641	33,06,17,565	34,88,79,279	37,43,11,155	40,18,43,527
<b>Net Block</b>	<b>23,43,53,961</b>	<b>26,18,97,074</b>	<b>31,36,11,473</b>	<b>33,31,13,105</b>	<b>34,96,82,586</b>
Capital Work-in-progress	4,90,425	10,62,275	15,14,224	30,33,593	1,87,275
Investment	61,000	61,000	61,000	61,000	61,000
Current Assets, Loans and Advances	44,45,06,253	46,33,79,835	46,52,33,523	46,87,10,756	56,71,97,247
Less : Current Liabilities	38,98,88,559	41,61,79,747	42,73,94,136	40,47,31,242	46,62,76,538
<b>Net Working Capital</b>	<b>5,46,17,694</b>	<b>4,72,00,088</b>	<b>3,78,39,387</b>	<b>6,39,79,514</b>	<b>10,09,20,709</b>
<b>Book Value Per Share</b>	<b>25.21</b>	<b>26.15</b>	<b>26.13</b>	<b>28.27</b>	<b>29.27</b>
<b>EPS (Basic &amp; Diluted)</b>	<b>1.40</b>	<b>2.17</b>	<b>1.17</b>	<b>3.56</b>	<b>2.44</b>

\*Figures in 2018 – 2019 and 2017 – 2018 are as per Indian Accounting Standard

## LETTER FROM MANAGING DIRECTOR

**Dear Shareholders,**

It gives me immense pleasure to share with you the performance of your Company for the financial year 2018 – 2019.

The company aspires to be India's leading manufacturer providing a range of products under the homeware category including but not limited to furniture, housewares and Mattz. "National" as a brand has developed a niche in the industry with support of stakeholders in so many years and is one of its kind providing homeware products in price friendly range.

In the challenging business environment, your Company has earned a profit of ₹ 2.23 Crore.

The recent elections have been logical with the fact that the Indian economy needs a stable government to lead. GST has slowly started to settle the economy and shifting its course from an informal to formal sector. The company strongly believes in generating wealth and reputation for its clients and stakeholders, thus generating wealth for itself and its valued stakeholders. As the unorganised segment still makes up around 45% of the plastic moulded industry, with level playing field there's huge growth opportunity for the organised players.

I express my gratitude to my fellow Board members for providing their valued suggestions. I commend my team, as everyone at "National" has contributed to the company's growth and their commitment and sheer hard work is indeed an inspiration.

Customer satisfaction is our ultimate goal and we shall strive to maintain & improve our services to the highest level.

**With best wishes**

**Thanking you**

**Paresh V. Parekh**  
**Managing Director**  
**DIN: 00432673**

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**CORPORATE INFORMATION**

CIN: L25200MH1987PLC044707

Sr. No.	Name	Designation	DIN
1.	Mr. Paresh V. Parekh	Managing Director	00432673
2.	Mr. Ketan V. Parekh	Joint Managing Director	00432734
3.	Mr. Harsh Parekh	Whole-Time Director	06854020
4.	Mrs. Neeta Parekh	Non-Executive Director	00811690
5.	Mr. Rajeevrajan Shyamsunder Kapur	Independent Director w.e.f. 19 <sup>th</sup> September, 2018	00338947
6.	Mr. Dilip Thaker	Independent Director upto 13 <sup>th</sup> November, 2018	00260231
7.	Mr. Nipun Shah	Addl. Independent Director w.e.f. 13 <sup>th</sup> November, 2018	00195076
8.	Mr. Purnachandra Rao Dendukuri	Addl. Independent Director w.e.f. 13 <sup>th</sup> November, 2018	06907588
9.	Mrs. Jyoti Palekar	Woman Independent Director upto 7 <sup>th</sup> June, 2019	03043009

**Chief Financial Officer**

Mr. Umesh L. Shenoy

**Registered Office**

Office No. 213, 214 & 215, 2<sup>nd</sup> Floor,  
Hub town Solaris, N.S Phadke Marg,  
Andheri (East), Mumbai – 400 069.

**Company Secretary**

Ms. Malvika Sharma (Resigned on April 12, 2019)

Ms. Shraddha Bagwe (Resigned on August 12, 2019)

**Tel. No.:** 022-67669999

**Fax No.:** 022-67669998

**Registrar & Transfer Agent**

Sharex Dynamic (India) Pvt. Ltd.,  
C-101, 247 Park, L.B.S. Marg,  
Vikroli (West), Mumbai – 400083

**Tel No.:** 022 – 2851 5606/2851 5644

**Fax:** 022 – 2851 2855

**Email Id:** support@sharexindia.com

**Website:** www.sharexindia.com

**Bankers**

Corporation Bank  
Yes Bank  
HDFC Bank

**Investor Queries**

investor@nationalplastic.com

**Statutory Auditor**

M/s. R.S. Prabhu & Associates, Chartered  
Accountants

**Stock Exchange**

BSE Limited

**Internal Auditor**

M/s. Parekh Sharma & Associates, Chartered  
Accountants

**Website**

www.nationalplastic.com

**Secretarial Auditor**

M/s. Jayshree A. Lalpuria & Co., Practicing  
Company Secretary

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

## NOTICE

**Notice** is hereby given that the Thirty Second Annual General Meeting of the Members of National Plastic Industries Limited (CIN:L25200MH1987PLC044707), will be held on Friday, September 20, 2019 at 4.30 p.m. at Hotel Suba Galaxy, N. S. Phadke Road, Off. Western Express Highway, Andheri (East), Mumbai - 400069 to transact the following business:

### ORDINARY BUSINESS:

1. To receive, consider and adopt the audited financial statements of the Company for the year ended March 31, 2019 the reports of the Board of Directors and Auditors thereon.
2. To declare dividend on Equity Shares for the Financial Year ended 31<sup>st</sup> March, 2019.
3. To appoint a Director in place of Mr. Paresh Vinod Parekh (DIN: 00432673), who retires by rotation and being eligible, offers himself for re-appointment.

### SPECIAL BUSINESS:

#### 4. **Appointment of Mr. Nipun Shah, as an Independent Director**

To consider and if thought fit, to pass, the following Resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to provisions of Section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable Regulations and schedules and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“SEBI Listing Regulations”), (including any statutory modification(s) or re-enactment for the time being in force) Mr. Nipun Shah (DIN: 00195076) who was appointed by the Board of directors as an Additional Non Executive Independent Director of the Company with effect from 13<sup>th</sup> November, 2018 pursuant to the provisions of section 161(1) of the Companies Act, 2013 and pursuant to the applicable Articles of Association of the company, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria of the independent directorship as provided in section 149(6) of the Act and he is not debarred from holding the office of director by virtue of any SEBI order or any other such authority, who is eligible for appointment, on recommendation of the Nomination and Remuneration Committee, be and is hereby appointed as an Independent Non Executive Director of the Company, who shall hold office for a period of five years from the date of appointment and whose office shall not, henceforth, be liable to retire by rotation.

**RESOLVED FURTHER THAT** to give effect to this resolution, any one director or Chief Financial Officer or Company Secretary of the Company be and are hereby authorised to do all the acts, deeds, matters and things as they may in their absolute discretion deem necessary, to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

#### 5. **Appointment of Mr. Purnachandra Rao Dendukuri, as an Independent Director**

To consider and if thought fit, to pass, the following Resolution as an **Ordinary Resolution**:

**“RESOLVED THAT** pursuant to provisions of Section 149,152 read with Schedule IV and all other applicable provisions of the Companies Act, 2013 (“Act”) read with the Companies (Appointment and Qualification of Directors) Rules, 2014 and other applicable Regulations and schedules and Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 (“SEBI Listing Regulations”), (including any statutory modification(s) or re-enactment for the time

being in force) Mr. Purnachandra Rao Dendukuri (DIN: 06907588) who was appointed by the Board of directors as an Additional Non Executive Independent Director of the Company with effect from 13<sup>th</sup> November, 2018 pursuant to the provisions of section 161(1) of the Companies Act, 2013 and pursuant to the applicable Articles of Association of the company, and who holds office upto the date of this Annual General Meeting of the Company in terms of Section 161 of the Companies Act, 2013 and who has submitted a declaration that he meets the criteria of the independent directorship as provided in section 149(6) of the Act and he is not debarred from holding the office of director by virtue of any SEBI order or any other such authority, who is eligible for appointment, on recommendation of the Nomination and Remuneration Committee, be and is hereby appointed as an Independent Non Executive Director of the Company, who shall hold office for a period of five years from the date of appointment and whose office shall not, henceforth, be liable to retire by rotation.

**RESOLVED FURTHER THAT** to give effect to this resolution, any one director or Chief Financial Officer or Company Secretary of the Company be and are hereby authorised to do all the acts, deeds, matters and things as they may in their absolute discretion deem necessary, to settle any question, difficulty or doubt that may arise in this regard and to sign and execute all necessary documents, applications, returns and writings as may be necessary, proper, desirable or expedient.”

6. **APPROVAL FOR PAYMENT OF REMUNERATION TO EXECUTIVE DIRECTORS WHO ARE PROMOTERS OR MEMBERS OF PROMOTER GROUP OF THE COMPANY IN EXCESS OF THRESHOLD LIMITS AS PER SEBI (LODR) (AMENDMENT) REGULATIONS, 2018**

To consider and if thought fit, to pass, the following Resolution as a **Special Resolution**:

“**RESOLVED THAT** approval of the Company be and is hereby accorded pursuant to Regulation 17(6)(e)(ii) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulation, 2015 to the continuation of payment of aggregate annual remuneration as per existing terms and conditions as approved by the shareholders to Mr. Paresh V. Parekh, Managing Director, Mr. Ketan V. Parekh, Joint Managing Director, Mr. Harsh P. Parekh, Whole-time Director of the Company who are promoters/members of the promoter group, notwithstanding their aggregate annual remuneration exceeding 5 percent of the Net Profits of the Company calculated in accordance with the provisions of Section 198 of the Companies Act, 2013, till the expiry of their respective current term.

**RESOLVED FURTHER THAT** all the existing terms and conditions of remuneration including salary and other perquisite payable to the aforesaid Directors shall remain unchanged

**RESOLVED FURTHER THAT** the Board of Directors be and are hereby authorized to do and perform or cause to be done and performed, all such acts and deeds necessary to give effect to the foregoing resolution, including inter alia, approving on behalf of the Company, any changes or modifications in the aforesaid terms from time to time.”

7. **APPROVAL OF THE REMUNERATION PAYABLE TO THE COST AUDITOR OF THE COMPANY**

To consider and, if thought fit, to pass the following resolution as an **Ordinary Resolution**:

“**RESOLVED THAT** pursuant to the provisions of Section 148 and other applicable provisions of the Companies Act, 2013 read with the Companies (Audit and Auditors) Rules, 2014 including any statutory modification(s) or re-enactment(s) thereof, for the time being in force, M/s. N. Ritesh & Associates, Cost Accountants (Firms Registration No. R100675) appointed by the Board of Directors as Cost Auditors of the Company to conduct audit of cost records of the Company for the financial year 2019-2020 be paid a remuneration of ₹ 75,000/- (Rupees Seventy Five Thousand only)

**RESOLVED FURTHER THAT** the Board of Directors of the Company be and is hereby authorized



to do all acts and take all such steps as may be necessary, proper or expedient to give effect to this resolution.”

**By the order of Board of Directors  
For National Plastic Industries Limited**

**Date : 12<sup>th</sup> August, 2019**

**Place : Mumbai**

**Sd/-  
PARESH VINOD PAREKH  
CHAIRMAN  
(DIN: 00432673)**

**Registered Office:**

Office No. 213,214 & 215, 2<sup>nd</sup> Floor,  
Hubtown Solaris, N. S. Phadke Marg,  
Andheri (East), Mumbai – 400069.

Tel: +91 22 67669999.

fax: +91 22 67669998

Email: investor@nationalplastic.com

Website: www.nationalplastic.com

**NOTES**

1. The Explanatory Statement pursuant to the provisions of Section 102 of the Companies Act, 2013 in respect of the business at item no. 4 to 7 above is annexed hereto and forms as a part of the notice.
2. The relevant details as required under Regulation 36(3) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, of the person seeking re-appointment and appointment as Director under Item No. 3,4 and 5 of the Notice is also annexed.
3. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. THE INSTRUMENT APPOINTING A PROXY, TO BE EFFECTIVE, MUST BE DULY FILLED, STAMPED AND SIGNED AND MUST BE DEPOSITED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN 48 HOURS BEFORE THE COMMENCEMENT OF THE MEETING.

A person can act as a proxy on behalf of members not exceeding fifty (50) and holding in the aggregate not more than ten percent (10%) of the total share capital of the Company carrying voting rights. Further, a member holding more than ten percent (10%) of the total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as proxy for any other person or shareholder.

4. Corporate Members intending to send their authorized representatives to attend the meeting are requested to send a certified copy of the Board Resolution authorizing their representative to attend and vote on their behalf at the meeting.
5. During the period beginning 24 hours before the time fixed for the commencement of the meeting and ending with the conclusion of the meeting, a member would be entitled to inspect the proxies lodged at any time during the business hours of the Company, provided that not less than three days of notice in writing is given to the Company.
6. The Annual Report will also be available on the website of the Company at www.nationalplastic.com in the Investors section.
7. The Register of Members and the Share Transfer Books shall remain closed from Saturday, September 14, 2019 to Friday, September 20, 2019 (both days inclusive), for the purpose of payment of Dividend and Annual General Meeting (AGM) of the Company.

8. Subject to the provisions of the Companies Act, 2013 ('the Act'), dividend as recommended by the Board of Directors for the year ended March 31, 2019, if declared at the AGM, will be paid within a period of 30 days from the date of declaration, to those members whose names appear on the Register of Members as on September 13, 2019. The final dividend is Re. 1/- per equity share.
9. All the Members are requested to:
  - i. bring their copies of the Annual Report and the duly filled in Attendance Slip for attending the Annual General Meeting.
  - ii. send their queries with respect to the accounts and operations of the Company at least 10 days in advance so that the required information can be made available at the meeting.
  - iii. Address all the correspondence relating to dividends, transfer and transmission of shares, change in their registered address, to the Company's Registrar and Transfer Agents, Sharex Dynamic (India) Pvt. Ltd., C-101, 247 Park, L.B.S. Marg, Vikroli (West), Mumbai – 400083.
  - iv. Members holding shares in the electronic form are advised to inform change in address and updates of bank account details directly to their respective depository participant(s). We urge the members to utilize the Electronic Clearing System (ECS) for receiving dividends.
  - v. Quote their Folio No. / DP ID and Client ID No. in all their correspondence with the Registrar and Share Transfer Agents.
  - vi. Intimate Registrar and Share Transfer Agents M/s. Sharex Dynamic (India) Pvt. Ltd. for consolidation of their folios, in case they are having more than one folio
10. The Notice of AGM, Annual Report and Attendance Slip are being sent in electronic mode as a link to all the Members whose email address is registered with the Company or the Depository Participant(s), unless any Member has requested for the hard copy of the same. For members who have not registered their email address, physical copies of the Notice of AGM, Annual Report and Attendance Slip are being sent in the permitted mode.
11. The route map showing directions to reach the venue of the AGM is set out in the Report.
12. In case of Joint holders attending the meeting, only such joint holder whose name is higher in the order of names will be entitled to vote.
13. **VOTING THROUGH ELECTRONIC MEANS:**
  - I. Pursuant to the provisions of Section 108 of the Companies Act, 2013 read with Rule 20 of the Companies (Management and Administration) Amendment Rules, 2015 and the Regulation 44(1) of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Company is pleased to provide members facility to exercise their right to vote at the AGM by electronic means through remote e-voting platform provided by Central Depository Services (India) Limited [CDSL]. The facility for voting, through ballot paper, will also be made available at the AGM and the members attending the AGM who have not already cast their votes by remote e-voting shall be able to exercise their right at the AGM through ballot paper
  - II. The members who have cast their vote by remote e-voting prior to the AGM may also attend the AGM but shall not be entitled to cast their vote again.
  - III. The remote e-voting period commences on September 17, 2019 (9:00AM) and ends on September 19, 2019 (5:00 PM). During this period members of the Company, holding shares either in physical form or in dematerialized form, as on the cut-off date of September 13, 2019, may cast their vote by remote e-voting. The remote e-voting module shall be disabled by CDSL for voting thereafter. Once the vote on a resolution is cast by the member, the member shall not be allowed to change it subsequently.

**IV. The process and manner for remote e-voting are as under:**

  - a. The shareholders should log on to the e-voting website [www.evotingindia.com](http://www.evotingindia.com).
  - b. Click on Shareholders.

- c. Now Enter your User ID
  - For CDSL: 16 digits beneficiary ID,
  - For NSDL: 8 Character DP ID followed by 8 Digits Client ID,
  - Members holding shares in Physical Form should enter Folio Number registered with the Company.
- d. Next enter the Image Verification as displayed and Click on Login.
- e. If you are holding shares in demat form and had logged on to [www.evotingindia.com](http://www.evotingindia.com) and voted on an earlier voting of any company, then your existing password is to be used.
- f. If you are a first time user follow the steps given below

For Members holding shares in Demat Form and Physical Form	
PAN	<p>Enter your 10 digit alpha-numeric PAN issued by Income Tax Department (Applicable for both demat shareholders as well as physical shareholders)</p> <ul style="list-style-type: none"> <li>• Members who have not updated their PAN with the Company/ Depository Participant are requested to use the first two letters of their name and the 8 digits of the sequence number in the PAN Field.</li> <li>• In case the sequence number is less than 8 digits enter the applicable number of 0's before the number after the first two characters of the name in CAPITAL letters.</li> </ul> <p>For example: If your name is Ramesh Kumar with sequence number 1 then enter RA00000001 in the PAN Field.</p>
Dividend Bank Details <b>OR</b> Date of Birth (DOB)	<p>Enter the Dividend Bank Details or Date of Birth (in dd/mm/yyyy format) as recorded in your demat account or in the company records in order to login.</p> <ul style="list-style-type: none"> <li>• If both the details are not recorded with the depository or company please enter the member id / folio number in the Dividend Bank details field as mentioned in instruction (d).</li> </ul>

- g. After entering these details appropriately, click on "SUBMIT" tab.
- h. Members holding shares in physical form will then directly reach the Company selection screen. However, members holding shares in demat form will now reach 'Password Creation' menu wherein they are required to mandatorily enter their login password in the new password field. Kindly note that this password is to be also used by the demat holders for voting for resolutions of any other company on which they are eligible to vote, provided that company opts for e-voting through CDSL platform. It is strongly recommended not to share your password with any other person and take utmost care to keep your password confidential.
- i. For Members holding shares in physical form, the details can be used only for e-voting on the resolutions contained in this Notice.
- j. Click on the EVSN for National Plastic Industries Limited on which you choose to vote.
- k. On the voting page, you will see "RESOLUTION DESCRIPTION" and against the same the option "YES/NO" for voting. Select the option YES or NO as desired. The option YES implies that you assent to the Resolution and option NO implies that you dissent to the Resolution.
- l. Click on the "RESOLUTIONS FILE LINK" if you wish to view the entire Resolution details.

- m. After selecting the resolution you have decided to vote on, click on “SUBMIT”. A confirmation box will be displayed. If you wish to confirm your vote, click on “OK”, else to change your vote, click on “CANCEL” and accordingly modify your vote.
- n. Once you “CONFIRM” your vote on the resolution, you will not be allowed to modify your vote.
- o. You can also take a print of the votes cast by clicking on “Click here to print” option on the Voting page.
- p. If a demat account holder has forgotten the login password then Enter the User ID and the image verification code and click on Forgot Password& enter the details as prompted by the system.
- q. Shareholders can also cast their vote using CDSL’s mobile app m-Voting available for android based mobiles. The m-Voting app can be downloaded from Google Play Store, Windows and Apple smart phones. Please follow the instructions as prompted by the mobile app while voting on your mobile.
- r. **NOTE FOR NON – INDIVIDUAL SHAREHOLDERS AND CUSTODIANS**
  - Non-Individual shareholders (i.e. other than Individuals, HUF, NRI etc.) and Custodian are required to log on to [www.evotingindia.com](http://www.evotingindia.com) and register themselves as Corporate.
  - A scanned copy of the Registration Form bearing the stamp and sign of the entity should be emailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and/or to [ashishlalpuria@yahoo.co.in](mailto:ashishlalpuria@yahoo.co.in)
  - After receiving the login details a Compliance User should be created using the admin login and password. The Compliance User would be able to link the account(s) for which they wish to vote on.
  - The list of accounts linked in the login should be mailed to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) and on approval of the accounts they would be able to cast their vote.
  - A scanned copy of the Board Resolution and Power of Attorney (POA) which they have issued in favour of the Custodian, if any, should be uploaded in PDF format in the system for the scrutinizer to verify the same
- V. In case you have any queries or issues regarding e-voting, you may refer the Frequently Asked Questions (“FAQs”) and e-voting manual available at [www.evotingindia.com](http://www.evotingindia.com), under help section or write an email to [helpdesk.evoting@cdslindia.com](mailto:helpdesk.evoting@cdslindia.com) or contact CDSL at 022-23023333.
- VI. A member may participate in the AGM even after exercising his right to vote through remote e-voting but shall not be allowed to vote again at the AGM.
- VII. A person, whose name is recorded in the register of members or in the register of beneficial owners maintained by the depositories as on the cut-off date only shall be entitled to avail the facility of remote e-voting or voting at the AGM through ballot paper.
- VIII. Mrs. Jayshree A. Lalpuria, Practicing Company Secretary (Membership No. 17629) of Jayshree A. Lalpuria & Co. has been appointed as the Scrutinizer for providing facility to the members of the Company to scrutinize the voting and remote e-voting process in a fair and transparent manner.
- IX. The Chairman shall, at the AGM, at the end of discussion on the resolutions on which voting is to be held, allow voting with the assistance of scrutinizer, by use of “Ballot Paper” for all those members who are present at the AGM but have not cast their votes by availing the remote e-voting facility.
- X. The Scrutinizer shall after the conclusion of voting at the general meeting, will first count the votes cast at the meeting and thereafter, unblock the votes cast through remote e-voting in the presence of at least two witnesses not in the employment of the Company and shall make, not later than three days of the conclusion of the AGM, a consolidated scrutinizer’s report of the total votes cast in favour or against, if any, to the Chairman or a person authorized by him in writing, who shall countersign the same and declare the result of the voting forthwith.

## NATIONAL PLASTIC INDUSTRIES LIMITED

- XI. The Results declared alongwith the report of the Scrutinizer shall be placed on the website of the Company [www.nationalplastic.com](http://www.nationalplastic.com) and on the website of CDSL immediately after the declaration of result by the Chairman or a person authorized by him in writing. The results shall also be immediately forwarded to the BSE Limited, Mumbai.
- XII. The voting rights of members shall be in proportion to their shares of the paid-up equity share capital of the company as on the cut-off date i.e September 13, 2019.
- XIII. Any person, who acquires shares of the Company and become member of the Company after dispatch of the notice and holding shares as of the cut-off date i.e. September 13, 2019, may obtain the login ID and password by sending a request [investor@nationalplastic.com](mailto:investor@nationalplastic.com).
14. The Securities and Exchange Board of India has mandated that securities of listed companies can be transferred only in dematerialised form w.e.f 1<sup>st</sup> April, 2019. Accordingly the Company and its RTA has stopped accepting any fresh lodgement of transfer of shares in physical form. Members holding shares in physical form are advised to avail of the facility of dematerialisation.
15. The Securities and Exchange Board of India (SEBI) and Reserve Bank of India (RBI) have advised all listed companies to mandatorily use the Electronic Clearing Services (ECS) mandate facility wherever possible for payment of dividend to the Members. In view of this stipulation, the Company has implemented the ECS facility. Members holding shares in physical form are requested to provide the Company with ECS details for crediting the future dividend payment directly to their respective bank accounts. The Company shall be able to co-ordinate with the bankers only on receipt of necessary information. The Members holding shares in electronic form may instruct their DP's accordingly.
16. The Securities and Exchange Board of India (SEBI) has mandated the submission of Permanent Account Number (PAN) by every participant in securities market. Members holding shares in electronic form are, therefore, requested to submit their PAN to their Depository Participants with whom they are maintaining their demat accounts. Members holding shares in physical form can submit their PAN to the Company / Sharex Dynamic (India) Private Limited (RTA) C-101, 247 Park, L.B.S. Marg, Vikroli (West), Mumbai – 400083, Tel. No.: 022 2851 5606, website: [www.shareindia.com](http://www.shareindia.com).
17. Members holding shares in dematerialized form are requested to intimate all changes pertaining to their registered email id, bank details, NECS, Mandates, Nominations, power of attorney etc to their Depository Participants. Changes intimated to the Depository Participants will then be automatically reflected in the Company's records which will help the Company and its Registrar and Transfer Agents, M/s. Sharex Dynamic (India) Private Limited, to provide efficient and better service to the Members. Members holding shares in physical form are requested to advice such changes to the Company's Registrar and Transfer Agents, M/s. Sharex Dynamic (India) Private Limited.
18. Those members who have so far not encashed their dividend warrants for below mentioned financial years, may claim or approach the company or Registrar and Share Transfer Agents as mentioned above for the payment thereof, as the same will be transferred to Investor Education Protection Fund (IEPF) established pursuant to section 125(1) of the Companies Act, 2013 if a member does not claim amount for a consecutive period of seven years or more.

Financial Year ended	Due Date of Transfer
2011-12	November 01, 2019
2014-15	November 05, 2022
2015-16	October 29, 2023
2016-17	October 29, 2024
2017-18	October 25, 2025

In accordance with section 124(6) of the Act read with Rule 6 of Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016 as amended time to time, if a member does not claim the dividend amount for consecutive period of seven years or more, then the shares held by him/ her shall be transferred to Demat account of IEPF authority. However, both

unclaimed dividend and shares transferred to IEPF authority can be claimed from IEPF authority by making an online application in the prescribed form IEPF-5 available on [www.iepf.gov.in](http://www.iepf.gov.in) and by sending the physical copy of the same duly signed along with requisite documents to the company at the registered office for verification of the claim. The Company Secretary acts as the Nodal Officer for IEPF matters.

19. Pursuant to the provisions of Investor Education and Protection Fund (Uploading of information regarding unpaid and unclaimed amounts lying with companies) Rules, 2012, the Company has uploaded the details of unpaid and unclaimed amounts lying with the Company as on September 19, 2018 (date of last Annual General Meeting) on the website of the Company ([www.nationalplastic.com](http://www.nationalplastic.com)), as also on the website of the Ministry of Corporate Affairs.
20. For receiving all communication including Annual Report, Notices, Circulars, etc. from the Company electronically, the members, who have not registered/updated their e-mail address so far, are requested to register/update their e-mail addresses, in respect of electronic holdings with the Depository through their concerned Depository Participant. Members who hold shares in physical form and who are desirous of receiving the communications/documents in electronic form are requested to promptly register their e-mail addresses with the Company.
21. Adhering to the various requirements set out in the Investor Education and Protection Fund Authority (Accounting, Audit, Transfer and Refund) Rules, 2016, as amended, the Company has, during financial year 2018-2019, transferred to the IEPF Authority all shares in respect of which dividend had remained unpaid or unclaimed for seven consecutive years or more as on the due date of transfer. Details of shares transferred to the IEPF Authority are available on the website of the Company. The said details have also been uploaded on the website of the IEPF Authority and the same can be accessed through the link: [www.iepf.gov.in](http://www.iepf.gov.in).

Further, Members may note that shares as well as unclaimed dividends transferred to IEPF Authority can be claimed back from them. Concerned members/investors are advised to visit the weblink: <http://iepf.gov.in/IEPFA/refund.html> or contact RTA for lodging claim for refund of shares and / or dividend from the IEPF Authority

**Please note that as a valued shareholder of the Company, you are always entitled to receive, on request, a printed copy of the Annual Report and all other documents as stated above, free of cost.**

**By the order of Board of Directors  
For National Plastic Industries Limited**

**PARESH VINOD PAREKH  
CHAIRMAN  
(DIN: 00432673)**

**Date : 12<sup>th</sup> August, 2019  
Place : Mumbai**

**Registered Office:**

Office No. 213,214 & 215, 2<sup>nd</sup> Floor,  
Hubtown Solaris, N. S. Phadke Marg,  
Andheri (East), Mumbai – 400069.  
Tel: +91 22 67669999.  
fax: +91 22 67669998  
Email: [investor@nationalplastic.com](mailto:investor@nationalplastic.com)  
Website: [www.nationalplastic.com](http://www.nationalplastic.com)

## **EXPLANATORY STATEMENT PURSUANT TO SECTION 102(1) OF THE COMPANIES ACT, 2013**

The following statement sets out all material facts relating to special business mentioned in the Notice:

### **Item No. 4:**

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (the Act) and the Articles of Association of the Company, the Board of Directors (the Board) has appointed, Mr. Nipun Shah as an Additional Non Executive Independent Director of the Company with effect from 13<sup>th</sup> November, 2018 who would hold office upto the date of the ensuing Annual General Meeting. Further he was also appointed as Independent Director for a period of five years subject to approval of Members of the Company.

Mr. Nipun Shah is Chartered Accountant qualified with B. Com of India. Mr. Nipun shah has participated in several corporate finance activities including due diligence investigations, transaction and tax structuring, valuation and business restructuring. Mr. Shah has 25 years of audit experience covering listed Companies, privately owned Companies, government Companies, bank and mutual fund, shipping Companies & logistic Companies, pharmaceutical, media & entertainment, realty & construction, airlines & trust Audit.

Brief profile of Mr. Nipun Shah as stipulated under Regulation 36(3) of the SEBI Listing Regulations is given as an annexure to this Notice.

Mr. Nipun Shah is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company. The Company has also received a declaration from Mr. Nipun Shah stating that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and SEBI Listing Regulations and he is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

In the opinion of the Board, Mr. Nipun Shah fulfils the conditions for his appointment as an Independent Director as specified in the Act. Keeping in view his expertise and vast knowledge, it will be in the interest of the Company to appoint Mr. Nipun Shah as an Independent Director, not liable to retire by rotation. He shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings.

Copy of the letter of appointment of Mr. Nipun Shah as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company on all working days (Monday to Friday) during business hours, upto the date of the Annual General Meeting.

Except Mr. Nipun Shah, none of the other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested (financially or otherwise), in this resolution.

The Board recommends the Resolution at Item No. 4 of the accompanying Notice for approval by the Members

### **Item No. 5:**

Pursuant to the provisions of Section 161(1) of the Companies Act, 2013 (the Act) and the Articles of Association of the Company, the Board of Directors (the Board) has appointed, Mr. Purnachandra Rao Dendukuri as an Additional Non Executive Independent Director of the Company with effect from 13<sup>th</sup> November, 2018 who would hold office upto the date of the ensuing Annual General Meeting. Further he was also appointed as Independent Director for a period of five years subject to approval of Members of the Company.

Mr. Purnachandra Rao Dendukuri is a Bachelor of Commerce and CAIIB from the Indian Institute of Bankers. Mr. Rao was associated with Corporation Bank for around 40 years. Mr. Rao has wide experience in credit marketing and recovery and resolution process to restructure the borrower accounts.

Brief profile of Mr. Purnachandra Rao Dendukuri as stipulated under Regulation 36(3) of the SEBI Listing Regulations is given as an annexure to this Notice.

Mr. Purnachandra Rao Dendukuri is not disqualified from being appointed as a Director in terms of Section 164 of the Act and has given his consent to act as a Director of the Company. The Company has also received a declaration from Mr. Purnachandra Rao Dendukuri stating that he meets with the criteria of independence as prescribed under sub-section (6) of Section 149 of the Act and SEBI Listing Regulations and he is not debarred from holding the office of director by virtue of any SEBI order or any other such authority.

In the opinion of the Board, Mr. Purnachandra Rao Dendukuri fulfils the conditions for his appointment as an Independent Director as specified in the Act. Keeping in view his expertise and vast knowledge, it will be in the interest of the Company to appoint Mr. Purnachandra Rao Dendukuri as an Independent Director, not liable to retire by rotation. He shall be paid remuneration by way of fee for attending meetings of the Board or Committees thereof or for any other purpose whatsoever as may be decided by the Board, reimbursement of expenses for participating in the Board and other meetings.

Copy of the letter of appointment of Mr. Purnachandra Rao Dendukuri as an Independent Director setting out the terms and conditions is available for inspection by members at the Registered Office of the Company on all working days (Monday to Friday) during business hours, upto the date of the Annual General Meeting.

Except Mr. Purnachandra Rao Dendukuri, none of the other Directors, Key Managerial Personnel of the Company and their relatives are concerned or interested (financially or otherwise), in this resolution.

The Board recommends the Resolution at Item No. 5 of the accompanying Notice for approval by the Members.

**Item No. 6:**

The recent Amendments carried out to Regulation 17(6)(e)(ii) of the SEBI (LODR) (Amendment) Regulations, 2018 specifies that approval of members by Special Resolution is required for payment of aggregate annual remuneration to Executive Directors of the Company who are promoters/members of the promoter group exceeding 5 percent of the Net Profits of the Company. Mr. Paresh Parekh, Managing Director, Mr. Ketan Parekh, Joint Managing Director and Mr. Harsh Parekh Wholetime Director are Executive Directors of the Company who are promoters/members of the promoter group.

The shareholders have approved remuneration payable within the limits as prescribed at that time as per Companies Act, 2013, while approving the appointment of Mr. Paresh V. Parekh and Mr. Ketan V. Parekh on September 19, 2018 and to Mr. Harsh P. Parekh on September 20, 2017, which is in excess of 5% of the net profits of the Company in aggregate. This necessitates seeking fresh approval of the shareholders by way of special resolution for retaining all existing terms and conditions of appointment of aforesaid Executive Directors including remuneration payable to them till the expiry of their respective term, in order to comply with the above mentioned newly introduced Regulation 17(6)(e) of SEBI (LODR) Regulations, 2015.

Mr. Paresh Parekh, Mr. Ketan Parekh, Mr. Harsh Parekh and their relatives are deemed to be concerned or interested in the resolution, except the abovementioned Directors, none of the Directors or Key Managerial Personnel of the Company are concerned or interested in the aforesaid Special Resolution.

The Board recommends the passing of Special Resolution as set out in the Item No. 6 of the Notice for approval of the members.

**Item No. 7:**

The Board of Directors of the Company, on the recommendation of the Audit Committee, had approved the appointment and remuneration of M/s N. Ritesh & Associates, Cost Accountants (Firms Registration No. R100675) to conduct the audit of the Cost Records of the Company for the financial year 2019-2020. In terms



## NATIONAL PLASTIC INDUSTRIES LIMITED

of provisions of Section 148(3) of the Companies Act, 2013 read with Rule 14(a)(ii) of the Companies (Audit and Auditors) Rules, 2014, the remuneration payable to the Cost Auditor along with the reimbursement of expenses incurred towards the audit is required to be approved by the Members of the Company. Accordingly, consent of the Members is sought to approve the remuneration payable to the Cost Auditors.

No Director, Key Managerial Personnel or their relatives, are interested or concerned in the resolution.

The Board recommends the Resolution at Item No. 6 of the accompanying Notice for approval by the Members.

**By the order of Board of Directors  
For National Plastic Industries Limited**

**Date : 12<sup>th</sup> August, 2019**

**Place : Mumbai**

**PARESH VINOD PAREKH  
CHAIRMAN  
(DIN: 00432673)**

**Registered Office:**

Office No. 213,214 & 215, 2<sup>nd</sup> Floor,  
Hubtown Solaris, N. S. Phadke Marg,  
Andheri (East), Mumbai – 400069.

Tel: +91 22 67669999.

fax: +91 22 67669998

Email: investor@nationalplastic.com

Website: www.nationalplastic.com

Annexure to the Notice

Pursuant to Regulation 36 of the SEBI (LODR) Regulations 2015, the details of directors proposed to be appointed/re-appointed at the ensuing 32<sup>nd</sup> Annual General Meeting are given below:

NAME OF THE DIRECTOR	MR. PARESH V. PAREKH	MR. NIPUN SHAH	MR. PURNACHANDRA RAO DENDUKURI
DIN	00432673	00195076	06907588
Date of Appointment	March 10, 1993	November 13, 2018	November 13, 2018
Date of Birth	April 15, 1965	November 11, 1961	December 8, 1957
Age	54 years	58 years	61 years
Qualification	Business Management Graduate from U.S.A.	Chartered Accountant and B. Com	BCOM and CAIIB
Expertise in specific functional areas	Expertise in Management & Production.  He has over 30 years of experience in corporate management. As a Managing Director, he is responsible for the day to day operations and overseeing the production activity of the Company.	Participated in several corporate finance activities including due diligence investigations, transaction and tax structuring, valuation and business restructuring. 25 years of audit experience covering listed Companies, privately owned Companies, government Companies, bank and mutual fund, shipping Companies & logistic Companies, pharmaceutical, media & entertainment, realty & construction, airlines & trust Audit.	Mr. Rao was associated with Corporation Bank around 40 years. Mr. Rao has wide experience in credit marketing and recovery and resolution process to restructure the borrower accounts.
Directorships held in other public companies (excluding foreign companies and Section 8 companies)	Nil	Nil	Nil
Memberships/ Chairmanships of committees of other public companies	Nil	Nil	
Number of shares held in the Company	9,75,001	Nil	Nil
Relationship, if any, with other Directors, Managers and Key Managerial Personnel	Mr. Paresh V. Parekh is one the promoter of the Company and Brother of Mr. Ketan V. Parekh, Joint Managing Director and father of Mr. Harsh P. Parekh, whole time Director of the Company.	Nil	Nil
Details of last drawn remuneration	₹ 1,080,000.00	Only Sitting Fees paid	Only Sitting Fees paid
Number of Board Meetings held and attended during the year.	4	1	1

**Note:** Route Map to the venue of the 32<sup>nd</sup> Annual General Meeting has been given on the last (cover) page.

## DIRECTORS' REPORT

Dear Members,

Your Directors are pleased to present the 32<sup>nd</sup> Annual Report on business and operations of your company together with the Audited Financial Statements of the Company, for the year ended March 31, 2019.

### FINANCIAL RESULTS

Particulars	*2018-2019	*2017-2018
Sales & Other Income	1,30,62,56,325	1,22,42,21,047
(Loss)/ Gross Profit before Depreciation & Interest	9,53,35,712	10,19,08,247
Less : Interest	3,23,72,794	3,42,69,358
Depreciation	2,83,79,026	2,53,12,912
<b>(Loss)/ Profit for the year</b>	<b>3,45,83,891</b>	<b>4,23,25,977</b>
Less : Deferred Tax Liabilities	1,23,03,357	98,03,846
<b>(Loss)/ Net Profit after Tax</b>	<b>2,22,80,534</b>	<b>3,25,22,131</b>
Add : Balance brought forward from previous year (Adjusted)	5,09,05,073	1,63,29,747
Balance Available for appropriation	7,31,85,608	4,88,51,878
<b>Appropriation</b>	-	-
Proposed Dividend Disbursed (₹ 1 Per Share)	91,29,600	-
Tax on Final Dividend	18,58,572	-
IND AS adjustments conversions	(20,98,500)	-
Other Comprehensive Income	(9,295)	20,53,195
Transfer to General Reserve	-	-
<b>Balance C/f to Balance Sheet</b>	<b>6,00,89,641</b>	<b>5,09,05,073</b>

#### Notes:

\*Amount in 2018 -2019 and 2017 are as per Indian Accounting Standards

The Directors in the Board Meeting held on May 20, 2019 had recommended a final dividend amounting to Re.1 per equity share subject to approval by the members in the Annual General Meeting. Since as per the requirement of Para 12 & 13 of the IND AS 10 - Events occurring after the Reporting Period provision for the proposed dividend is disallowed and the same is not recorded as an appropriation for the FY 2018 - 2019 and would be recorded on approval in the Annual General Meeting.

#### **COMPANY'S OPERATIONAL PERFORMANCE:**

The Gross turnover of the company has improved to ₹ 129.16 Crore from ₹ 120.68 Crore in last year registering a growth 7.03%. The growth in gross turnover was happened as the company came out with new and innovative range of product.

Your Company has registered lower profit before tax of ₹ 3.45 Crore as compared to ₹ 4.24 Crore in the previous year and net profit after tax of ₹ 2.23 Crore as compared to ₹3.25 Crore in previous year.

Your Company performed well during the year by efficiently managing the resources, which resulted into improved quality of the products. The Company has endeavored to bring out new & unique moulded furniture for improving the sales of the products. The Company is taking all necessary steps to reduce wastages and make production cost efficient and will surely be able to achieve its targets.

The PVC flooring Mats business in Nellore, Andhra Pradesh in the southern part of the country under the brand name **INSTA** has done fairly well during the year 2018 - 2019. The air-cooler business of the Company was marginal during the year

**DIVIDEND:**

Your Directors are pleased to recommend a Final Dividend of ₹ 1 per equity share (10%) (previous year Re. 1 per share) for the financial year 2018 - 2019, which is subject to consideration and approval of the Shareholders at the ensuing Annual General Meeting of the Company, and shall be paid within the statutory period to those members whose names appearing in the Register of Members as on the date of book closure. The total outflow on account of Equity Dividend will be ₹1.09 Crores (inclusive of Tax of ₹ 0.18 Crores)

**SUBSIDIARIES AND JOINT VENTURES:**

The Company does not have any Subsidiary Company or Joint Venture.

**SHARE CAPITAL**

There was no change in the Company's share capital during the year under review. The Company's paid up Equity Share Capital to stand at ₹ 912.96 lakhs comprising of 91,29,600 equity shares of ₹10 each as on March 31, 2019.

**TRANSFER TO RESERVES**

There is no amount proposed to be transferred to Reserves out of profits of the financial year 2018 -19.

**EXTRACT OF ANNUAL RETURN**

As required pursuant sub-section (3) of Section 92 of the Companies Act 2013, read with Rule 12 of the Companies (Management and Administration) Rules, 2014 the extract of the Annual Return as at March 31, 2018 forms part of this report as **Annexure – 1**.

**NUMBER OF MEETINGS OF THE BOARD**

During the year under review, four (4) Board meetings were held. Details of which are as follows:

Sr. No.	Date of Board Meeting
1.	29 <sup>th</sup> May, 2018
2.	3 <sup>rd</sup> August, 2018
3.	13 <sup>th</sup> November, 2018
4.	7 <sup>th</sup> February, 2019

The maximum interval between any two meetings did not exceed 120 days.

Details of the meetings and the attendance of the Directors are mentioned in the Corporate Governance Report.

**Separate Meeting of Independent Directors**

A meeting of the Independent Directors of the Company was held on May 29, 2018 and the same was attended by Mr. Dilip Thaker and Mrs. Jyoti Palekar.

**Number of Meetings of Committees of the Board of Directors**

The Board has established various Committees as a matter of good corporate governance practice and as per the requirements of the Companies Act, 2013:

1. **Audit Committee**
2. **Stakeholders Relationship Committee**
3. **Nomination and Remuneration Committee**
4. **Executive Management Committee**

**DIRECTORS AND KEY MANAGERIAL PERSONNEL:**

**a) Composition:**

During the year under review, the Board of your Company is duly constituted in accordance with the requirements of Companies Act, 2013. During the year under review the Board Comprised of 8 Directors out of which 3 are Executive Directors, 1 Non-Executive Director and 4 Non-Executive Independent Director.

**b) Retirement by Rotation:**

As per the provisions of the Companies Act, 2013, Mr. Paresh Vinod Parekh, Executive Chairman who retires by rotation at the Annual General Meeting and being eligible, offers himself for re-appointment to the Board. His profile details are contained in the accompanying Notice of the AGM.

**c) Regularization of appointment of additional Director:**

During the year, Mr. Nipun Shah, was appointed as additional Director on November 13, 2018 by the Board of Directors till the conclusion of ensuing AGM, and was also appointed as Independent Director for a period of five years' subject to approval of members at ensuing AGM.

During the year, Mr. Purnachandra Rao Dendukuri, was appointed as additional Director on November 13, 2018 by the Board of Directors till the conclusion of ensuing AGM, and was also appointed as Independent Director for a period of five years' subject to approval of members at ensuing AGM.

**d) Resignation of Director**

During the year Mr. Dilip Thaker resigned as Independent Director of the Company w.e.f. 13<sup>th</sup> November, 2018. The Board placed on record its sincere appreciation for valuable guidance received from Mr. Dilip during his tenure as Director of the Company.

**e) Declaration by Independent Directors:**

The Company has received declaration from all the Independent Directors of Company confirming that they meet with the criteria of Independence as prescribed pursuant to the provisions of Section 149(6) of the Companies Act, 2013 and Regulation 16(1)(b) of SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015.

**f) Familiarization Program for Independent Directors**

The Company has set Familiarization Program for Independent Directors with regard to their roles, rights, responsibilities in the Company, nature of the industry in which the Company operates, the business model of the Company etc. The details of which are available on the website of the Company ([www.nationalplastic.com](http://www.nationalplastic.com)).

**g) Board Evaluation**

In terms of the provisions of the Companies Act, 2013 a structured questionnaire was prepared after taking into consideration the various aspects of the Board functioning like composition of the Board and its committees, culture, execution and performance of Specific duties, obligations and governance.

The Independent Directors, in their separate meeting held on May 29, 2018 evaluated the performance of the Board, the Chairperson and the Non-Independent Directors. The result of the evaluation is satisfactory and sufficient and meets the requirements of the Company.

Further, the Annual Performance Evaluation was also carried out by the Board for the financial year 2018 - 19 in respect of its own performance, the evaluation of the working Committees, Directors through peer evaluation excluding director being evaluated.

**h) Key Managerial Personnel**

Ms. Malvika Sharma has been appointed as Company Secretary and Compliance Officer w.e.f 29<sup>th</sup> May, 2018. Ms. Malvika Sharma resigned as Company Secretary and Compliance Officer on 12<sup>th</sup> April, 2019 and Ms. Shraddha Bagwe has been appointed as Company Secretary and Compliance Officer w.e.f 20<sup>th</sup> May, 2019.

Mr. Paresh Parekh, Managing Director; Mr. Ketan Parekh, Joint Managing Director; Mr. Harsh Parekh, Whole Time Director; Mr. Umesh Shenoy, Chief Financial Officer and Ms. Shraddha Bagwe, Company Secretary of the Company are the Key Managerial Personnel as per the provisions of the Companies Act, 2013.

**DIRECTORS' RESPONSIBILITY STATEMENT:**

The Board of Directors acknowledge the responsibility for ensuing compliances with the provisions of Section 134(3)© read with Section 134(5) of the Companies Act, 2013 in the preparation of annual accounts for the year ended on March 31, 2019 and states that:

- i. In the preparation of the annual accounts for the year ended March 31, 2019, the applicable accounting standards had been followed along with proper explanations relating to material departures;
- ii. They have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the Company as at March 31, 2019 and of the profits of the Company for the financial year ended March 31, 2019;
- iii. They have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv. They had prepared the annual accounts on a going concern basis;
- v. They had laid down internal financial controls to be followed by the company and that such internal financial controls are adequate and were operating effectively; and
- vi. They had devised proper systems to ensure compliance with the provisions of all applicable laws and that such systems were adequate and operating effectively

**DETAILS OF REMUNERATION TO DIRECTORS:**

The information relating to remuneration of directors as required under Section 197(12) of the Companies Act, 2013 is given in **Annexure – 2**.

**POLICY RELATING TO DIRECTORS:**

The policy framed by the Nomination & Remuneration Committee under Section 178(3) of the Companies Act, 2013 is as below:

**Appointment Criteria and Qualifications**

- a) The Committee shall identify and ascertain the integrity, qualification, expertise and experience of the person for appointment as Director, KMP or at Senior Management level and recommend to the Board his / her appointment.
- b) The Committee shall identify the extent to which the appointee is likely to contribute to the overall effectiveness of the Board, work constructively with the existing directors and enhance the efficiencies of the Company;
- c) The Committee has discretion to decide whether qualification, expertise and experience possessed by a person are sufficient / satisfactory for the concerned position

**Remuneration to Directors**

**a) Remuneration to Whole-time / Executive / Managing Director:**

The Remuneration/ Compensation/ Commission etc. to be paid to Director /Managing Director etc. shall be governed as per provisions of the Companies Act, 2013 and rules made there under including any amendments thereto or any other enactment for the time being in force. The Whole-time / Executive / Managing Director shall be eligible for a monthly remuneration as may be approved by the Board on the recommendation of the Committee. The break-up of the pay scale and quantum of perquisites including employer's contribution to PF, pension scheme, medical expenses, club fees etc. shall be decided and approved by the Board on the recommendation of the Committee and approved by the shareholders and Central Government, wherever required.

If, in any financial year, the Company has no profits or its profits are inadequate, the Company shall pay remuneration in accordance with the provisions in Schedule V of the Companies Act, 2013 and if it is not able to comply with such provisions, with the previous approval of the Central Government.

If, any Whole-time Director/Managing Director draws or receives, directly or indirectly by way of remuneration any such sums in excess of the limits prescribed under the Companies Act, 2013 or without the prior sanction of the Central Government, wherever required, he/she shall refund such excess remuneration to the Company and until such sum is refunded, hold it in trust for the Company. The recovery of such sums refundable shall not be waived by the Company unless permitted by the Central Government

**b) Remuneration to Non- Executive / Independent Director:**

The Non-Executive/Independent Director may receive remuneration / compensation /commission as per the provisions of Companies Act, 2013 and the rules made thereunder. The amount of sitting fees shall be subject to ceiling/ limits as provided under Companies Act, 2013 and rules made there under including any amendments thereto or any other enactment for the time being in force.

The Independent Director shall not be entitled to any stock option of the Company.

**Evaluation**

The Committee shall carry out evaluation of performance of every Director at regular interval (yearly).

**Removal**

The Committee may recommend, to the Board with reasons recorded in writing, removal of a Director, KMP or Senior Management Personnel subject to the provisions and compliance of the said Act, rules and regulations.

**Retirement**

The Director, KMP and Senior Management Personnel shall retire as per the applicable provisions of the Act and the prevailing policy of the Company. The Board will have the discretion to retain the Director, KMP, Senior Management Personnel in the same position/ remuneration or otherwise even after attaining the retirement age, for the benefit of the Company.

**PARTICULARS OF EMPLOYEES:**

None of the employees of the Company were drawing a remuneration exceeding ₹ 1,02,00,000/- per annum or ₹ 8,50,000/- per month or part thereof. The information required under Section 197 (12) of the Companies Act, 2013 read with Rule 5(2) & (3) of Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 as amended by Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016 is given in the **Annexure - 3** to this report.

Your Directors value the commitment of the employees towards the Company and appreciate their valuable contributions for the progress and growth of the Company.

**AUDITOR AND AUDITOR'S REPORT:**

**a) Statutory Auditor**

At the Company's 30<sup>th</sup> Annual General Meeting held on September 20, 2017, M/s. R.S. Prabhu & Associates, Chartered Accountants (Firm registration No. 127010W), were appointed as Company's Statutory Auditors to hold office till the conclusion of the 35<sup>th</sup> Annual General Meeting, subject to ratification by the members at every Annual General Meeting until the expiry of the period of original appointment. However, the Companies Amendment Act, 2017 (Vide notification dated May 7, 2018 issued by Ministry of Corporate Affairs) omits the provision related to Annual Ratification from Companies Act, 2013 and the requirement of seeking ratification of appointment of statutory auditors by members at each AGM has been done away with.. Accordingly, no such item has been considered in notice of the 32<sup>nd</sup> AGM of the Company.

The Auditors Report to the shareholders for the year under review contain the below mentioned qualification.

**Qualification:** As per the information and explanations provided to us, title deeds of immovable properties and lease agreements of leasehold property are generally in the name of the Company except for freehold land held by the Company, located at Kashimira, Mumbai, Maharashtra, title of which is under dispute. (Gross Block & Net Block as at 31/03/2019 ₹8,86,603).

**Management view:** the Company is enjoying full ownership of the property and has taken effective step to convert the property in his name.

The Notes on Financial Statements referred to in the Auditors' Report are self-explanatory and do not call for any further comments.

**Reporting of fraud by the Auditor under Section 143(12) of the Companies Act, 2013**

The Board of Directors states that M/s. R.S. Prabhu & Associates, Chartered Accountants, Mumbai (Firm Reg no. 110639W), Statutory Auditors have not reported of any fraud involving any amount committed by the Company to the Central Government or to the Board of Directors or Audit Committee of the Company.

**b) Secretarial Auditor**

Pursuant to the provisions of Section 204 of the Companies Act, 2013 and the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014, the Company had appointed M/s. Jayshree A. Lalpuria, Practicing Company Secretaries, to undertake the Secretarial Audit of the Company for the FY 2018 - 2019. The Report of the Secretarial Audit carried out is annexed herewith as **Annexure -4**.

The Secretarial Audit report, as issued by the secretarial auditor in Form MR-3 contain following observations or qualifications requiring explanation or comments from the Board under Section 134(3) of the Companies Act, 2013:

Observation 1: There was delay in few cases for issue of duplicate share certificates beyond period of 30 days, as required under Regulation 39 of the SEBI(LODR), 2015.

*Remark: In few cases due to holidays or delay in courier the timeline prescribed by SEBI has not be followed.*

The Board at its meeting held on May 20, 2019, has on the recommendation of the Audit Committee re-appointed M/s. Jayshree A. Lalpuria, Practicing Company Secretaries, as Secretarial Auditor, for conducting Secretarial Audit of the Company for the FY 2019 -2020.

**c) Cost Auditor**

M/s. N. Ritesh & Associates, Cost Accountants, are appointed as the Cost Auditors of the Company under Section 148 of the Companies Act, 2013 to conduct the audit of the cost records of the Company for the financial year 2018- 2019. Necessary resolution for ratification of the remuneration to be paid to the Cost Auditors is incorporated in the Notice of the ensuing Annual General Meeting for approval of members.

**LOANS, GUARANTEES OR INVESTMENTS UNDER SECTION 186:**

The Company has not given, during the year under review, any loan, guarantee or invested any funds falling under the purview of Section 186 of the Companies Act, 2013.

Details of outstanding investments are given in the notes to financial statements.

**RELATED PARTY TRANSACTIONS:**

All the related party transactions that were entered into during the financial year were at arm's length basis and were in the ordinary course of business. There were no materially significant related party transactions with the Directors, Promoters, Key Managerial Personnel or other designated persons which may have a potential conflict with the interest of the Company at large. Accordingly, the disclosure of Related Party Transactions as required under Section 134(3)(h) of the Companies Act, 2013 in Form AOC-2 is not applicable.



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All Related Party Transactions as required under Indian Accounting Standards AS-24 are reported in Note 32 Notes to Accounts of the financial statements of the Company.

All related party transactions were placed before the Audit Committee and the Board for approval.

### **CORPORATE GOVERNANCE:**

The compliance with the provisions of Corporate Governance under the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 has been applicable to the Company in the financial year 2018 – 2019. Hence, the Report on Corporate Governance as stipulated under Regulation 33 (1) (e) read with Schedule IV of the SEBI (Listing Obligation and Disclosure Requirements) Regulations, 2015 has been applicable to the Company which is integral part of this Report. The Company is committed to maintain the highest standards of Corporate Governance and adhere to the Corporate Governance requirements set out by the Securities and Exchange Board of India (SEBI). The requisite certificate from the Secretarial Auditors of the Company confirming compliance with the conditions of Corporate Governance is attached to the Report on Corporate Governance.

### **MANAGEMENT'S DISCUSSION AND ANALYSIS**

In terms of the provisions of Regulation 34 of the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015, the Management Discussion and Analysis is set out in this Annual Report.

### **DEPOSITS**

The Company has not accepted any Deposit covered under Section 73 of the Companies Act, 2013 from the Shareholders or the Public during the year under review.

### **INSURANCE**

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

### **DISCLOSURE UNDER THE SEXUAL HARASSMENT OF WOMEN AT WORKPLACE (PREVENTION, PROHIBITION AND REDRESSAL) ACT, 2013**

The Company has in place a policy on Prevention of Sexual Harassment at Workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition and Redressal) Act, 2013. The policy provides for protection against Sexual Harassment of Women at Workplace and for prevention and redressal of complaints.

No complaints were received from any employee during the financial year 2018-19 and hence, no complaints are outstanding as on March 31, 2019 for redressal.

### **VIGIL MECHANISM**

The Company has formulated a Vigil Mechanism Policy for Directors and employees to report their genuine concerns about unethical behaviour, actual or suspected fraud or violation of the Codes of Conduct or policy. The necessary mechanism is in line with the requirements under the Companies Act, 2013. It provides for adequate safeguards against victimization of Directors and employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. None of the Whistle Blowers have been denied access to the Audit Committee. The said policy is available on the Company's website [www.nationalplastic.com](http://www.nationalplastic.com) under the Investor Section.

### **CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO**

The particulars relating to conservation of energy, technology absorption, foreign exchange earnings and outgo, as required to be disclosed pursuant to Section 134 of the Companies Act, 2013 read with Rule 8(3) of Companies (Accounts) Rules, 2014 form part of this report and are set out in the **Annexure - 5** to this report.

### **RISK MANAGEMENT POLICY**

The Board of Directors of your Company has formulated a Risk Management Policy for the Company. It aims to identify, evaluate risks associated with the business viz. economic environment and market conditions, fluctuations in foreign currency, political environment, contractual compliance, credit risks, technology obsolescence, inflation, commodity prices, price fluctuation of raw materials and finished goods etc. Mitigation plans for the identified risks are drawn up based on the type of risks.

In the opinion of the Board, none of the above mentioned risks threaten the existence of the Company.

### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY:**

The Company has adequate internal financial control procedures commensurate with its size and nature of business. The Company has appointed Internal Auditors comprising professional Chartered Accountants who periodically audit the adequacy and effectiveness of the internal controls laid down by the management and suggest improvements. Based on the audit observation and recommendations, follow ups and remedial measures are being taken including review and increase in scope, if necessary.

The Audit Committee of the Board of Directors periodically reviews the audit plans, internal audit reports and adequacy of internal controls. As a matter of proactive planning, the Board has also constituted an Audit Committee which meets periodically to review the financial performance and the accuracy of financial records. The management duly considers and takes appropriate action on the recommendations made by the Internal Auditors, Statutory Auditors and the Audit Committee of the Board of Directors.

### **COMPLIANCE WITH SECRETARIAL STANDARDS**

During the financial year, your Company has complied with applicable Secretarial Standards issued by Institute of Company Secretaries of India.

### **STATUTORY DISCLOSURE:**

Your Directors' state that no disclosure or reporting is required in respect of the following items as there were no transactions on these items during the year under review

- a. There is no change in the nature of business of the Company.
- b. In terms of the first proviso to Section 136 of the Companies Act, 2013, the Report and Accounts are being sent to all the shareholders and is available on the Company's website.
- c. There have been no material changes and commitments affecting the financial position of the Company which have occurred between the end of the financial year of the Company to which the financial statements relate and the date of the report.
- d. Issue of equity shares with differential rights as to dividend or voting or otherwise.
- e. No significant material orders were passed by the Regulators or Courts or Tribunals which impacts the going concern status and Company operations in the future.

### **LISTING FEES**

The Company has paid the Annual Listing fees to BSE Ltd. for the Financial Year 2018 – 2019.

### **TRANSFER TO INVESTOR EDUCATION AND PROTECTION FUND (IEPF)**

During the year under review, Your Company has transferred a sum of ₹ 788,600.00/- (Rupees Seven Lakhs Eighty Eight Thousand Six Hundred only) to Investor Education and Protection Fund, in compliance with the provisions of Section 124(5) of the Companies Act, 2013. The said amount represents dividend for the FY 2010 - 2011 which remained unclaimed by the members of the Company for a period exceeding 7 years from its due date of payment.

During the year 2018 - 2019, 46,397 equity shares in respect of which dividend has not been claimed by the shareholders for seven consecutive years for the final dividend declared in financial year 2010 - 2011,

## NATIONAL PLASTIC INDUSTRIES LIMITED

were transferred to the Investor Education and Protection Fund pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the rules there under.

Further, the Company shall be transferring the unclaimed Dividend for the financial year 2011-2012 to the IEPF Account on expiry of seven years.

### **GREEN INITIATIVE**

Your Company has considered and adopted the initiative of going green and minimizing the impact on the environment. The Company has been circulating the copy of the Annual Report in electronic format to all those members whose email addresses are available with the Company. Your Company appeals other Members also to register themselves for receiving Annual Report/documents in electronic form. The E-Communication Registration Form has been annexed at the end of the annual report.

### **AWARDS AND CERTIFICATION**

Your Directors take immense pleasure in informing the members that the company has received the below mentioned award/ appreciation during the year:

Received the award of Top Exporter of Plastic Furniture For The Year - 2015 -16 on 21<sup>st</sup> July 2018

Received the award of Second Best Exporter of Plastic Furniture For The Year 2016-17 on 21<sup>st</sup> July 2018.

### **ACKNOWLEDGEMENTS**

Your Directors take this opportunity to express their deep and sincere gratitude to the customers and investors for their confidence and patronage, as well as to the vendors, bankers, financial institutions, and business associates, regulatory and governmental authorities for their co-operation, support and guidance. Your Directors would also like to express a deep sense of appreciation for the support extended by the Company's unions and commitment shown by the employees in its continued robust performance on all fronts.

**By the order of Board of Directors**

**Date : 12<sup>th</sup> August, 2019**

**Place : Mumbai**

**PARESH VINOD PAREKH  
CHAIRMAN  
(DIN: 00432673)**

**ANNEXURE - 1**

**FORM MGT-9**

**EXTRACT OF ANNUAL RETURN**

As on the financial year ended on March 31, 2019

[Pursuant to Section 92(3) of the Companies Act, 2013 and rule 12(1) of the Companies (Management and Administration) Rules, 2014]

**I. REGISTRATION AND OTHER DETAILS**

i.	CIN	L25200MH1987PLC044707
ii.	Registration Date	17/09/1987
iii.	Name of the Company	<b>National Plastic Industries Limited</b>
iv.	Category/Sub-Category of the Company	Public Company Limited by shares
v.	Address of the Registered office and contact details*	Office No. 213,214 & 215, 2 <sup>nd</sup> Floor, Hubtown Solaris, N. S. Phadke Marg, Andheri (East), Mumbai – 400069 Tel.: +91 22 67669999, Fax: +91 22 67669998
vi.	Whether listed company	Yes
vii.	Name, Address and Contact details of Registrar and Transfer Agent, if any	Sharex Dynamic (India) Pvt Ltd., Unit No.1, Luthra Industrial Premises, Safed Pool, Andheri Kurla Road, Andheri (East), Mumbai - 400 072. Tel: 2851 5606 / 5644 / 6338  <b>Email Id:</b> sharexindia@vsnl.com <b>Website:</b> www.sharexindia.com

\*The Registered Office of the Company shifted from A-59, MIDC Industrial Area, Marol, Road No.1, Andheri (East), Mumbai - 400 093 to Office No. 213,214 & 215, 2<sup>nd</sup> Floor, Hubtown Solaris, N. S. Phadke Marg, Andheri (East), Mumbai – 400069 w.e.f May 29, 2018.

**II. PRINCIPAL BUSINESS ACTIVITIES OF THE COMPANY**

All the business activities contributing 10% or more of the total turnover of the company shall be stated:-

Sr. No.	Name and Description of main products / services	NIC Code of the Product/ service	% to total turnover of the company
1	Injection Moulded Products	25209	99.58%
2	Services (Renting out of leased in non residential building)	70102	0.42%

**III. PARTICULARS OF HOLDING, SUBSIDIARY AND ASSOCIATE COMPANIES-**

Sr. No	Name and Address of the Company	CIN/GLN	Holding/ Subsidiary/ Associate	% of Shares Held	Applicable Section
N.A					

**NATIONAL PLASTIC INDUSTRIES LIMITED**
**IV SHARE HOLDING PATTERN (Equity Share Capital Breakup as percentage of Total Equity)**
**i. Category-wise Share Holding**

Category of Shareholders	No. of Shares held at the beginning of the year 01-04-2018				No. of Shares held at the end of the year 31-03-2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
<b>A. PROMOTER'S</b>									
<b>(1). INDIAN</b>									
(a). Individual	5024626	0	5024626	55.036	5024626	0	5024626	55.036	0
(b). Central Govt.	0	0	0	0	0	0	0	0	0
(c). State Govt(s).	0	0	0	0	0	0	0	0	0
(d). Bodies Corpp.	148511	0	148511	1.627	148511	0	148511	1.627	0
(e). FIINS / BANKS.	0	0	0	0	0	0	0	0	0
(f). Any Other	0	0	0	0	0	0	0	0	0
<b>Sub-total (A) (1):-</b>	<b>5173137</b>	<b>0</b>	<b>5173137</b>	<b>56.663</b>	<b>5173137</b>	<b>0</b>	<b>5173137</b>	<b>56.663</b>	<b>0</b>
<b>(2). FOREIGN</b>									
(a). Individual NRI / For Ind	-	0	-	-	-	0	-	-	0
(b). Other Individual	-	0	-	-	-	0	-	-	0
(c). Bodies Corporates	-	0	-	-	-	0	-	-	0
(d). Banks / FII	-	0	-	-	-	0	-	-	0
(e). Qualified Foreign Investor	-	0	-	-	-	0	-	-	0
(f). Any Other Specify	-	0	-	-	-	0	-	-	0
<b>Sub-total (A) (2):-</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>Total shareholding of Promoter (A) = (A) (1)+(A)(2)</b>	<b>5173137</b>	<b>0</b>	<b>5173137</b>	<b>56.663</b>	<b>5173137</b>	<b>0</b>	<b>5173137</b>	<b>56.663</b>	<b>0</b>
<b>(B) (1). PUBLIC SHAREHOLDING</b>									
(a). Mutual Funds	-	0	-	-	-	0	-	-	0.000
(b). Banks / FI	0	100	100	0.001	0	100	100	0.001	0.000
(c). Central Govt.	510132	0	510132	5.588	556529	0	556529	6.096	0.508
(d). State Govt.	-	0	-	-	-	0	-	-	0.000
(e). Venture Capital Funds	-	0	-	-	-	0	-	-	0.000

Category of Shareholders	No. of Shares held at the beginning of the year 01-04-2018				No. of Shares held at the end of the year 31-03-2019				% Change during the year
	Demat	Physical	Total	% of Total Shares	Demat	Physical	Total	% of Total Shares	
(f). Insurance Companies	-	0	-	-	-	0	-	-	0.000
(g). FII's	-	0	-	-	-	0	-	-	0.000
(h). Foreign Venture Capital Funds	-	0	-	-	-	0	-	-	0.000
(i). Others (specify)	-	0	-	-	-	0	-	-	0.000
<b>Sub-total (B)(1):-</b>	<b>510132</b>	<b>100</b>	<b>510232</b>	<b>5.589</b>	<b>556529</b>	<b>100</b>	<b>556629</b>	<b>6.097</b>	<b>0.508</b>
<b>2. Non-Institutions</b>									
<b>(a). BODIES CORP.</b>									
(i). Indian	206985	6400	213385	2.337	123496	5500	128996	1.413	-0.924
(ii). Overseas	-	0	-	-	-	0	-	-	0.000
<b>(b). Individuals</b>									
(i) Individual shareholders holding nominal share capital upto ₹1 lakh	1719025	687616	2406641	26.361	1791077	591516	2382593	26.097	-0.264
(ii) Individual shareholders holding nominal share capital in excess of ₹1 lakh	665559	12300	677859	7.425	762683	12300	774983	8.489	1.064
<b>(c). Other (specify)</b>									
Non Resident Indians	58504	37200	95704	1.048	58164	33500	91664	1.004	-0.044
Overseas Corporate Bodies	5600	0	5600	0.061	-	0	-	-	-0.061
Foreign Nationals	-	0	-	-	-	0	-	-	0
Clearing Members	47042	0	47042	0.515	21598	0	21598	0.237	-0.278
Trusts	-	0	-	-	-	0	-	-	0
Foreign Boodies - D R	-	0	-	-	-	0	-	-	0
<b>Sub-total (B)(2):-</b>	<b>2702715</b>	<b>743516</b>	<b>3446231</b>	<b>37.747</b>	<b>2757018</b>	<b>642816</b>	<b>3399834</b>	<b>37.24</b>	<b>-0.507</b>
<b>Total Public Shareholding (B)=(B)(1)+ (B)(2)</b>	<b>3212847</b>	<b>743616</b>	<b>3956463</b>	<b>43.336</b>	<b>3313547</b>	<b>642916</b>	<b>3956463</b>	<b>43.337</b>	<b>0.001</b>
<b>C. Shares held by Custodian for GDRs &amp; ADRs</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>0</b>	<b>-</b>	<b>-</b>	<b>0</b>
<b>Grand Total (A+B+C)</b>	<b>8385984</b>	<b>743616</b>	<b>9129600</b>	<b>100.00</b>	<b>8486684</b>	<b>642916</b>	<b>9129600</b>	<b>100.00</b>	<b>0.001</b>

**NATIONAL PLASTIC INDUSTRIES LIMITED**

**ii. Shareholding of Promoters**

Sr. No.	Shareholder's Name	Shareholding at the beginning of the year			Shareholding at the end of the Year			% changes in share holding during the year
		No. of Shares	% of total Shares of the company	% of shares Pledged/ encumbered to total shares	No. of Shares	% of total Shares of the company	% of shares Pledged/ encumbered to total shares	
1.	Paresh Vinod Parekh	975001	10.680	0	975001	10.680	0	0
2.	Preeti Paresh Parekh	975000	10.680	0	975000	10.680	0	0
3.	Neeta Ketan Parekh	969000	10.614	0	969000	10.614	0	0
4.	Ketan Vinod Parekh	834500	9.141	0	834500	9.141	0	0
5.	Ketan Vinod Parekh HUF	552000	6.046	0	552000	6.046	0	0
6.	Harsh Paresh Parekh	326500	3.576	0	326500	3.576	0	0
7.	Vivek P Parekh	290025	3.177	0	290025	3.177	0	0
8.	Enpee Credit And Capital India Private Limited	148511	1.627	0	148511	1.627	0	0
9.	Paresh Vinod Parekh HUF	102600	1.124	0	102600	1.124	0	0

**iii. Change in Promoter's Shareholding (Please specify, if there is no change)**

Sr. No.	Shareholder's Name	Shareholding at the Beginning of the Year			Shareholding at the end of the Year			% of total Shares of the company
		No. of Shares at the beginning /end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. of shares	
N.A								

**iv. Shareholding Pattern of top ten Shareholders (other than Directors, Promoters and Holders of GDRs and ADRs):**

Sr. No.	Name	No. of Shares at the beginning /end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. of shares	% of total Shares of the company
1	Investor Education And Protection Fund	510132	5.588	01-04-2018				
	-Closing Balance			31-03-2019		No Change	510132	5.588
2	Subramanian P	124000	1.358	01-04-2018				
	-Closing Balance			31-03-2019		No Change	124000	1.358

Sr. No.	Name	No. of Shares at the beginning /end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. of shares	% of total Shares of the company
3	Pinky Sambhria	109986	1.205	01-04-2018				
	-Closing Balance			31-03-2019		No Change	109986	1.205
4	Mamoona Romana Shaikh	0	0	01-04-2018				
				07-12-2018	32804	Buy	32804	0.359
				14-12-2018	19125	Buy	51929	0.569
				21-12-2018	11183	Buy	63112	0.691
				28-12-2018	22844	Buy	85956	0.942
				04-01-2019	344	Buy	86300	0.945
	-Closing Balance			31-03-2019			86300	0.945
5	Indra Lal	57855	0.634	01-04-2018				
	-Closing Balance			31-03-2019		No Change	57855	0.634
6	Investor Education And Protection Fund Authority Ministry Of Corporate Affairs	0	0	01-04-2018				
				07-12-2018	46397	Buy	46397	0.508
	-Closing Balance			31-03-2019		Buy	46397	0.508
7	Kiran Tulsyan	36682	0.402	01-04-2018				
	-Closing Balance			31-03-2019		No Change	36682	0.402
8	Rajesh Arora	36100	0.395	01-04-2018				
	-Closing Balance			31-03-2019		No Change	36100	0.395
9	Devika Lal	31400	0.344	01-04-2018				
	-Closing Balance			31-03-2019		No Change	31400	0.344



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Sr. No.	Name	No. of Shares at the beginning /end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. of shares	% of total Shares of the company
10	Trupti Uday Merchant	25000	0.274	01-04-2018				
	-Closing Balance			31-03-2019		No Change	25000	0.274
11	Murarilal Tulsyan Huf	22814	0.250	01-04-2018				
	-Closing Balance			31-03-2019		No Change	22814	0.250
12	Transworld Securities Ltd	44850	0.491	01-04-2018				
				06-04-2018	-39	Sold	44811	0.491
				04-05-2018	86	Buy	44897	0.492
				11-05-2018	10	Buy	44907	0.492
				18-05-2018	-862	Sold	44045	0.482
				01-06-2018	-250	Sold	43795	0.480
				08-06-2018	-100	Sold	43695	0.479
				15-06-2018	322	Buy	44017	0.482
				22-06-2018	-186	Sold	43831	0.480
				29-06-2018	332	Buy	44163	0.484
				06-07-2018	-1003	Sold	43160	0.473
				13-07-2018	496	Buy	43656	0.478
				20-07-2018	140	Buy	43796	0.480
				27-07-2018	1088	Buy	44884	0.492
				03-08-2018	919	Buy	45803	0.502
				10-08-2018	-1031	Sold	44772	0.490
				17-08-2018	-368	Sold	44404	0.486
				24-08-2018	1053	Buy	45457	0.498
				31-08-2018	298	Buy	45755	0.501
				07-09-2018	-100	Sold	45655	0.500
				14-09-2018	1	Buy	45656	0.500
				21-09-2018	-10	Sold	45646	0.500
				28-09-2018	-1085	Sold	44561	0.488
				05-10-2018	-553	Sold	44008	0.482
				12-10-2018	-218	Sold	43790	0.480
				19-10-2018	-451	Sold	43339	0.475
				26-10-2018	-327	Sold	43012	0.471
				02-11-2018	-175	Sold	42837	0.469
				09-11-2018	-100	Sold	42737	0.468
				16-11-2018	-900	Sold	41837	0.458
				23-11-2018	-750	Sold	41087	0.450

Sr. No.	Name	No. of Shares at the beginning /end of the Year	% of the Shares of the company	Date	Increasing/ Decreasing in shareholding	Reason	No. of shares	% of total Shares of the company
				07-12-2018	-1284	Sold	39803	0.436
				14-12-2018	-240	Sold	39563	0.433
				21-12-2018	-1	Sold	39562	0.433
				28-12-2018	-250	Sold	39312	0.431
				04-01-2019	-50	Sold	39262	0.430
				18-01-2019	-1147	Sold	38115	0.417
				25-01-2019	-1	Sold	38114	0.417
				15-03-2019	-4782	Sold	33332	0.365
				29-03-2019	-11896	Sold	21436	0.235
	-Closing Balance			31-03-2019			0	0.000

The shares of the Company are traded on a daily basis and hence the increase / decrease in shareholding are indicated based on the benpos date.

**v. Shareholding of Directors and Key Managerial Personnel:**

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>Directors</b>					
<b>1.</b>	<b>Paresh V. Parekh</b>				
	At the beginning of the year	975001	10.68	975001	10.68
	Increase/Decrease				
	At the end of the year			975001	10.68
<b>2.</b>	<b>Ketan V. Parekh</b>				
	At the beginning of the year	834500	9.14	834500	9.14
	Increase/Decrease				
	At the end of the year			834500	9.14
<b>3.</b>	<b>Rajeevrajan Shyamsunder Kapur*</b>				
	At the beginning of the year	-	-	-	-
	At the end of the year			-	-
<b>4.</b>	<b>Dilip Thaker**</b>				
	At the beginning of the year	-	-	-	-
	At the end of the year			-	-
<b>5.</b>	<b>Nipun Shah***</b>				
	At the beginning of the year	-	-	-	-
	At the end of the year			-	-

Sr. No.	Shareholding of each Directors and each Key Managerial Personnel	Shareholding at the beginning of the year		Cumulative Shareholding during the Year	
		No. of shares	% of total shares of the company	No. of shares	% of total shares of the company
<b>6.</b>	<b>Purnachandra Rao Dendukuri****</b>				
	At the beginning of the year	-	-	-	-
	At the end of the year			-	-
<b>7.</b>	<b>Jyoti Palekar*****</b>				
	At the beginning of the year	-	-	-	-
	At the end of the year			-	-
<b>8.</b>	<b>Neeta K.Parekh</b>				
	At the beginning of the year	969000	10.61	969000	10.614
	Increase/Decrease				
	At the end of the year			969000	10.614
<b>KEY MANAGERIAL PERSONNEL</b>					
<b>1.</b>	<b>Harsh P. Parekh</b>				
	At the beginning of the year	326500	3.58	326500	3.58
	Increase/Decrease				
	At the end of the year			326500	3.58
<b>2.</b>	<b>Malvika Sharma^</b>				
	At the beginning of the year	-	-	-	-
	At the end of the year			-	-
<b>3.</b>	<b>Umesh L. Shenoy</b>				
	At the beginning of the year	-	-	-	-
	At the end of the year	-	-	-	-

\*Rajeevrajan Shyamsunder Kapur has been appointed as the Independent Director of the Company w.e.f 19<sup>th</sup> September, 2018

\*\*Dilip Thaker has resigned from the position of Directorship w.e.f. 13<sup>th</sup> November, 2018

\*\*\*Nipun Shah has been appointed as additional independent director of the Company w.e.f 13<sup>th</sup> November, 2018

\*\*\*\*Purnachandra Rao Dendukuri has been appointed as additional independent director of the Company w.e.f 13<sup>th</sup> November, 2018.

\*\*\*\*\* Ms. Jyoti Palekar has resigned from the position of Directorship w.e.f. 7<sup>th</sup> June, 2019

^Malvika Sharma has resigned from the position of Company Secretary and Compliance Officer w.e.f. 12<sup>th</sup> April, 2019.

**V. INDEBTEDNESS**

Indebtedness of the Company including interest outstanding/accrued but not due for payment

Particulars	Secured Loans excluding deposits	Unsecured Loans	Deposits	Total Indebtedness
<b>Indebtedness at the beginning of the financial year</b>				
i) Principal Amount	30,88,76,427	10,43,51,070		41,32,27,497
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>30,88,76,427</b>	<b>10,43,51,070</b>		<b>41,32,27,497</b>
<b>Change in Indebtedness during the financial year</b>				
* Addition	1,91,84,26,904	92,58,420		1,92,76,85,324
* Reduction	1,91,24,46,343	4,60,61,777		1,95,85,08,120
<b>Net Change</b>	<b>59,80,560</b>	<b>(3,68,03,357)</b>	<b>-</b>	<b>(3,08,22,796)</b>
<b>Indebtedness at the end of the financial year</b>				
i) Principal Amount	31,48,56,988	6,75,47,714	-	38,24,04,701
ii) Interest due but not paid	-	-	-	-
iii) Interest accrued but not due	-	-	-	-
<b>Total (i+ii+iii)</b>	<b>31,48,56,988</b>	<b>6,75,47,714</b>	<b>-</b>	<b>38,24,04,701</b>

**VI. REMUNERATION OF DIRECTORS AND KEY MANAGERIAL PERSONNEL**

**A. Remuneration to Managing Director, Whole-time Directors and/or Manager**

Sr. No.	Particulars of Remuneration	Name of MD/WTD			Total Amount
		Paresh V. Parekh	Ketan V. Parekh	Harsh P. Parekh*	
1	Gross salary				
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961	1,080,000	1,080,000	2,450,000	4,610,000
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income-tax Act, 1961	-	-	-	-
2	Stock Option	-	-	-	-
3	Sweat Equity	-	-	-	-
4	Commission	-	-	-	-
	- as % of profit	-	-	-	-
	- others, specify...	-	-	-	-
5	Others – Perquisite (Club Fees)	-	-	-	-
	<b>Total (A)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
	Ceiling as per the Act	Not exceeding 10% of the Net Profits of the Company			
	<b>Total</b>	<b>1,080,000</b>	<b>1,080,000</b>	<b>2,450,000</b>	<b>4,610,000</b>

**NATIONAL PLASTIC INDUSTRIES LIMITED**

**B. Remuneration to other directors**

Sr. No.	Particulars of Remuneration	Name of Directors					Total Amount
		Rajeev rajan Shyamsunder Kapur***	Dilip Thaker	Nipun Shah****	Purna-chandra Rao Dendukuri*****	Jyoti Palekar	
1	<b>Independent Directors</b>	28000	54000	18000	10000	81000	191000
	Fee for attending board/ committee meetings						
	Commission	-	-				-
	Others, please specify	-	-				-
	Total (1)						
2	<b>Other Non-Executive Directors</b>						
	Fee for attending board committee meetings	-	-				-
	Commission	-	-				-
	Others, please specify	-	-				-
	Total (2)	-	-				-
	<b>Total (B)=(1+2)</b>	<b>28000</b>	<b>54000</b>	<b>18000</b>	<b>10000</b>	<b>81000</b>	<b>191000</b>
	Overall Ceiling as per the Act	Not exceeding 11% of the Net Profits of the Company					

\*Rajeevrajan Shyamsunder Kapur has been appointed as the Independent Director of the Company w.e.f 19<sup>th</sup> September, 2018

\*\*Dilip Thaker has resigned from the position of Directorship w.e.f. 13<sup>th</sup> November, 2018

\*\*\*Nipun Shah has been appointed as additional independent director of the Company w.e.f 13<sup>th</sup> November, 2018

\*\*\*\*Purnachandra Rao Dendukuri has been appointed as additional independent director of the Company w.e.f 13<sup>th</sup> November, 2018.

\*\*\*\*\* Ms. Jyoti Palekar has resigned from the position of Directorship w.e.f. 7<sup>th</sup> June, 2019

**C. REMUNERATION TO KEY MANAGERIAL PERSONNEL OTHER THAN MD/MANAGER/WTD**

Sr. No.	Particulars of Remuneration	Key Managerial Personnel				Total
		CFO	Company Secretary	Company Secretary	CFO	
		Harsh P. Parekh*	Swati Zavar^	Malvika Sharma*	Umesh L. Shenoy#	
1	Gross salary	2,450,000	15,853	440,513	1,803,552	4,709,918
	(a) Salary as per provisions contained in section 17(1) of the Income-tax Act, 1961					
	(b) Value of perquisites u/s 17(2) Income-tax Act, 1961	-	-	-	-	-
	(c) Profits in lieu of salary under section 17(3) Income- tax Act, 1961	-	-	-	-	-

Sr. No.	Particulars of Remuneration	Key Managerial Personnel				
		CFO	Company Secretary	Company Secretary	CFO	Total
		Harsh P. Parekh*	Swati Zawar^	Malvika Sharma*	Umesh L. Shenoy#	
2	Stock Option	-	-	-	-	-
3	Sweat Equity	-	-	-	-	-
4	Commission - as % of profit - others, specify...	-	-	-	-	-
	Others, please specify	-	-	-	-	-
	<b>Total</b>	<b>2,450,000</b>	<b>15,853</b>	<b>440,513</b>	<b>1,803,552</b>	<b>4,709,918</b>

^Malvika Sharma has resigned from the position of Company Secretary and Compliance Officer w.e.f. 12<sup>th</sup> April, 2019

^^Swati Zawar has resigned from the position of Company Secretary and Compliance Officer w.e.f. 10<sup>th</sup> April, 2018

**VII. PENALTIES / PUNISHMENT/ COMPOUNDING OF OFFENCES:**

There have been no penalties/punishments/compounding of offences under Companies Act, 2013.

**By the order of Board of Directors**

**Date : 12<sup>th</sup> August, 2019**  
**Place : Mumbai**

**PARESH VINOD PAREKH**  
**CHAIRMAN**  
**(DIN: 00432673)**

**ANNEXURE 2**
**DETAILS OF RATIO OF REMUNERATION OF DIRECTOR**

[Pursuant to Section 197(12) of the Companies Act, 2013 and rule 5(1) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014]

Sr. No.	Information Required	Inputs
1	The ratio of the remuneration of each director to the median remuneration of the employees of the company for the financial year	Annexure 2.1
2	The percentage increase in remuneration of each director, Chief Financial Officer, Chief Executive Officer, Company Secretary or Manager, if any, in the financial year	Annexure 2.1
3	The percentage increase in the median remuneration of employees in the financial year	(207.31%)
4	The number of permanent employees on the rolls of company	284
5	Average percentage increase in salaries of non-managerial personnel is: ( 17.53%) Average percentage increase in salaries of managerial personnel is: (0.76%) Justification for increase in the managerial remuneration: Increase in the remuneration of the Managerial Personnel, during the year under review, was given, keeping in view the remuneration trends in industry and based on market competitiveness as against its peer group.	
6	The key parameters for any variable component of remuneration availed by the directors	Not Applicable

The Board of Directors of the Company affirms that the remuneration is as per the remuneration policy of the Company.

**ANNEXURE 2.1**

Sr. No.	Name of the Director / Key Managerial Personnel	Designation	Ratio of the remuneration of each director to the median remuneration of the employees of the company	% increase / (decrease) in the Remuneration
1.	Mr. Paresh V. Parekh	Managing Director	04.68:1	(6.50)
2.	Mr. Ketan V. Parekh	Joint Managing Director	04.68:1	NA
3.	Rajeevrajan Shyamsunder Kapur*	Independent Director	00.12:1	NA
4.	Mr. Dilip Thaker**	Independent Director	00.23:1	(21.74)
5.	Nipun Shah***	Independent Director	00.08:1	NA

Sr. No.	Name of the Director / Key Managerial Personnel	Designation	Ratio of the remuneration of each director to the median remuneration of the employees of the company	% increase / (decrease) in the Remuneration
6.	Purnachandra Rao Dendukuri****	Independent Director	00.04:1	NA
7.	Mrs. Jyoti Palekar*****	Independent Director	00.35:1	NA
8.	Mrs. Neeta Parekh	Non-Executive Director	NA	NA
9.	Mr. Harsh Parekh	Whole-time Director	10.61:1	2.76
10.	Ms. Swati Zavar ^^	Company Secretary	NA	(97.33)
11.	Ms. Malvika Sharma ^	Company Secretary	NA	NA
12.	Mr. Umesh L. Shenoy	Chief Financial Officer	NA	NA

**Notes:**

\*Rajeevrajan Shyamsunder Kapur has been appointed as the Independent Director of the Company w.e.f 19<sup>th</sup> September, 2018

\*\*Dilip Thaker has resigned from the position of Directorship w.e.f. 13<sup>th</sup> November, 2018

\*\*\*Nipun Shah has been appointed as additional independent director of the Company w.e.f 13<sup>th</sup> November, 2018

\*\*\*\*Purnachandra Rao Dendukuri has been appointed as additional independent director of the Company w.e.f 13<sup>th</sup> November, 2018.

\*\*\*\*\* Ms. Jyoti Palekar has resigned from the position of Directorship w.e.f. 7<sup>th</sup> June, 2019

^Malvika Sharma has resigned from the position of Company Secretary and Compliance Officer w.e.f. 12<sup>th</sup> April, 2019

^^Swati Zavar has resigned from the position of Company Secretary and Compliance Officer w.e.f. 10<sup>th</sup> April, 2018

**By the order of Board of Directors**

**Date : 12<sup>th</sup> August, 2019**

**Place : Mumbai**

**PARESH VINOD PAREKH  
CHAIRMAN  
(DIN: 00432673)**



**ANNEXURE 3 – DETAILS OF TOP TEN EMPLOYEES IN TERMS OF REMUNERATION**

[Pursuant to Section 197(12) of the Companies Act, 2013 and rule 5(2) & 5(3) of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014 and Companies (Appointment and Remuneration of Managerial Personnel) Amendment Rules, 2016]

Sr. No.	Name	Designation	Remuneration	Nature of Employment	Qualification & Experience	Date of Commencement of employment	Age	Last employment held before joining the Company	Percentage of equity shares held by the employee holding not less than 2% of equity shares of the Company	Relation with any Director or Manager of the Company and if so, name of such director or manager
	Not applicable as the salaries are below the remuneration limits mentioned in the Companies Act 2013									

**ANNEXURE 4 – SECRETARIAL AUDIT REPORT**

**Form No. MR-3  
SECRETARIAL AUDIT REPORT**

**FOR THE FINANCIAL YEAR ENDED MARCH 31, 2019**

[Pursuant to section 204(1) of the Companies Act, 2013 and Rule No. 9 of the Companies (Appointment and Remuneration of Managerial Personnel) Rules, 2014

To,

The Members,

**National Plastic Industries Limited**

I have conducted the secretarial audit of the compliance of applicable statutory provisions and the adherence to good corporate practices by **National Plastic Industries Limited** (hereinafter called 'the Company'). Secretarial Audit was conducted in a manner that provided me a reasonable basis for evaluating the corporate conducts/statutory compliances and expressing my opinion thereon.

Based on my verification of the Company's books, papers, minute books, forms and returns filed and other records maintained by the company and also the information provided by the Company, its officers, agents and authorized representatives during the conduct of secretarial audit, I hereby report that in my opinion, the Company has, during the audit period covering the financial year ended on 31<sup>st</sup> March, 2019 ('Audit Period') complied with the statutory provisions listed hereunder and also that the Company has proper Board-processes and compliance-mechanism in place to the extent, in the manner and subject to the reporting made hereinafter:

I have examined the books, papers, minute books, forms and returns filed and other records maintained by the Company for the financial year ended on 31<sup>st</sup> March, 2019 according to the provisions of:

- (i) The Companies Act, 2013 (the Act) and the rules made thereunder;
- (ii) The Securities Contracts (Regulation) Act, 1956 ('SCRA') and the rules made thereunder;
- (iii) The Depositories Act, 1996 and the Regulations and Bye-laws framed thereunder;
- (iv) Foreign Exchange Management Act, 1999 and the rules and regulations made thereunder to the extent of Foreign Direct Investment, Overseas Direct Investment and External Commercial Borrowings;
- (v) The following Regulations and Guidelines prescribed under the Securities and Exchange Board of India Act, 1992 ('SEBI Act'):-
  - (a) The Securities and Exchange Board of India (Substantial Acquisition of Shares and Takeovers) Regulations, 2011;
  - (b) The Securities and Exchange Board of India (Prohibition of Insider Trading) Regulations, 2015;
  - (c) The Securities and Exchange Board of India (Issue of Capital and Disclosure Requirements) Regulations, 2009;
  - (d) The Securities and Exchange Board of India (Share Based Employee Benefits) Regulations, 2014 (Not applicable to the Company during the Audit Period);
  - (e) The Securities and Exchange Board of India (Issue and Listing of Debt Securities) Regulations, 2008 (Not applicable to the Company during the Audit Period);
  - (f) The Securities and Exchange Board of India (Registrars to an Issue and Share Transfer Agents) Regulations, 1993 regarding the Companies Act and dealing with client;
  - (g) The Securities and Exchange Board of India (Delisting of Equity Shares) Regulations, 2009 (Not applicable to the Company during the Audit Period) and
  - (h) The Securities and Exchange Board of India (Buyback of Securities)

## NATIONAL PLASTIC INDUSTRIES LIMITED

Regulations, 2018 (Not applicable to the Company during the Audit Period);

(vi) Other laws specifically applicable to the Company namely:

- (a) Water (Prevention & Control of Pollution) Act, 1974;
- (b) The Air (Prevention & Control of Pollution) Act, 1981;
- (c) The Legal Metrology Act, 2009

I have also examined compliance with the applicable clauses of the following:

- (i) Secretarial Standards issued by The Institute of Company Secretaries of India.
- (ii) The Listing Agreement entered into by the Company with BSE Ltd. read with the Securities and Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015["SEBI(LODR), 2015"].

During the period under review the Company has complied with the provisions of the Act, Rules, Regulations, Guidelines, Standards, etc. mentioned above except that there was delay in few cases for issue of duplicate share certificates beyond period of 30 days, as required under Regulation 39 of the SEBI(LODR), 2015.

### **I further report that**

The Board of Directors of the Company is duly constituted with proper balance of Executive Directors, Non-Executive Directors and Independent Directors. The changes in the composition of the Board of Directors that took place during the period under review were carried out in compliance with the provisions of the Act.

Adequate notice is given to all directors to schedule the Board Meetings, agenda and detailed notes on agenda were generally sent at least seven days in advance, and a system exists for seeking and obtaining further information and clarifications on the agenda items before the meeting and for meaningful participation at the meeting.

Majority decision of the Board of Directors and its Committees is carried through and are captured and recorded as part of the minutes. There were no dissenting views

**I further report that** there are adequate systems and processes in the company commensurate with the size and operations of the company to monitor and ensure compliance with applicable laws, rules, regulations and guidelines.

**For JAYSHREE A. LALPURIA & CO.  
PRACTISING COMPANY  
SECRETARIES**

**Place : Mumbai  
Date : 8<sup>th</sup> August, 2019**

**Jayshree A. Lalpuria  
Proprietor  
ACS: 17629 CP: 7109**

Note: This report is to be read with our letter of even date which is annexed as **Annexure A** and forms an integral part of this report

**ANNEXURE A**

To,  
The Members,  
**National Plastic Industries Limited**

Secretarial Audit Report of even date is to be read along with this letter.

1. The compliance of provisions of all laws, rules, regulations, standards applicable to **National Plastic Industries Limited** (the 'Company) is the responsibility of the management of the Company. My examination was limited to the verification of records and procedures on test check basis for the purpose of issue of the Secretarial Audit Report.
2. Maintenance of secretarial and other records of applicable laws is the responsibility of the management of the Company. My responsibility is to issue Secretarial Audit Report, based on the audit of the relevant records maintained and furnished to me by the Company, along with explanations where so required.
3. I have followed the audit practices and processes as were appropriate to obtain reasonable assurance about the correctness of the contents of the secretarial and other legal records, legal compliance mechanism and corporate conduct. The verification was done on test check basis to ensure that correct facts as reflected in secretarial and other records produced to me. I believe that the processes and practices I followed, provides a reasonable basis for my opinion for the purpose of issue of the Secretarial Audit Report.
4. I have not verified the correctness and appropriateness of financial records and Books of Accounts of the company.
5. Wherever required, I have obtained the management representation about the compliance of laws, rules and regulations and major events during the audit period.
6. The Secretarial Audit report is neither an assurance as to the future viability of the company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company

**For JAYSHREE A. LALPURIA & CO.**  
**PRACTISING COMPANY**  
**SECRETARIES**

**Place : Mumbai**  
**Date : 8<sup>th</sup> August, 2019**

**Jayshree A. Lalpuria**  
**Proprietor**  
**ACS: 17629 CP: 7109**

## ANNEXURE – 5

### Conservation of Energy, Technology Absorption and Foreign Exchange Earnings and Outgo

Section 134 of the Companies Act, 2013 read with Companies (Accounts) Rules, 2014

#### A. CONSERVATION OF ENERGY:

Your Company has always been conscious of the need for conservation of energy and natural resources and considers it as a focus area.

The steps taken for Energy Conservation:

- Energy efficiency improvement initiatives have been implemented across all the Plants and Offices by undertaking various energy and resource conservation measures. Your Company continues its policy of giving priority to energy conservation measures including regular review of energy generation, consumption and control on utilization thereof.
- Efficient control and streamlining of the manufacturing process and proper maintenance of all equipment.
- Plant and Machinery are regularly serviced, updated and overhauled and maintained in good condition.
- Various process changes and replacement of certain conventional equipment.
- Installation of Energy efficient LED Lights in place of the conventional lights.
- Close monitoring of lighting system by providing dedicated team to avoid unwanted lighting power.
- Transparent sheets were used on roof tops to provide natural light in shop floor.
- Energy saving aerogal technology barrel heater jackets were used for injection mouldings machine to reduce heat loss and atmospheric temperature

The adoption of energy conservation measures indicated above have resulted in optimum efficiency in operation and saving & controlling in the cost of production. The company is continuously striving for energy saving opportunities.

The total energy consumption and consumption per unit of production are as under:

Electricity	2018-2019				2017-2018			
	Silvassa	Patna	Nellore	Total	Silvassa	Patna	Nellore	Total
Unit Purchased	48,88,112	15,59,550	17,52,540	82,00,202	46,46,368	10,61,980	18,52,220	75,60,568
Total Value	2,48,87,970	1,22,85,845	1,46,41,161	5,18,14,976	2,02,24,150	79,71,977	1,55,38,494	4,37,34,621
Rate per unit	5.09	7.88	8.35	6.32	4.35	7.51	8.39	5.78

#### B. TECHNOLOGY ABSORPTION

##### i. Efforts made towards technology absorption & development

- Continuously monitoring the production patterns.
- Constantly striving to develop new designs and products
- Quality Management
- Enhancing the productivity - changed the water system so as to enable efficient cooling of moulds which in turn increases the productivity.
- Investing in new moulds and machinery

**ii. Benefits derived as a result of the above efforts**

- Improvement in quality of products and increase in production
- New range of designs and new and competitive products lines.
- Enhanced development capabilities

The technological pattern is subject to constant changes as per the expectations of the end user of the products.

The Company has not imported any technology or process knowhow

**C. FOREIGN EXCHANGE EARNINGS AND OUTGO**

The total foreign exchange used and earned is as follows:

<b>Particulars</b>	<b>2018-2019</b>	<b>2017-2018</b>
Foreign Exchange Earned	18,00,53,795	16,51,84,511
Foreign Exchange Used	2,70,02,494	2,62,63,888

**By the order of Board of Directors**

**Date : 12<sup>th</sup> August, 2019**  
**Place : Mumbai**

**PARESH VINOD PAREKH**  
**CHAIRMAN**  
**(DIN: 00432673)**

## MANAGEMENT DISCUSSION AND ANALYSIS

### OVERVIEW:

The Indian economy started the financial year 2018-19 with a fine growth of around eight per cent in the 1<sup>st</sup> quarter of the year. Against the backdrop of the mixed conditions, the company witness consistent growth in existing business and initiative to expand the product line with positive growth in business in coming years.

### INDIAN PLASTICS INDUSTRY STRUCTURE AND DEVELOPMENTS:

The Plastic industry is one of the most evolving businesses in recent times. The application of plastics can be found in almost every sector such as medical, aerospace, automotive, packaging, household appliances, construction and many more.

Plastic material is gaining notable importance in different spheres of activity and the per capita consumption is increasing at a fast pace. Continuous advancements and developments in Plastic technology, processing machineries, expertise, and cost effective manufacturing is fast replacing the typical materials. The export of plastic products also yields about 1% of the country's exports. The sector has a large presence of small scale companies in the industry, which account for more than 50% turnover of the industry. Approximately ₹100 billion are invested in the form of fixed assets in the plastic processing industry.

During April-October 2018, plastics export from India stood at US\$ 3.47 billion out of which exports of raw plastic material stood at US\$ 2.62 billion.

The Indian plastics industry offers excellent potential in terms of capacity, infrastructure and skilled manpower. It is supported by a large number of polymer producers, and plastic process machinery and mould manufacturers in the country.

Among the industry's major strengths is the availability of raw materials in the country. Thus, plastic processors do not have to depend on imports. These raw materials, including polypropylene, high-density polyethylene, low-density polyethylene and PVC, are manufactured domestically.

### COMPANY OVERVIEW:

"National" deals in various range of products that can suit all applications and different kinds of budgets. Consumers prefer National Moulded Furniture for its quality, colour, finishing and latest/ modular designs.

"National Plastics Industries Ltd." with its constant Endeavour for innovation will continue to introduce many new and innovative products both for domestic as well as International markets and thereby will fulfill its commitment to the society as a whole by offering premium quality products at the most affordable prices.

### FINANCIAL REVIEW:

The Gross turnover of the company has improved to ₹ 129.16 Crore from ₹ 120.68 Crore in last year registering a growth 7.03%. The growth in gross turnover was happened as the company came out with new and innovative range of product.

Your Company has registered lower profit before tax of ₹ 3.45 Crore as compared to ₹ 4.24 Crore in the previous year and net profit after tax of ₹ 2.23 Crore as compared to ₹3.25 Crore in previous year.

### CHANGES IN KEY FINANCIAL RATIOS:

Pursuant to provisions of Regulation 34(3) of SEBI (LODR) Regulations 2015 read with Schedule V Part B(i) details of the change in key financial ratios is given hereunder:

Name	Category	Year Ended		Deviation in %
		31/03/2019	31/03/2018	
Debtors Turnover	in Days	66.93	60.73	10.21%
Inventory Turnover	in Days	93.93	-	-
Interest Coverage Ratio	Times	176.47	163.30	8.06%
Current Ratio	Times	1.22	1.16	5.04%
Debt Equity Ratio	Times	1.59	1.55	3.11%
Operating Profit Margin	%	1.54	2.06	-25.16%
Net Profit Margin	%	2.68	3.51	-23.66%
Return on Net Worth	%	13.00	16.61	-21.76%

### **BUSINESS OUTLOOK**

With the reduction in GST rate from 28% to 18%, the Plastics Industry is relieved from higher taxes to level playing platform. The Government has also lightened certain provisions and relief from some complex provisions. The reduction in GST rates and other initiatives of the government for ease of doing business has helped the company in various ways.

The company has kept its commitment to improve and increase the overall business growth and added many variety of new products to supply industry and government. The Company is also making hard effort to increase export business in near future. The Company is in the process to manufacturing new range of plastic furniture's with modern design and best quality in line with consumer preferences and useful utilities in reasonable price.

"National Plastics Industries Ltd." with its constant Endeavour for innovation will continue to introduce many new and innovative products both for domestic as well as International markets and thereby will fulfill its commitment to the society as a whole by offering premium quality products at the most affordable prices.

### **OPPORTUNITIES:**

The government has underlined its priorities setting sights on

making India a USD 5 trillion economy. So, the Company is looking forward to healthy growth in plastic Industry.

### **THREAT:**

The company are subject to rising rules and regulations that govern the production, disposal, and cleanup of hazardous chemicals, as plastic products usage contributes to environmental pollution. In addition, Product lifecycle has decreased from years to months, affecting the entire supply chain of plastic goods. Any major upward movement in the Crude Prices could change the inflationary scenario impacting on input prices and the margin of the Company.

### **RISK AND CONCERNS:**

The company is exposed to several potential risks like technological changes, political risks, product distribution both from internal and external sources but the same can be anticipated and curbed by addressing them in its early stages for a long-term corporate success.



## NATIONAL PLASTIC INDUSTRIES LIMITED

The Company is of the opinion that recycling & reuse of plastics are expected to increase in our Industry, thus effecting the development innovation and sustainability too.

The company maintains an inbuilt mechanism to track any suspicious events and frauds in the business. In addition, the Board and the Audit Committee of the Company periodically reviews the risk management procedures and takes various preventive measures to mitigate the risk factors.

### **INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY**

The Board has adopted policies and procedures for ensuring that all transactions are authorized, recorded and correctly reported, all assets are safeguarded and protected against loss from unauthorized use or disposition, reducing wastages and maintenance of proper accounting records for ensuring accuracy and reliability of its financial information. The Board has constituted an Audit Committee which meets periodically to review the financial performance and the accuracy of financial records and accordingly appropriate actions are taken by the management.

### **INDUSTRIAL RELATIONS AND HUMAN RESOURCE**

Industrial relations continued to be harmonious both at manufacturing unit as well as in branches.

Our employees are our greatest asset and we are committed to attract, retain and recognize talent.. We encourage fresh minds and new ideas. The Company constantly facilitates and encourages its employees at all levels to enhance their knowledge and skills and continuously seeks to inculcate within its employees, The Company inculcates a strong sense of business ethics and social responsibility.

The Company endeavors to create a challenging and favorable work environment that encourages entrepreneurial behavior, innovation and the drive towards business excellence.

### **POLLUTION AND ENVIRONMENT CONTROL:**

Pollution control is an essential task and responsibility in the manufacturing industry. The management is assured that all the plants of the Company are under appropriate Waste Management Systems and operate in harmony with the surrounding ecosystem. Adequate pollution control amenities are established at all the plants as per guidelines of pollution control authority and as per set norms.

For safety, the work force is provided with appropriate safety equipments and necessary training from time to time.

### **CAUTIONARY STATEMENT:**

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

**By the order of Board of Directors**

**Date : 12<sup>th</sup> August, 2019**  
**Place : Mumbai**

**PARESH VINOD PAREKH**  
**CHAIRMAN**  
**(DIN: 00432673)**

## CORPORATE GOVERNANCE REPORT

In accordance with the provisions of Securities and Exchange Board of India (Listing Obligations and Disclosure Requirement) Regulations, 2015 ("SEBI Listing Regulations") the Company submits the following Reports:

### 1. COMPANY'S PHILOSOPHY ON CORPORATE GOVERNANCE:

The Company is committed to good Corporate Governance. The Company's Corporate Governance philosophy is based on principles of transparency and adherence to law in both letter and spirit. The Company believes that its affairs shall be conducted by adhering to best practices and principles, while balancing and working in the best interest of the customers, employees, stakeholders and the community.

The Company has adopted best practices mandated in the Listing Regulations. A Report on compliance with

Corporate Governance as stipulated in the Listing Regulations as amended from time to time is given below:

### 2. BOARD OF DIRECTORS:

#### Composition:

As on March 31, 2019, the Board comprises of 8 Directors viz. Executive Chairman, Managing Director, Non-Executive Director & 4 are Independent Directors. The Company objective is to maintain optimum combination of Executive and Non-Executive Directors.

The composition of the Board is in compliance with the requirements of Regulations 17(1) of the SEBI Listing Regulations as on March 31, 2019. All Independent Directors are eminent persons with wide range of expertise and experience on the Board, thereby ensuring the best interest of stakeholders and the Company. There are no Nominee Directors representing any institution on the Board of the Company. During the year the Board appointed three Additional Independent Directors, who will be Independent Director subject to approval of members at ensuing Annual General Meeting ("AGM").

The composition of Directors and their attendance at the Board Meetings during the year and the last AGM and also number of other directorships / membership of committees are as follows:

Name	Category	No of board meetings during the year 2018-19	No of board meeting attended	Attendance at the Last AGM
Mr. Paresh Vinod Parekh (DIN: 00432673)	Executive Director, Chairman Managing Director	4	4	Present
Mr. Ketan Vinod Parekh (DIN: 00432734)	, Executive Director, Managing Director	4	4	Present
Mr. Harsh Paresh Parekh (DIN: 06854020)	Executive Director	4	3	Absent
Mrs. Neeta Ketan Parekh (DIN: 00811690)	Non-Executive - Non Independent Director	4	3	Present

**NATIONAL PLASTIC INDUSTRIES LIMITED**

<b>Name</b>	<b>Category</b>	<b>No of board meetings during the year 2018-19</b>	<b>No of board meeting attended</b>	<b>Attendance at the Last AGM</b>
Mr. Rajeev Rajan Kapur (DIN: 00338947) (Appt. w.e.f. 19 <sup>th</sup> September, 2018)	Non-Executive - Independent Director	4	2	NA
Mr. Dilip Thaker (DIN: 00260231) (Resigned w.e.f. 13 <sup>th</sup> November, 2018)	Non-Executive - Independent Director	4	2	Present
Mr. Nipun Shah (DIN-00195076) (Appt. w.e.f. 13 <sup>th</sup> November, 2018)	Additional Non-Executive - Independent Director	4	1	NA
Mr. Purnachandra Rao Dendukuri (DIN:06907588) Appt. w.e.f. 13 <sup>th</sup> November, 2018)	Additional Non-Executive - Independent Director	4	1	NA
Mr. Jyoti Mahabaleshwar Palekar (DIN: 03043009) Resigned w.e.f. 7 <sup>th</sup> June 2019	Non-Executive - Independent Director	4	4	Present

During the year:

Mr. Rajeev Rajan Kapur was appointed as an Independent Director of the Company for a period of five years with effect from 19<sup>th</sup> September, 2018

Mr. Nipun Shah, was appointed as an additional Director on 13<sup>th</sup> November, 2018 by the Board of Directors till the conclusion of ensuing AGM, and was also appointed as Independent Director for a period of five years' subject to approval of members at ensuing AGM.

Mr. Purnachandra Rao Dendukuri, was appointed as additional Director on November 13, 2018 by the Board of Directors till the conclusion of ensuing AGM, and was also appointed as Independent Director for a period of five years' subject to approval of members at ensuing AGM.

Mr. Dilip Thaker has resigned from the post of Independent director stating personal reason w.e.f. 13<sup>th</sup> Nov 2018. There are no other material reasons for his resignation.

Ms. Jyoti Palekar has resigned from the post of Independent director w.e.f 7<sup>th</sup> June, 2019 citing personal commitments due to which she is unable to give the adequate time and attention to the company. Her resignation letter clearly confirms that there are no other material reasons for her resignation.

**Directorship in other Board**

Name	Category	No of outside directorships in public company	No of Outside committee positions held	Name of the other companies	Number of shares held
Mr. Paresh Vinod Parekh (DIN: 00432673)	Executive Director, Chairman Managing Director	Nil	Nil	Nil	975001
Mr. Ketan Vinod Parekh (DIN: 00432734)	Executive Director, Managing Director	Nil	Nil	Nil	834500
Mr. Harsh Paresh Parekh (DIN: 06854020)	Executive Director	Nil	Nil	Nil	326500
Mrs. Neeta Ketan Parekh (DIN: 00811690)	Non-Executive - Non Independent Director	Nil	Nil	Nil	969000
Mr. Rajeev Rajan Kapur (DIN: 00338947) (Appt. w.e.f. 19 <sup>th</sup> September, 2018)	Non-Executive - Independent Director	Nil	Nil	Nil	Nil
Mr. Nipun Shah (DIN-00195076) (Appt. w.e.f. 13 <sup>th</sup> November, 2018)	Additional Non-Executive - Independent Director	Nil	Nil	Nil	Nil
Mr. Purnachandra Rao Dendukuri (DIN:06907588) Appt. w.e.f. 13 <sup>th</sup> November, 2018)	Additional Non-Executive - Independent Director	Nil	Nil	Nil	Nil
Mr. Jyoti Mahabaleshwar Palekar (DIN: 03043009) Resigned w.e.f. 7 <sup>th</sup> June 2019	Non-Executive - Independent Director	Nil	Nil	Nil	Nil

None of the Directors hold office in more than ten Public Companies. None of the Directors on the Board is Member of more than ten Committees or Chairman of more than five Committees across all the companies in which they are Directors. Every Independent Director at the first meeting of board in which he participates as a Director and thereafter at the first meeting of the board in every financial year, gives a declaration that he meets the criteria of Independence provided under law. In the opinion of Board all the independent directors as at 31<sup>st</sup> March, 2019 fulfils the conditions specified

in these regulations and are independent to the management. The Independent directors undergo a familiarisation program.

**Meetings of the Board:**

During the year under review, 4(Four) Board Meetings were held in accordance with the requirement of Companies Act 2013 and rules made thereunder & the SEBI listing regulations, details of which are as follows:

Sr. No.	Date of Board Meeting
1.	29 <sup>th</sup> May, 2018
2.	3 <sup>rd</sup> August, 2018
3.	13 <sup>th</sup> November, 2018
4.	7 <sup>th</sup> February, 2019

The required quorum was present at all above Board Meeting and all the resolutions and discussion were duly approved. There was no instance of adjournment of any of the said meeting.

**Familiarisation Program for Independent Directors:**

The company has set familiarisation program for independent directors with regard to their roles, rights, responsibilities in the company, nature of the industry in which the company operates, the business model of the company etc. The details of which are available on the website of the company ([www.nationalplastic.com](http://www.nationalplastic.com))

**Meeting of Independent Directors:**

A separate meeting of the independent directors was held on 29<sup>th</sup> May 2019 and the same was attended by Mr. Dilip Thaker and Mrs. Jyoti Palekar.

**Competencies & Skills available with the Board:**

Finance	Comprehensive understanding of financial accounting, reporting and controls and analysis.
Governance	Experience in the application of Corporate Governance principles. Ability to identify key risks to the Company in a wide range of areas including legal and regulatory
Strategy & Planning	Ability to think strategically. Develop effective strategies in the context of the strategic objectives of the Company, relevant policies and priorities.
Sales & Marketing	Experience in developing strategies to grow sales and market share.

**3. REMUNERATION OF DIRECTORS:**

The Board of Directors / Nomination and Remuneration Committee is authorized to decide the remuneration of the Executive Directors, subject to the approval of the members if required. The remuneration structure comprises of salary, perquisites, retirement benefits as per law / rules and commission which is linked to the performance of the Company.

The Company remunerates its Non-Executive Directors by way of sitting fees for attending each meeting of the Board and / or Committee, and the same is paid within the limits laid down in the Companies Act, 2013 read with the Rules framed there under. None of the Non-Executive Directors of the Company have any pecuniary relationship or transaction with the Company.

The details of remuneration paid to the Directors for the financial year 2018-2019 are given below:

Name	Designation	Salary	Allowance & Perquisites	Sitting Fees	Total
Mr. Paresh Vinod Parekh (DIN: 00432673)	Executive Director, Chairman Managing Director	1,080,000	0	0	1,080,000
Mr. Ketan Vinod Parekh (DIN: 00432734)	Executive Director, Managing Director	1,080,000	0	0	1,080,000
Mr. Harsh Paresh Parekh (DIN: 06854020)	Executive Director	2,450,000	0	0	2,450,000
Mrs. Neeta Ketan Parekh (DIN: 00811690)	Non-Executive - Non Independent Director	0	0	0	0
Mr. Rajeev Rajan Kapur (DIN: 00338947) (Appt. w.e.f. 19 <sup>th</sup> September, 2018)	Non-Executive - Independent Director	0	0	28,000	28,000
Mr. Dilip Thaker (DIN: 00260231) (Resigned w.e.f. 13 <sup>th</sup> November, 2018)	Non-Executive - Independent Director	0	0	54,000	54,000
Mr. Nipun Shah (DIN-00195076) (Appt. w.e.f. 13 <sup>th</sup> November, 2018)	Additional Non-Executive - Independent Director	0	0	18,000	18,000
Mr. Purnachandra Rao Dendukuri (DIN:06907588) Appt. w.e.f. 13 <sup>th</sup> November, 2018)	Additional Non-Executive - Independent Director	0	0	10,000	10,000
Mr. Jyoti Mahabaleshwar Palekar (DIN: 03043009) Resigned w.e.f. 7 <sup>th</sup> June 2019	Non-Executive - Independent Director	0	0	81,000	81,000

The Company does not have any stock option scheme.

#### 4. COMMITTEES OF THE COMPANY:

The Board has formed various committees for improving board effectiveness and efficiency, in areas where more focused, specialized and technical discussions are required. These committees prepare the groundwork for decision-making and report at the subsequent board meeting. The terms of reference of the Board Committees are determined by the Board from time to time. The Board is responsible for constituting, assigning and co-opting the members of the Committees.

##### a) Audit Committee:

The Audit Committee of the Company is constituted in line with the regulation 18 of SEBI Listing Regulations relating to Corporate Governance read with Section 177 of the Companies Act, 2013. Four (4) Audit Committee meetings were held during the year 2018-19. The dates on which the Audit Committee meetings were held are 29<sup>th</sup> May 2018, 03<sup>rd</sup> August 2018, 13<sup>th</sup> November 2018 and 7<sup>th</sup> February 2019. The details of directors along with their attendance during Committees meetings is detailed below:

Name	Category	Position	Number of Meetings held during the year 2018-19	Sitting Fees
Mr. Dilip Thaker (DIN: 00260231) (Resigned w.e.f. 13 <sup>th</sup> November, 2018)	Non-Executive - Independent Director	Chairman (Resigned w.e.f. 13 <sup>th</sup> November, 2018)	4	3
Mr. Nipun Shah (DIN-00195076) (Appt. w.e.f. 13 <sup>th</sup> November, 2018)	Additional Non-Executive - Independent Director	Chairman w.e.f 13 <sup>th</sup> November, 2018)	4	1
Mr. Rajeev Rajan Kapur (DIN: 00338947) (Appt. w.e.f. 19 <sup>th</sup> September, 2018)	Non-Executive - Independent Director	Member (w.e.f 13 <sup>th</sup> November, 2018)	4	1
Mr. Purnachandra Rao Dendukuri (DIN:06907588) Appt. w.e.f. 13 <sup>th</sup> November, 2018)	Additional Non-Executive - Independent Director	Member (w.e.f 13 <sup>th</sup> November, 2018)	4	1
Mr. Paresh Vinod Parekh (DIN: 00432673)	Executive Director, Chairman, Managing Director	Member	4	4
Mr. Jyoti Mahabaleshwar Palekar (DIN: 03043009) Resigned w.e.f. 7 <sup>th</sup> June, 2019	Non-Executive - Independent Director	Member	4	4

The Audit Committee invites Chief Financial Officer representing Finance and Accounts and representatives of the Internal & Statutory Auditors to be present at its meetings. All the above Audit Committee meetings were held at Mumbai. The necessary quorum was present at all the meetings. The Committee periodically reviewed Internal Control systems and the report of Internal Auditors of the Company and no significant area of concern was found by the Audit Committee during the review.

The Audit Committee has approved the contracts and transactions with Related Parties in ordinary course of business and at arm's length price and has recommended those contracts and transactions to the Board for their review and approval if necessary.

**Terms of Reference of the Audit Committee:**

The Powers, role and terms of reference of the Committee are as specified under regulation 18 and Part C of Schedule II of the SEBI Listing Regulations and Section 177 of the Companies Act, 2013.

1. Oversight of the listed entity's financial reporting process and the disclosure of its financial Information to ensure that the financial statement is correct, sufficient and credible;
2. Recommendation for appointment, remuneration and terms of appointment of auditors of the listed entity;
3. Approval of payment to statutory auditors for any other services rendered by the statutory auditors;
4. Reviewing, with the management, the annual financial statements and auditor's report thereon before submission to the board for approval, with particular reference to:
  - a. Matters required to be included in the director's responsibility statement to be included in the board's report in terms of clause (c) of sub-section (3) of section 134 of the companies act, 2013;
  - b. Changes, if any, in accounting policies and practices and reasons for the same;
  - c. Major accounting entries involving estimates based on the exercise of judgment by management;
  - d. Significant adjustments made in the financial statements arising out of audit findings;
  - e. Compliance with listing and other legal requirements relating to financial statements;
  - f. Disclosure of any related party transactions;
  - g. Modified opinion(s) in the draft audit report;
5. Reviewing, with the management, the quarterly financial statements before submission to the board for approval;
6. Reviewing, with the management, the statement of uses / application of funds raised through an issue (public issue, rights issue, preferential issue, etc.), the statement of funds utilized for purposes other than those stated in the offer document / prospectus / notice and the report submitted by the monitoring agency monitoring the utilisation of proceeds of a public or rights issue, and making appropriate recommendations to the board to take up steps in this matter;
7. Reviewing and monitoring the auditor's independence and performance, and effectiveness of audit process;
8. Approval or any subsequent modification of transactions of the listed entity with related parties;
9. Scrutiny of inter-corporate loans and investments;
10. Valuation of undertakings or assets of the listed entity, wherever it is necessary;
11. Evaluation of internal financial controls and risk management systems;
12. Reviewing, with the management, performance of statutory and internal auditors, adequacy of the internal control systems;
13. Reviewing the adequacy of internal audit function, if any, including the structure of the internal audit department, staffing and seniority of the official heading the department, reporting structure coverage and frequency of internal audit;



14. Discussion with internal auditors of any significant findings and follow up there on;
15. Reviewing the findings of any internal investigations by the internal auditors into matters where there is suspected fraud or irregularity or a failure of internal control systems of a material nature and reporting the matter to the board;
16. Discussion with statutory auditors before the audit commences, about the nature and scope of audit as well as post-audit discussion to ascertain any area of concern;
17. To look into the reasons for substantial defaults in the payment to the depositors, debenture holders, shareholders (in case of non-payment of declared dividends) and creditors;
18. To review the functioning of the whistle blower mechanism;
19. Approval of appointment of chief financial officer after assessing the qualifications, experience and background, etc. Of the candidate;
20. Carrying out any other function as is mentioned in the terms of reference of the audit committee.
21. Reviewing the utilization of loans and/ or advances from/investment by the holding company in the subsidiary exceeding rupees 100 crore or 10% of the asset size of the subsidiary, whichever is lower including existing loans / advances / investments existing as on the date of coming into force of this provision.

**b) Nomination & Remuneration Committee:**

The Nomination & Remuneration Committee of the Company is constituted in line with the Regulation 19 of SEBI listing Regulations and sub section (1) of Section 178 of the Companies Act, 2013. Three (3) meetings were held during the year 2018 -2019. The dates on which the Nomination & Remuneration Committee meetings were held are 29<sup>th</sup> May 2018, 03<sup>rd</sup> August 2018 and 13<sup>th</sup> November 2018. The details of directors along with their attendance during Committees meetings is detailed below

Name	Category	Position	Number of Meetings held during the year 2018-19	Number of Meetings attended during the year 2018-19
Mr. Jyoti Mahabaleshwar Palekar (DIN: 03043009) Resigned w.e.f. 7 <sup>th</sup> June, 2019	Non-Executive - Independent Director	Chairperson (Resigned w.e.f. 7 <sup>th</sup> June, 2019)	3	3
Mr. Dilip Thaker (DIN: 00260231) (Resigned w.e.f. 13 <sup>th</sup> November, 2018)	Non-Executive - Independent Director	Member (Resigned w.e.f. 13 <sup>th</sup> November, 2018)	3	3
Mr. Nipun Shah (DIN-00195076) (Appt. w.e.f. 13 <sup>th</sup> November, 2018)	Additional Non-Executive - Independent Director	Member w.e.f. 13 <sup>th</sup> November, 2018)	3	0
Mr. Rajeev Rajan Kapur (DIN: 00338947) (Appt. w.e.f. 19 <sup>th</sup> September, 2018)	Non-Executive - Independent Director	Member (w.e.f. 13 <sup>th</sup> November, 2018)	3	0

Name	Category	Position	Number of Meetings held during the year 2018-19	Number of Meetings attended during the year 2018-19
Mr. Purnachandra Rao Dendukuri (DIN:06907588) Appt. w.e.f. 13 <sup>th</sup> November, 2018)	Additional Non-Executive - Independent Director	Member (w.e.f 13 <sup>th</sup> November, 2018)	3	0
Mrs. Neeta Ketan Parekh (DIN: 00811690)	Non-Executive - Non Independent Director	Member	3	3

The necessary quorum was present for the meetings.

Terms of Reference of the Nomination & Remuneration Committee:

1. Formulation of the criteria for determining qualifications, positive attributes and independence of a director and recommend to the board of directors a policy relating to, the remuneration of the directors, key managerial personnel and other employees;
2. Formulation of criteria for evaluation of performance of independent directors and the board of directors;
3. Devising a policy on diversity of board of directors;
4. Identifying persons who are qualified to become directors and who may be appointed in senior management in accordance with the criteria laid down, and recommend to the board of directors their appointment and removal.
5. Whether to extend or continue the term of appointment of the independent director, on the basis of the report of performance evaluation of independent directors.
6. Recommend to the board, all remuneration, in whatever form, payable to senior management.

Performance Evaluation – In terms of the provisions of the Companies Act, 2013 a structured questionnaire was prepared after taking into consideration the various aspects of the Board functioning like composition of the Board and its committees, culture, execution and performance of Specific duties, obligations and governance. The Independent Directors, in their separate meeting held on May 29, 2018 evaluated the performance of the Board, the Chairperson and the Non-Independent Directors. The result of the evaluation is satisfactory and sufficient and meets the requirements of the Company.

Further, the Annual Performance Evaluation was also carried out by the Board for the financial year 2018 - 19 in respect of its own performance, the evaluation of the working Committees, Directors through peer evaluation excluding director being evaluated.

**c) Stakeholders' Relationship Committee:**

The Stakeholders' Relationship Committee of the Company is constituted in line with Section 178 of the Companies Act, 2013. Three (4) meetings were held during the year 2018 -2019. The dates on which the Stakeholders' Relationship Committee were held are 29<sup>th</sup> May 2018, 03<sup>rd</sup> August 2018, 13<sup>th</sup> November 2018 and 7<sup>th</sup> February 2019. The details of directors along with their attendance during Committees meetings is detailed below

Name	Category	Position	Number of Meetings held during the year 2018-19	Number of Meetings attended during the year 2018-19
Mr. Jyoti Mahabaleshwar Palekar (DIN: 03043009) Resigned w.e.f. 7 <sup>th</sup> June, 2019	Non-Executive - Independent Director	Chairperson (Resigned w.e.f. 7 <sup>th</sup> June, 2019)	4	4
Mr. Nipun Shah (DIN-00195076) (Appt. w.e.f. 13 <sup>th</sup> November, 2018)	Additional Non-Executive - Independent Director	Member w.e.f 13 <sup>th</sup> November, 2018)	4	1
Mr. Rajeev Rajan Kapur (DIN: 00338947) (Appt. w.e.f. 19 <sup>th</sup> September, 2018)	Non-Executive - Independent Director	Member (w.e.f 13 <sup>th</sup> November, 2018)	4	1
Mr. Purnachandra Rao Dendukuri (DIN:06907588) Appt. w.e.f. 13 <sup>th</sup> November, 2018)	Additional Non-Executive - Independent Director	Member (w.e.f 13 <sup>th</sup> November, 2018)	4	1
Mr.Paresh Vinod Parekh (DIN: 00432673)	Executive Director, Chairman, Managing Director	Member	4	4
Mr. Ketan Vinod Parekh (DIN: 00432734)	Executive Director, Managing Director	Member	4	4

The Committee meets to inter-alia, deals with various matters relating to:

1. Resolving the grievances of the security holders of the listed entity including complaints related to transfer/transmission of shares, non-receipt of annual report, non-receipt of declared dividends, issue of new/duplicate certificates, general meetings etc.
2. Review of measures taken for effective exercise of voting rights by shareholders.
3. Review of adherence to the service standards adopted by the listed entity in respect of various services being rendered by the Registrar & Share Transfer Agent.
4. Review of the various measures and initiatives taken by the listed entity for reducing the quantum of unclaimed dividends and ensuring timely receipt of dividend warrants/annual reports/statutory notices by the shareholders of the company.]

#### **Details of Investor Complaints**

During the year, the Company had received 7 complaints from shareholders, which were disposed-off within due time and there were no complaints which had remained unresolved at the end of the year.

#### **Name and designation of the Compliance Officer:**

Jyoti Shetty (appointed w.e.f. 13<sup>th</sup> August, 2019)

Company Secretary

**d) Executive Management Committee:**

In addition to the above statutory Committee, the Board has also constituted a Executive Management Committee to review and guide the Company on various operational matters.

**5. GENERAL BODY MEETINGS:**

Annual General Meetings (AGM). The date and time of the Annual General Meetings held during the preceding three years and the special resolution(s) passed there at are as follows:

Financial Year	Date & time	Venue	Details of Special Resolution
2015-16	22 <sup>nd</sup> September, 2016 at 11.00 a.m.	Sai Palace Hotel, Andheri (East), Mumbai	None
2016-17	20 <sup>th</sup> September, 2017 at 11.00 a.m.	Hotel Suba Galaxy, Andheri (East), Mumbai	None
2017-18	19 <sup>th</sup> September, 2018 at 4.00 p.m.	Hotel Suba Galaxy, Andheri (East), Mumbai	None

**6. PASSING OF RESOLUTION BY POSTAL BALLOT:**

During the year 2018 – 2019, the Company has not passed any special resolution, therefore there is no requirement to give disclosure as per Schedule V of Securities And Exchange Board Of India (Listing Obligations And Disclosure Requirements) Regulations, 2015,

None of the resolution proposed at the ensuing AGM is required to be passed by way of Postal Ballot.

**7. MEANS OF COMMUNICATION:**

**Results:** All Quarterly, Half yearly & Annual results of the company are published in the national English newspaper “Business Standard: and Local language Newspaper “mumbai lakshadeep” and are available on the website [www.nationalplastics.com](http://www.nationalplastics.com) and the stock exchange [www.bseindia.com](http://www.bseindia.com)

**Website:** The company’s website [www.nationalplastics.com](http://www.nationalplastics.com) contains a section which covers all investor information, news & press releases as per the SEBI LODR. The Annual Report of the Company is also available on the website in a user-friendly and downloadable form.

**Bombay Stock Exchange (BSE):** The BSE website [www.bseindia.com](http://www.bseindia.com) owned, managed and maintained by BSE is a single source to view information filed by listed companies. All disclosures and communications to BSE are filed electronically through the BSE Listing centre.

**SEBI Complaints Redress System (SCORES):** The investor complaints are processed in a centralized web based complaints redress system. The salient features of this system are: Centralised database of all complaints, online upload of Action Taken Reports (ATRs) by the concerned companies and online viewing by investors of actions taken on the complaint and its current status.

- Designated Exclusive email-id: The Company has designated the following email-id exclusively for investor servicing. For queries on Annual Report & in respect of shares in physical mode – [investor@nationalplastic.com](mailto:investor@nationalplastic.com)
- At present, the Company didn’t make any presentation to Institutional Investors and Analysts

**8. GENERAL SHAREHOLDER INFORMATION:**

1.	Date, Time & venue of AGM	20 <sup>th</sup> September 2019, 4.30 PM, Hotel Suba Galaxy, N. S. Phadke Road, Off. Western Express Highway, Andheri (East), Mumbai - 400069	
2.	Financial Year	2018-2019	
3.	Financial Calendar	Financial Year: April 1, 2019 to March 31, 2020 Results for Quarter ending :	
		June 30	2019 Before August 14
		September 30	2019 Before November 14
		December 31	2019 Before February 14
		March 31	2020 Before May 30
4.	Book Closure	13 <sup>th</sup> September, 2019 to 20 <sup>th</sup> September, 2019	
5.	Dividend Payment Date	Dividend if approved shall be paid after 25 <sup>th</sup> September, 2019 but before 19 <sup>th</sup> October, 2019	
6.	Name and Address of Share transfer Agent	Sharex Dynamic (India) Pvt. Ltd. C-101, 247 Park, L.B.S. Marg, Vikroli (West), Mumbai - 400083.	
7.	Registered Office Address	Office No. 213, 214 & 215, 2 <sup>nd</sup> Floor, Hubtown Solaris, N.S Phadke Marg, Andheri (E) Mumbai -400069	
8.	Listing on stock exchange and Stock Code	The BSE Limited (Phiroze Jeejeebhoy Towers, Dalal Street, Mumbai 400001) Stock Code - 526616	
9.	Payment of Listing Fees	The company has made payment of listing fees for FY 2018-19	
10.	Payment of Depository Fees	The company has made payment of Depository fees	
11.	ISIN No (Demat No) NSDL & CDSL	INE233D01013	
12.	Corporate Identification Number	L25200MH1987PLC044707	

**9. MARKET PRICE DATA: DETAILS OF HIGH & LOW OF MARKET PRICE OF THE COMPANY ON BSE AND ITS PERFORMANCE IN COMPARISON WITH BSE SENSEX (BSE) IN CHART GIVEN BELOW:**

Month	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
<b>High</b>	63.85	59.7	57.6	49.5	60	53.8	49.5	45.6	51.7	48.4	38	40
<b>Low</b>	50.1	47.05	42	38.1	45.8	44	37.1	36.8	41.6	33	28.55	32.15

**S & P BSE Sensex Indices**

Month	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
<b>High</b>	35,213.30	35,993.53	35,877.41	37,644.59	38,989.65	38,934.35	36,616.64	36,389.22	36,554.99	36,701.03	37,172.18	38,748.54
<b>Low</b>	32,972.56	34,302.89	34,784.68	35,106.57	37,128.99	35,985.63	33,291.58	34,303.38	34,426.29	35,375.51	35,287.16	35,926.94

**Comparative Analysis with Broad based Indices of BSE sensex (monthwise close of market prices)**

Months	Apr-18	May-18	Jun-18	Jul-18	Aug-18	Sep-18	Oct-18	Nov-18	Dec-18	Jan-19	Feb-19	Mar-19
<b>Market Price</b>	57.95	52.9	46.5	48.25	50.75	45.45	38.85	45.05	47.8	36.2	31.35	35.5
<b>S &amp; P BSE Sensex</b>	35,160.36	35,322.38	35,423.48	37,606.58	38,645.07	36,227.14	34,442.05	36,194.30	36,068.33	36,256.69	35,867.44	38,672.91

**NATIONAL PLASTIC INDUSTRIES LIMITED**
**10. SHAREHOLDING DETAILS:**
**Distribution of Shareholding by ownership, March 31, 2019**

Category		No. of Shares Held	% of Shareholding
<b>A</b>	<b>Promoter's holding</b>		
a)	Indian Promoters	5173137	56.663
b)	Persons acting in concert.	0	0
Sub-Total		5173137	56.663
<b>B</b>			
<b>(i)</b>	<b>Non-Promoters Holding</b>		
a)	Mutual Funds and UTI	0	0
b)	Banks, Financial Institutions, Insurance Companies (Central/State Govt. Institutions/Non-Government Inst.)	100	0.001
c)	FII's	0	0
d)	Foreign Portfolio Investors	0	0
Sub-Total		<b>100</b>	<b>0.001</b>
<b>(ii)</b>	<b>Others</b>		
a)	Private Corporate Bodies	128996	1.413
b)	Indian Public / others	3179174	34.823
c)	NRIs. / OCBs.	91664	1.004
d)	Trusts	0	0
e)	IEPF	556529	6.096
Sub-Total		<b>3768029</b>	<b>43.336</b>
Grand Total		<b>9129600</b>	<b>100</b>

**Distribution of Shareholding by size, March 31, 2019**

Number of Shares		Number of Shareholders	Shareholders %	Number of Shares held	Shareholding %
1	500	9857	92.624	1272099	13.934
501	1000	383	3.599	323817	3.547
1001	2000	201	1.889	314040	3.440
2001	3000	74	0.695	186645	2.044
3001	4000	35	0.329	126052	1.381
4001	5000	16	0.150	74631	0.817
5001	10000	32	0.301	244858	2.682
10001 and above			44	0.413	6587458
<b>TOTAL</b>			<b>10642</b>	<b>100</b>	<b>9129600</b>

**Shares held in physical and dematerialised form as on March 31, 2019**

Physical	642916	7.042
Dematerialised	8486684	92.958
<b>Total</b>	<b>9129600</b>	<b>100</b>

**Share Transfer System:**

The Company has outsourced its share transfer function to Sharex Dynamic (India) Pvt. Ltd.. which is registered with SEBI for all work related to share registry of both physical and electronic mode.

**11. PLANT LOCATIONS:**

The Company's manufacturing units for moulded furniture are located as under.

Sr. No	Plant Location	Address
1	Silvassa	Plot No. 263, Village Dadra, Silvassa Union Territory of Dadra Nagarhaveli, (Near Dadra 66 KVA Sub-station, 6 KM from Vapi)
2	Nellore	SY. No. 283, 297, 298, APIIC Indl. Park, Menakur, Village Naidupeth Mandal, SPSR, Nellore - 524126
3	Patna	Plot No. B-1 to B-7, Industrial Area, Fatuha, Patna.

**12. OTHER DISCLOSURES:**

**a) Related Party Transactions:**

The Company has formulated a policy on Materiality of and dealing with Related Party Transactions. The Policy is available on the website of the Company at the link <http://www.nationalplastic.com>.

Your Company places all the details of related party transactions before the Audit Committee periodically. The Register of Contracts/ statement of related party transactions, is also placed before the Board / Audit Committee regularly. A comprehensive list of related party transactions, as required by Regulation 23 of SEBI Listing Regulations, 2015 and the Accounting Standard (AS-18) issued by the Institute of Chartered Accountants of India, forms part of the Notes to the Accounts in the Annual Report

**b) Details of non-compliance:**

There was no non-compliance by the Company and no penalties or strictures were imposed on the Company by the Stock Exchanges or Securities and Exchange Board of India (SEBI), or any statutory authority on any matter related to the capital markets during the last three years.

**c) Whistle Blower Policy/Vigil Mechanism:**

The company has formulated a Vigil Mechanism Policy for Directors and employees to report their genuine concerns and unethical behaviour, actual or suspected fraud or violation of the codes of conduct or policy. The necessary mechanism is in line with the requirements under the Companies Act 2013. It provides for adequate safeguards against the victimisation of Directors and employees who avail of the mechanism and also provide for direct access to the Chairman of the Audit Committee in exceptional cases. None of the whistle blowers have been denied access to the Audit committee. The said policy is available on the website of the company [www.nationalplastic.com](http://www.nationalplastic.com)

**d) Risk Management:**

Your Company has a comprehensive Risk Management Policy. The Policy inter-alias provides for review of the risk assessment and minimization procedure, laying down procedure to inform the Board in the matter and for periodical review of the procedure to ensure that Executive Management controls the risks through properly defined framework.

**e) Disclosure under the sexual harassment of women at workplace (Prevention and prohibition and redressal) Act 2013:**

The company has in place a policy on Prevention of Sexual Harassment at workplace in line with the requirements of the Sexual Harassment of Women at Workplace (Prevention, Prohibition



and Redressal) Act, 2013. The policy provides for protection against Sexual Harassment of Women at Workplace and for prevention and redressal of complaints.

No Complaints were received from any employee during the financial year 2018-19 and hence no complaints are outstanding as on 31<sup>st</sup> March, 2019 for redressal.

**f) Details of compliance with mandatory requirements and adoption of the non-mandatory requirements under the Listing Regulations:**

During the year, the Company has complied with the mandatory requirements as stipulated in Listing Regulations.

**g) Material Subsidiary:**

During the year ended March 31, 2019, the Company does not have any material listed/unlisted subsidiary companies as defined in Regulation 16 of the Listing Regulations.

**h) Commodity Price Risk / Foreign Exchange Risk and Hedging activities:**

The Company does not deal in commodities and hence the disclosure pursuant to SEBI Circular dated November 15, 2018 is not required to be given

**i) Credit Rating:**

Following credit ratings were obtained by the Company in last FY 2018-19:

Facilities	Amount (₹ Crore)	Rating
Long term Bank Facilities	30.63	CARE BBB-; Stable (Triple B Minus, Outlook: Stable)
Short term Bank Facilities	2.00	CARE A3 (A Three)
Total Facilities	32.63	

**j) Certificate from Company Secretary in practice**

The Company has received a certificate from M/s. Jayshree A. Lalpuria, Practicing Company Secretaries, Mumbai that none of the Directors on the board of the company have been debarred or disqualified from being appointed or continuing as Directors of the Company by the Board/Ministry of Corporate Affairs or any such statutory authority The Certificate of Company Secretary in practice is annexed herewith as a part of the report.

**k) Total Fees paid to the Statutory Auditors**

Payment to Statutory Auditors	₹ 400,000.00
Other Services	Nil
Reimbursement of Expenses	Nil
Total	Nil

**13. Address for Correspondence and Shareholders Assistance:**

• **Investors can communicate at the following address:**

Company Secretary and Compliance Officer  
Office No. 213, 214 & 215, 2<sup>nd</sup> Floor,  
Hub town Solaris, N.S Phadke Marg,  
Andheri (East), Mumbai – 400 069.  
Email : investor@nationalplastic.com  
Ph. No. : 022 - 67669999  
Fax : 022 - 67669998

- **Our Registrars & Share Transfer Agents:**

M/s Sharex Dynamic (India) Private Limited  
C 101, 247 Park, LBS Marg, Vikhroli West,  
Mumbai - 400 083.  
Tel No : +91-22-28515644, +91-22-28515606  
Fax No : +91-22-8512885  
E-mail - support@sharexindia.com  
Website - www.sharexindia.com

**14. TRANSFER OF UNPAID/UNCLAIMED AMOUNT & SHARES TO IEPF FUND:**

During the year under review, the Company has transferred a sum of ₹ 788,600.00/- (Rupees Seven Lakhs Eighty Eight Thousand Six Hundred only) to Investor Education and Protection Fund, in compliance with the provisions of Section 124(5) of the Companies Act, 2013. The said amount represents dividend for the FY 2010 - 2011 which remained unclaimed by the members of the Company for a period exceeding 7 years from its due date of payment.

During the year 2018 - 2019, 46,397 equity shares in respect of which dividend has not been claimed by the shareholders for seven consecutive years for the final dividend declared in financial year 2010 - 2011, were transferred to the Investor Education and Protection Fund pursuant to the provisions of Section 124(6) of the Companies Act, 2013 and the rules there under.

The voting rights on the above shares shall remain frozen till the rightful owner of such shares claims the shares. Before transferring such shares, in the interest of the shareholders, the Company sends notices to the shareholders to claim their dividends in order to avoid transfer of dividends/shares to IEPF Authority. Notices in this regard are also published in the newspapers and the details of unclaimed dividends and shareholders whose shares are liable to be transferred to the IEPF Authority, are uploaded on the Company's website

The members who wish to claim on above dividends and shares may claim the same from IEPF Authority by submitting an online application in the prescribed Form No. IEPF-5 available on the website www.iepf.gov. in and sending a physical copy of the same, duly signed to the Company or RTA, along with requisite documents enumerated in the Form No. IEPF-5.

The following tables give information relating to various outstanding dividends and the dates by which they can be claimed by the shareholders from the Company's Registrar and Transfer Agent:

Financial Year ended	Due Date of Transfer
2011-12	November 01, 2019
2014-15	November 05, 2022
2015-16	October 29, 2023
2016-17	October 29, 2024
2017-18	October 25, 2025

**15. CEO / CFO CERTIFICATION:**

The Managing Director & Chief Financial Officer (CFO) have issued certificate pursuant to the provisions of Regulation 17(8) of the Listing Regulations certifying that the financial statements do not contain any materially untrue statement and these statements represent a true and fair view of the Company's affairs.

By the order of Board of Directors  
For National Plastic Industries Limited

**PARESH VINOD PAREKH**  
CHAIRMAN  
(DIN: 00432673)

Date: 12<sup>th</sup> August, 2019  
Place: Mumbai

**NO DISQUALIFICATION CERTIFICATE FROM COMPANY SECRETARY IN PRACTICE**

[pursuant to Regulation 34(3) and Schedule V Para C clause (10)(i) of the SEBI  
(Listing Obligations and Disclosure Requirements) Regulations, 2015]

To,  
The Members

**National Plastic Industries Limited**

I have examined the relevant registers, records, forms, returns and disclosures received from the Directors of National Plastic Industries Limited having CIN L25200MH1987PLC044707 and having registered office at Office No. 213, 214 & 215, 2<sup>nd</sup> Floor, Hub town Solaris, N.S Phadke Marg, Andheri (East), Mumbai – 400 069 (hereinafter referred to as ‘the Company’), produced before me by the Company for the purpose of issuing this Certificate, in accordance with Regulation 34(3) read with Schedule V Para-C Clause 10(i) of the Securities Exchange Board of India (Listing Obligations and Disclosure Requirements) Regulations, 2015.

In my opinion and to the best of my information and according to the verifications (including Directors Identification Number (DIN) status at the portal [www.mca.gov.in](http://www.mca.gov.in)) as considered necessary and explanations furnished to me by the Company & its officers, I hereby certify that none of the Directors on the Board of the Company as stated below for the financial year ending on 31<sup>st</sup> March, 2019, have been debarred or disqualified from being appointed or continuing as Directors of companies by the Securities and Exchange Board of India, Ministry of Corporate Affairs, or any such other Statutory Authority.

Sr. No.	Name of the Director	DIN	Date of appointment
1	Paresh Vinod Parekh	00432673	10/03/1993
2	Ketan Vinod Parekh	00432734	01/02/2008
3	Neeta Ketan Parekh	00811690	07/11/2015
4	Harsh Paresh Parekh	06854020	01/06/2017
5	Nipun Shah	00195076	13/11/2018
6	Rajeevrajan Shyamsunder Kapur	00338947	19/09/2018
7	Purnachandra Rao Dendukuri	06907588	13/11/2018
8	Jyoti Palekar*	03043009	14/08/2015

\* resigned w.e.f. 7<sup>th</sup> June, 2019

Ensuring the eligibility for the appointment / continuity of every Director on the Board is the responsibility of the management of the Company. My responsibility is to express an opinion on these, based on my verification. This certificate is neither an assurance as to the future viability of the Company nor of the efficiency or effectiveness with which the management has conducted the affairs of the Company.

For **JAYSHREE A. LALPURIA & CO.,**  
**PRACTISING COMPANY SECRETARIES**

(Jayshree A. Lalpuria)  
Proprietor  
ACS: 17629 CP: 7109

Place: Mumbai  
Date: 8<sup>th</sup> August, 2019

**DECLARATION UNDER REGULATION 34(3) READ WITH PART D OF SCHEDULE V OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

It is hereby declared that all the Board Members and Senior Management Personnel of the Company have affirmed adherence to and compliance with the Code of Conduct for the year ended March 31, 2019.

**For and on behalf of the Board of Directors**

**Paresh V. Parekh**  
Managing Director  
DIN: 00432734

Date: August 12, 2019  
Place: Mumbai

**CERTIFICATION BY CEO/CFO UNDER REGULATION 17(8) READ WITH PART B OF SCHEDULE II OF SEBI (LISTING OBLIGATIONS AND DISCLOSURE REQUIREMENTS) REGULATIONS, 2015**

- A. We have reviewed audited financial statements for the year ended on March 31, 2019 and that to the best of our knowledge and belief:
- (1) these statements do not contain any materially untrue statement or omit any material fact or contain statements that might be misleading.
  - (2) these statements together present a true and fair view of the listed entity's affairs and are in compliance with Indian accounting standards, applicable laws and regulations.
- B. There are, to the best of our knowledge and belief, no transactions entered into by the listed entity during the year ended on March 31, 2019, which are fraudulent, illegal or violative of the listed entity's code of conduct.
- C. We accept responsibility for establishing and maintaining internal controls for financial reporting and that we have evaluated the effectiveness of internal control systems of the listed entity pertaining to financial reporting and we have disclosed to the auditors and the audit committee, deficiencies in the design or operation of such internal controls, if any, of which we are aware and the steps we have taken or propose to take to rectify these deficiencies.
- D. We have indicated to the auditors and the Audit Committee
- (1) There is no significant changes in internal control over financial reporting during the year ended on March 31, 2019;
  - (2) There is no significant changes in accounting policies and the Company has complied with Ind AS guidelines as applicable to the Company;
  - (3) There is no instances of significant fraud of which we have become aware and the involvement therein, of the management or an employee having a significant role in the listed entity's internal control system over financial reporting.

**For and on behalf of the Board of Directors**

**Umesh Laxman Shenoy**  
Chief Financial Officer

**Paresh V. Parekh**  
Managing Director  
Din: 00432734

Date: August 12, 2019  
Place: Mumbai

**CORPORATE GOVERNANCE COMPLIANCE CERTIFICATE**

To,  
The Members,  
**National Plastic Industries Limited**

I have examined all the relevant records of National Plastic Industries Limited for the purpose of certifying compliance of the conditions of the Corporate Governance under the SEBI (Listing Obligations and Disclosure Requirements) Regulations, 2015, for the financial year ended March 31, 2019. I have obtained all the information and explanations which to the best of my knowledge and belief were necessary for the purposes of certification.

The compliance of conditions of corporate governance is the responsibility of the Management. My examination was limited to the procedure and implementation process adopted by the Company for ensuring the compliance of the conditions of the corporate governance.

This certificate is neither an assurance as to the future viability of the Company nor of the efficacy or effectiveness with which the management has conducted the affairs of the Company.

In my opinion and to the best of my information and according to the explanations and information furnished to me, I certify that the Company has complied with the conditions of Corporate Governance as prescribed under Listing regulations.

For **JAYSHREE A. LALPURIA & CO.,**  
**PRACTISING COMPANY SECRETARIES**

**(Jayshree A. Lalpuria)**  
Proprietor  
ACS: 17629 CP: 7109

Place: Mumbai  
Date: 8<sup>th</sup> August, 2019

## INDEPENDENT AUDITORS' REPORT

**To**  
**The Members,**  
**National Plastic Industries Limited**

### Opinion

We have audited the standalone financial statements of National Plastic Industries Limited (“the Company”), which comprise the balance sheet as at 31<sup>st</sup> March 2019, the statement of Profit and Loss (including Other Comprehensive Income), Statement of Changes in Equity and Statement of Cash Flows for the year then ended, and notes to the financial statements, including a summary of significant accounting policies and other explanatory information (hereinafter referred to as “the standalone financial statements”).

In our opinion and to the best of our information and according to the explanations given to us, the aforesaid standalone financial statements give the information required by the Act in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India, of the state of affairs of the Company as at 31<sup>st</sup> March 2019, and profit (including other comprehensive income), changes in equity and its cash flows for the year ended on that date.

### Basis for Opinion

We conducted our audit in accordance with the Standards on Auditing (SAs) specified under section 143(10) of The Companies Act, 2013. Our responsibilities under those Standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report. We are independent of the Company in accordance with the Code of Ethics issued by the Institute of Chartered Accountants of India together with the ethical requirements that are relevant to our audit of the financial statements under the provisions of The Companies Act, 2013 and the Rules thereunder, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the Code of Ethics. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

The Key audit matters	How our audit addressed the key audit matters
Adoption of IND AS 115 – Revenue from Contracts with Customers	
As described in the notes to the standalone financial statements, the Company has adopted IND AS 115, Revenue from Contracts with Customers ('IND AS 115') which repeals the erstwhile Ind AS 18-Revenue. The application and transition to this accounting standard is complex and is an area of focus in the audit.	<p>Our audit procedures on adoption of Ind AS 115, Revenue from contracts with customers ('IND AS 115'), which is the new revenue accounting standard, include-</p> <ul style="list-style-type: none"> <li>• Evaluated the design and implementation of the processes and internal controls relating to implementation of the new revenue standard.</li> <li>• Evaluated the detailed analysis performed by management on revenue streams by selecting samples for the existing contracts with customers and considered revenue recognition policy in the current period in respect of those revenue streams;</li> </ul>

The Key audit matters	How our audit addressed the key audit matters
<p>The aforesaid revenue standard establishes a comprehensive framework for determining whether, how much and when the revenue is recognised. This involves certain key judgements relating to identification of distinct performance obligations, determination of the transaction price of identified performance obligation, the appropriateness of the basis used to measure revenue recognised over a period. Additionally, the standard mandates robust disclosures in respect of revenue and periods over which the remaining performance obligations will be satisfied subsequent to the balance sheet date.</p> <p>The company has adopted Ind AS 115 and has applied the available exemption under Ind AS 101, to not restate the comparative periods on first time adoption of Ind AS 115 in case of the contracts which got completed prior to the earliest period presented.</p>	<ul style="list-style-type: none"> <li>• Evaluated historical discounts and incentives and their accuracy for determining the appropriateness of provisioning under this standard.</li> <li>• Evaluated the appropriateness of the disclosures provided under the new revenue standard and assessed the completeness and mathematical accuracy of the relevant disclosures.</li> </ul>

#### Other Information

The Company's management and Board of Directors are responsible for the other information. The other information comprises the information included in the Company's annual report, but does not include the standalone financial statements and our auditor's report thereon.

Our opinion on the standalone financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the standalone financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the standalone financial statements or our knowledge obtained in the audit or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

#### Management's Responsibility for the Standalone Financial Statements

The Company's Board of Directors is responsible for the matters stated in section 134(5) of The Companies Act, 2013 ("the Act") with respect to the preparation of these standalone financial statements that give a true and fair view of the financial position, financial performance (changes in equity) and cash flows of the Company in accordance with the accounting principles generally accepted in India, including the accounting Standards specified under section 133 of the Act. This responsibility also includes maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding of the assets of the Company and for preventing and detecting frauds and other irregularities; selection and application of appropriate accounting policies; making judgments and estimates that are reasonable and prudent; and design, implementation and maintenance of adequate internal financial controls, that were operating effectively for ensuring the accuracy and completeness of the accounting records, relevant to the preparation and presentation of the financial statement that give a true and fair view and are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Those Board of Directors are also responsible for overseeing the Company's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements.**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance but is not a guarantee that an audit conducted in accordance with SAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

Aspart of an audit in accordance with SAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances. Under section 143(3)(i) of The Companies Act, 2013, we are also responsible for expressing our opinion on whether the company has adequate internal financial controls system in place and the operating effectiveness of such controls.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.
- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.



### **Report on Other Legal and Regulatory Requirements**

As required by The Companies (Auditor's Report) Order, 2016 ("the Order"), issued by the Central Government of India in terms of sub-section (11) of section 143 of The Companies Act, 2013, we give in "Annexure A" a statement on the matters specified in paragraphs 3 and 4 of the Order, to the extent applicable.

(A) As required by Section 143(3) of the Act, we report that:

- a) We have sought and obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper books of account as required by law have been kept by the Company so far as it appears from our examination of those books.
- c) The Balance Sheet, the Statement of Profit and Loss (including other comprehensive income), the Statement of Changes in Equity and the Statement of Cash Flows dealt with by this Report are in agreement with the books of account.
- d) In our opinion, the aforesaid standalone financial statements comply with the Accounting Standards specified under Section 133 of the Act, read with Rule 7 of The Companies (Accounts) Rules, 2014.
- e) On the basis of the written representations received from the directors as on 31<sup>st</sup> March, 2019 taken on record by the Board of Directors, none of the directors is disqualified as on 31<sup>st</sup> March, 2019 from being appointed as a director in terms of Section 164(2) of the Act.
- f) With respect to the adequacy of the internal financial controls over financial reporting of the Company and the operating effectiveness of such controls, refer to our separate Report in "Annexure B"

(B) With respect to the other matters to be included in the Auditor's Report in accordance with Rule 11 of The Companies (Audit and Auditors) Rules, 2014, in our opinion and to the best of our information and according to the explanations given to us:

- I. The Company does not have any pending litigations which would impact its financial position.
- II. The Company did not have any long-term contracts including derivative contracts for which there were any material foreseeable losses.
- III. There has been no delay in transferring amounts, required to be transferred, to the Investor Education and Protection Fund by the Company.

(C) With respect to the matter to be included in the Auditor's Report under section 197(16):

In our opinion and according to the information and explanations given to us, the remuneration paid by the Company to its directors during the current year is in accordance with the provisions of Section 197 of the Act. The remuneration paid to any director is not in excess of the limit laid down under section 197 of the Act. The ministry of Corporate Affairs has not prescribed other details under section 197(16) which are required to be commented upon by us.

**For R.S.Prabhu & Associates**  
**Chartered Accountants**  
**FRN No.127010W**

**Anitha Viswanathan**  
**Partner**  
**Chartered Accountant**  
**ICAI Mem No.113512.**

**Date : 20<sup>th</sup> May 2019**  
**Place : Mumbai**

### **Annexure A to the Independent Auditors' Report – March 31, 2019**

With reference to the Annexure A referred to in the Independent Auditors' Report to the members of the Company on the standalone Ind AS financial statements for the year ended 31<sup>st</sup> March 2019, we report the following:

- (i) (a) The Company has maintained proper records showing full particulars, including quantitative details and situation of fixed assets.
  - (b) The Company has a regular programme of physical verification of its fixed assets by which the fixed assets are verified by the management according to a phased programme designed to cover all the items over a period of three years. In our opinion, this periodicity of physical verification is commensurate to the size of the Company and the nature of its assets.
  - (c) As per the information and explanations provided to us, title deeds of immovable properties and lease agreements of leasehold property are generally in the name of the Company except for freehold land held by the Company, located at Kashimira, Mumbai, Maharashtra, title of which is under dispute. (Gross Block & Net Block as at 31/03/2019 ₹8,86,603).
- (ii) The inventory, except for goods in transit and stocks lying with third parties, has been physically verified by the management at reasonable intervals during the year. In our opinion, the frequency of such verification is reasonable. In respect of stocks lying with third parties at the year-end, written confirmations have been obtained. The discrepancies noticed on verification between the physical stocks and the book records were not material and have been appropriately dealt with in books of account.
- (iii) In our opinion and according to the information and explanations given to us, the Company has not granted any loans, secured or unsecured, to companies, firms, limited liability partnerships or other parties covered in the register maintained under Section 189 of the Companies Act, 2013 ('the Act'). Accordingly, paragraphs 3 (iii) (a) and (b) of the Order are not applicable to the Company.
- (iv) In our opinion and according to the information and explanation given to us, the Company has not granted any loans, or made any investments or provided any guarantees or security to the parties covered under Section 185 & Section 186 of the Act respectively. Accordingly, paragraph 3(iv) of the Order is not applicable to the Company.
- (v) In our opinion, and according to the information and explanations given to us, the Company has not accepted deposits as per the directives issued by the Reserve Bank of India and the provisions of Sections 73 to 76 or any other relevant provisions of the Act and the rules framed there under. Accordingly, paragraph 3(v) of the Order is not applicable to the Company.
- (vi) Company is required to maintain the books of accounts as required under the rules prescribed by the Central Government for maintenance of cost records under Section 148 (1) of the Act and get the same audited for the financial year ended 31<sup>st</sup> March, 2019. We are of the opinion that prima facie the prescribed accounts and records have been made and maintained. However we have not made a detailed examination of the records with a view to determine whether they are accurate or complete.
- (vii) (a) According to the information and explanations given to us and on the basis of our examination of the records of the Company, amounts deducted/accrued in the books of account in respect of undisputed statutory dues including Provident fund, Employees' State Insurance, Income-tax, Goods and Service Tax, and other material statutory dues have been generally regularly deposited during the year by the Company with the appropriate authorities.

According to the information and explanations given to us, no undisputed amounts payable in respect of Provident fund, Employees' State Insurance, Income-tax, Goods & Service Tax, Duty of Customs and other material statutory dues were in arrears as at 31<sup>st</sup> March 2019 for a period of more than six months from the date they became payable.

**NATIONAL PLASTIC INDUSTRIES LIMITED**

- (b) According to the information and explanations given to us, there are no dues of Goods and Service Tax, Income-tax, Duty of Customs and other material statutory dues as at 31<sup>st</sup> March 2019 which have not been deposited with the appropriate authorities on account of any dispute.
- (viii) In our opinion and according to the information and explanations given to us, the Company has not defaulted in repayment of loans or borrowings to banks. The Company does not have any loans or borrowings from financial institutions or government or dues to debenture holders during the year.
- (ix) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not raised any moneys by way of initial public offer or further public offer (including debt instruments). Company has utilized the monies raised by way of term loans for the purposed for which they were raised.
- (x) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, and according to the information and explanations given to us, we have neither come across any instance of material fraud by the Company or on the Company by its officers or employees, noticed or reported during the year, nor have we been informed of any such case by the Management.
- (xi) In our opinion and according to the information and explanations given to us, the managerial remuneration has been paid or provided in accordance with the requisite approvals mandated by the provisions of Section 197 read with Schedule V to the Act.
- (xii) In our opinion and according to the information and explanations given to us, the Company is not a Nidhi company u/s 406 of the Act, read with the Nidhi Rules, 2014. Accordingly, paragraph 3(xii) of the Order is not applicable to the Company.
- (xiii) In our opinion and according to the information and explanations given to us, the Company has entered into transactions with related parties in compliance with the provisions of Sections 177 and 188 of the Act where applicable and the details of such related party transactions have been disclosed in the financial statements as required by Indian Accounting Standard (Ind AS) 24 - Related Party Disclosures specified under Section 133 of the Act, read with relevant rules.
- (xiv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not made any preferential allotment or private placement of shares or fully or partly convertible debentures during the year. Accordingly, paragraph 3(xiv) of the Order is not applicable to the Company.
- (xv) According to the information and explanations give to us and based on our examination of the records of the Company, the Company has not entered into non-cash transactions with the Directors or persons connected with them. Accordingly para 2 (xv) of the Order is not applicable to the Company.
- (xvi) In our opinion and according to the information and explanations given to us, the Company is not required to be registered under Section 45-IA of the Reserve Bank of India Act, 1934. Accordingly, paragraph 3(xvi) of the Order is not applicable to the Company

**For R.S.Prabhu & Associates**  
**Chartered Accountants**  
**FRN No :- 127010W**

**CA. Anitha Viswanathan**  
**Partner**  
**ICAI Mem No.113512.**

**Date : 20<sup>th</sup> May 2019**  
**Place : Vasai (East)**

## **Annexure B to the Independent Auditors' Report of even date on the Standalone Financial statements of National Plastic Industries Limited – 31<sup>st</sup> March 2019.**

### **Report on the Internal Financial Controls under Paragraph (i) of Sub-section 3 of Section 143 of the Companies Act, 2013 (“the Act”)**

We have audited the internal financial controls over financial reporting of the Company as of 31<sup>st</sup> March 2019 in conjunction with our audit of the standalone Ind AS financial statements of the Company for the year ended on that date.

#### **Management's Responsibility for Internal Financial Controls**

The Company's management is responsible for establishing and maintaining internal financial controls based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note on Audit of Internal Financial Controls over Financial Reporting (the “Guidance Note”) issued by the Institute of Chartered Accountants of India ('ICAI'). These responsibilities include the design, implementation and maintenance of adequate internal financial controls that were operating effectively for ensuring the orderly and efficient conduct of its business, including adherence to company's policies, the safeguarding of its assets, the prevention and detection of frauds and errors, the accuracy and completeness of the accounting records, and the timely preparation of reliable financial information, as required under the Act.

#### **Auditors' Responsibility**

Our responsibility is to express an opinion on the Company's internal financial controls over financial reporting based on our audit. We conducted our audit in accordance with the Guidance Note and the Standards on Auditing, issued by ICAI and prescribed under Section 143(10) of the Act, to the extent applicable, to an audit of internal financial controls, both applicable to an audit of Internal Financial Controls and, both issued by the ICAI. Those Standards and the Guidance Note require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether adequate internal financial controls over financial reporting was established and maintained and if such controls operated effectively in all material respects.

Our audit involves performing procedures to obtain audit evidence about the adequacy of the internal financial controls system over financial reporting and their operating effectiveness. Our audit of internal financial controls over financial reporting included obtaining an understanding of internal financial controls over financial reporting, assessing the risk that a material weakness exists, and testing and evaluating the design and operating effectiveness of internal control based on the assessed risk. The procedures selected depend on the auditors' judgement, including the assessment of the risks of material misstatement of the standalone Ind AS financial statements, whether due to fraud or error.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion on the Company's internal financial controls system over financial reporting.

#### **Meaning of Internal Financial Controls over Financial Reporting**

A company's internal financial control over financial reporting is a process designed to provide reasonable assurance regarding the reliability of financial reporting and the preparation of standalone Ind AS financial statements for external purposes in accordance with generally accepted accounting principles. A company's internal financial control over financial reporting includes those policies and procedures that (1) pertain to the maintenance of records that, in reasonable detail, accurately and fairly reflect the transactions and dispositions of the assets of the company; (2) provide reasonable assurance that transactions are recorded as necessary to permit preparation of standalone Ind AS financial statements

in accordance with generally accepted accounting principles, and that receipts and expenditures of the company are being made only in accordance with authorisations of management and directors of the company; and (3) provide reasonable assurance regarding prevention or timely detection of unauthorised acquisition, use, or disposition of the company's assets that could have a material effect on the standalone Ind AS financial statements.

#### **Inherent Limitations of Internal Financial Controls Over Financial Reporting**

Because of the inherent limitations of internal financial controls over financial reporting, including the possibility of collusion or improper management override of controls, material misstatements due to error or fraud may occur and not be detected. Also, projections of any evaluation of the internal financial controls over financial reporting to future periods are subject to the risk that the internal financial control over financial reporting may become inadequate because of changes in conditions, or that the degree of compliance with the policies or procedures may deteriorate.

#### **Opinion**

In our opinion, the Company has, in all material respects, an adequate internal financial controls system over financial reporting and such internal financial controls over financial reporting were operating effectively as at 31<sup>st</sup> March 2019, based on the internal control over financial reporting criteria established by the Company considering the essential components of internal control stated in the Guidance Note issued by ICAI.

**For R.S.Prabhu & Associates**  
**Chartered Accountants**  
**FRN No :- 127010W**

**CA. Anitha Viswanathan**  
**Partner**  
**ICAI Mem No.113512.**

**Date : 20<sup>th</sup> May 2019**  
**Place : Vasai (East)**

**Balance Sheet as at March 31, 2019**

Particulars	Note No.	Ind AS Balance Sheet as on March 31, 2019	Ind AS Balance Sheet as on March 31, 2018
<b>ASSETS</b>			
<b>Non Current Assets</b>			
Property , Plant and equipment	1	339,428,432	323,058,511
Capital Work In Progress		187,275	3,033,593
Investment Property	2	10,254,151	10,054,593
<b>Financial Assets</b>			
Investments	3	61,000	61,000
Other Financial Assets	4	2,841,820	2,627,374
Other Non Current Assets	5	47,142,991	46,451,502
<b>Total Non Current Assets (A)</b>		<b>399,915,669</b>	<b>385,286,573</b>
<b>Current Assets</b>			
Inventories	6	276,911,390	227,881,205
<b>Financial Assets</b>			
Trade Receivables	7	245,826,493	191,650,540
Cash and Cash Equivalents	8	9,182,396	6,958,283
Other Current Assets	9	35,276,967	42,220,756
<b>Total Current Assets (B)</b>		<b>567,197,247</b>	<b>468,710,784</b>
<b>TOTAL ASSETS (A+B)</b>		<b>967,112,914</b>	<b>853,997,357</b>
<b>EQUITY AND LIABILITIES</b>			
<b>Equity</b>			
Equity Share Capital	10	91,296,000	91,296,000
Other Equity	11	175,971,253	166,786,685
<b>Total Equity (A)</b>		<b>267,267,253</b>	<b>258,082,685</b>
<b>Liabilities</b>			
<b>Non Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	12	154,463,327	129,138,585
Other Financial Liabilities	13	15,571,595	12,721,381
Deferred Tax Liabilities (Net)	14	39,875,218	27,569,556
Employee Benefit Obligations	15	3,969,415	3,195,372
Other Non Current Liabilities	16	19,689,567	18,558,535
<b>Total Non Current Liabilities (B)</b>		<b>233,569,122</b>	<b>191,183,429</b>
<b>Current Liabilities</b>			
<b>Financial Liabilities</b>			
Borrowings	17	271,532,136	269,803,945
Trade Payables	18	-	-
1. Dues of micro enterprises and small enterprises		-	-
2. Dues of creditors other than micro enterprises and small enterprises		122,437,203	93,233,491
Other Financial Liabilities	19	31,408,820	25,504,783
Other Current Liabilities	20	22,976,985	2,819,247
Employee Benefit Obligations	21	556,451	509,511
Provisions	22	17,364,943	12,860,265
<b>Total Current Liabilities (C)</b>		<b>466,276,538</b>	<b>404,731,242</b>
<b>Total Liabilities (B + C) = D</b>		<b>699,845,661</b>	<b>595,914,671</b>
<b>TOTAL EQUITY AND LIABILITIES (A + D)</b>		<b>967,112,914</b>	<b>853,997,357</b>

In terms of our report attached

**For R.S.Prabhu & Associates**  
**Chartered Accountants**  
Firm Regn. No 127010W

**CA.Anitha Viswanathan**  
Partner  
ICAI Mem No.113512

**Place : Mumbai**  
**Date : 20<sup>th</sup> May, 2019**

**For and on behalf of the Board of Directors**

**Paresh V. Parekh**  
Managing Director  
DIN: 00432673

**Ketan V. Parekh**  
Director  
DIN: 00432734

**Umesh Shenoy**  
Chief Financial Officer

**Shraddha Bagwe**  
Company Secretary

**Statement of Profit and Loss for the year ended March 31, 2019**

Particulars	Note No.	As at March 31, 2019 ₹	As at March 31, 2018 ₹
1 Revenue from operations (gross)	23	1,291,583,914	1,206,753,091
Less: Duties & Taxes Paid		175,559,226	170,998,925
<b>Revenue from operations (net)</b>		<b>1,116,024,687</b>	<b>1,035,754,166</b>
2 Other Income	24	14,672,411	17,467,956
<b>3 Total revenue (1+2)</b>		<b>1,130,697,098</b>	<b>1,053,222,122</b>
<b>4 Expenses</b>			
(a) Cost of materials consumed	25	782,946,763	690,988,877
(b) Changes in inventories of finished goods, work-in-progress and stock-in-trade	26	(17,963,912)	(3,784,210)
(c) Employee benefits expense	27	62,418,755	<b>58,188,571</b>
(d) Finance costs	28	32,372,794	34,269,358
(e) Depreciation and amortisation expense		28,379,026	25,312,912
(f) Other expenses	29	207,959,780	205,920,637
<b>Total expenses</b>		<b>1,096,113,207</b>	<b>1,010,896,145</b>
<b>5 Profit / (Loss) before tax (3-4)</b>		<b>34,583,891</b>	<b>42,325,977</b>
<b>6 Tax expense:</b>			
(a) Deferred tax		12,303,357	9,803,846
<b>7 Profit / (Loss) for the year (5-6)</b>		<b>22,280,534</b>	<b>32,522,131</b>
<b>8 Other Comprehensive Income</b> <i>Items that will not be reclassified subsequently to profit or loss</i>			
i Actuarial Gain( Loss) on defined benefit obligation IND AS 19		(6,989)	830,584
ii Deferred Tax Effect on above		(2,306)	1,222,611
<b>9 Total Comprehensive Income</b>	-	<b>22,271,239</b>	<b>34,575,326</b>
<b>10 Earnings per share (of ₹ 10/- each):</b>			
(a) Basic		2.44	3.56
(b) Diluted		2.44	3.56
<b>See accompanying notes 30 to 35 and Significant Accounting Policies forming part of the financial statements</b>			

In terms of our report attached

**For R.S.Prabhu & Associates**  
**Chartered Accountants**

Firm Regn. No 127010W

**CA.Anitha Viswanathan**

Partner

ICAI Mem No.113512

**Place : Mumbai**

**Date : 20<sup>th</sup> May, 2019**

**For and on behalf of the Board of Directors**

**Paresh V. Parekh**

Managing Director

DIN: 00432673

**Ketan V. Parekh**

Director

DIN: 00432734

**Umesh Shenoy**

Chief Financial Officer

**Shraddha Bagwe**

Company Secretary

**A) EQUITY SHARE CAPITAL**

		(Amt in INR)	
Balance as at April 1, 2017	Changes in Equity Share Capital during the year	Balance as at March 31, 2018	
91,296,000	-	91,296,000	
Balance as at April 1, 2018	Changes in Equity Share Capital during the year	Balance as at March 31, 2019	
91,296,000	-	91,296,000	

**B) OTHER EQUITY**

AS ON 31 MARCH 2019	Share app money pending allotment	Capital Reserve	Capital Redemption Reserve	Securities Premium Reserve	Debenture Redemption Reserve	Share Based Payments Reserve Account	General Reserve	Retained Earnings	Other Comprehensive Income	Total
Balance at the beginning of the reporting period as on 01.04.2018	-	115,881,612	-	-	-	-	-	47,596,628	3,308,446	166,786,686
Total Comprehensive Income for the year	-	-	-	-	-	-	-	-	-9,295	-9,295
Dividends	-	-	-	-	-	-	-	(9,129,600)	-	(9,129,600)
Tax on Dividend	-	-	-	-	-	-	-	(1,858,572)	-	(1,858,572)
Transfer to/(from) retained earnings	-	-	-	-	-	-	-	22,280,534	-	22,280,534
On Employee Stock Options	-	-	-	-	-	-	-	-	-	-
Balance at the end of the reporting period as on 31.03.2019	-	115,881,612	-	-	-	-	-	58,888,990	3,299,151	178,069,753

**For R.S.Prabhu & Associates**  
Chartered Accountants  
Firm Regn. No 127010W

**CA.Anitha Viswanathan**  
Partner  
ICAI Mem No.113512

**Place : Mumbai**  
**Date : 20<sup>th</sup> May, 2019**

**For and on behalf of the Board of Directors**

**Paresh V. Parekh**  
Managing Director  
DIN: 00432673

**Ketan V. Parekh**  
Director  
DIN: 00432734

**Umesh Shenoy**  
Chief Financial Officer

**Shraddha Bagwe**  
Company Secretary



**CASH FLOW FOR THE YEAR ENDED MARCH 31, 2019**

<b>DESCRIPTION</b>	<b>AS AT March 31, 2019</b>		<b>AS AT March 31, 2018</b>	
<b>Cash Flow from Operating Activities</b>				
Net profit Before Tax & Extra - Ordinary		34,583,891		42,325,977
Adjusted for				
Depreciation	28,379,026		25,312,912	
Loss on sale of assets	1,460,397		212,251	
Prior Period Expenses (WIP)	1,326,949		-	
Lease Rent Amortisation (W/Off)	197,028		-	
Gratuity Provision (Net of paid)	820,983		218,424	
Provision for Bad Debts	1,373,927		17,420,506	
Interest Charged (Net)	31,974,907	65,533,217	34,331,056	77,495,149
Operating profit before working capital changes		100,117,108		119,821,126
Changes in				
Trade Receivables	(55,549,880)		(16,562,642)	
Inventories	(49,030,185)		(6,797,612)	
Loans and advances	11,683,491		6,499,400	
Taxes Paid	(5,645,657)		(7,789,391)	
Trade Payables & Others	59,201,508	(39,340,722)	(39,508,543)	(64,158,788)
Cash generated from operations		<b>60,776,386</b>		<b>55,662,338</b>
		60,776,386		55,662,338
Extra-ordinary items (Deferred revenue Expen.)				
Net cash from operating activities		<b>60,776,386</b>		<b>55,662,338</b>
<b>Cash Flow from Investing Activities</b>				
Purchase of fixed assets / C W I P etc		(50,252,691)		(34,725,112)
Sale of assets		1,260,528		40,000
Interest Received		397,887		460,344
Net cash used in investing activities		<b>(48,594,276)</b>		<b>(34,224,768)</b>
<b>Cash Flow from Financial Activities</b>				
Long Term Borrowings (Net)		25,324,742		(10,565,575)
Short Term Borrowings (Net)		1,728,191		31,734,924
Interest paid		(32,372,794)		(34,791,400)
Dividend Paid (Including Taxes)		(10,988,172)		(10,988,172)
NET CASH USED IN FINANCING ACTIVITIES		<b>(16,308,033)</b>		<b>(24,610,223)</b>
NET CHANGES IN CASH & CASH EQUIVALENTS (A-B+C)		<b>(4,125,923)</b>		<b>(3,172,653)</b>
CASH & CASH EQUIVALENTS-OPENING BALANCE		<b>6,958,283</b>		<b>10,130,936</b>
CASH & CASH EQUIVALENTS- CLOSING BALANCE		<b>2,832,360</b>		<b>6,958,283</b>
<b>CASH EQUIVALENTS INCLUDES RESTRICTED CASH EQUIVALENTS IN THE FORM OF BALANCE IN DIVIDEND ACCOUNTS</b>				
OPENING BALANCE		4,127,283		4,122,966
<b>CLOSING BALANCE</b>		<b>3,849,263</b>		<b>4,127,283</b>

In terms of our report attached

**For R.S.Prabhu & Associates**  
**Chartered Accountants**  
Firm Regn. No 127010W

**CA.Anitha Viswanathan**  
Partner  
ICAI Mem No.113512

**Place : Mumbai**  
**Date : 20<sup>th</sup> May, 2019**

**For and on behalf of the Board of Directors**

**Paresh V. Parekh**  
Managing Director  
DIN: 00432673

**Ketan V. Parekh**  
Director  
DIN: 00432734

**Umesh Shenoy**  
Chief Financial Officer

**Shraddha Bagwe**  
Company Secretary

**Note 1 Property Plant & Equipment**

A. Tangible assets	Gross block			Tangible assets	Depreciation/Amortisation			Net block	
	Balance as at April 1, 2018	Additions	Disposals/ Adjustments		Balance as at 31 <sup>st</sup> March 2019	Balance as at April 1, 2017	Depreciation / amortisation expense for the year		Disposals/ Adjustments
(a) Land Freehold Leasehold * Buildings Own use	13,634,355 16,956,252 95,515,745 -	- 8,155,239 -	197,028	13,634,355 16,759,224 103,670,984 -	Land Freehold Leasehold * Buildings Own use	- 920,356 37,988,447 -	- 2,972,568 -	- 920,356 40,961,015 -	13,634,355 15,838,868 62,709,969 -
(c) Plant and Equipment	247,614,100	21,290,612	367,470	268,537,243	Plant and Equipment Dies & Moulds	136,108,320	10,918,306	147,009,431	121,527,812
(d) Dies & Moulds	236,592,615	16,469,742	-	253,062,357	Dies & Moulds	149,002,822	6,673,671	155,676,493	97,385,864
(e) Furniture and Fixtures	9,607,094	-	-	9,607,094	Furniture and Fixtures	3,962,045	630,724	4,592,769	5,014,325
(f) Vehicles	34,490,068	123,874	2,939,580	31,674,362	Vehicles	12,130,833	4,062,687	15,364,061	16,310,301
(g) Office equipment	9,809,634	143,263	9,952,897	9,952,897	Office equipment	6,992,436	698,299	7,690,735	2,262,162
(h) Electrical Installation	11,775,393	123,200	-	11,898,593	Electrical Installation	5,841,735	1,317,469	7,159,204	4,739,389
(i) Others (specify nature).	36,150	-	-	36,150	Others (specify nature).	25,900	4,860	30,760	5,390
<b>Total</b>	<b>676,031,406</b>	<b>46,305,931</b>	<b>3,504,078</b>	<b>718,833,259</b>	<b>Total</b>	<b>352,972,894</b>	<b>27,278,584</b>	<b>379,404,824</b>	<b>339,428,434</b>

Notes : i) ₹ 1,87,275 (Previous Year ₹ 30,33,593) on account of cost of construction materials at Silvassa , Patna & Nellore Unit.

**Note 2 Investment Property**

Tangible assets	Gross block			Tangible assets	Depreciation/Amortisation			Net block	
	Balance as at April 1, 2018	Additions	Disposals/ Adjustments		Balance as at March 31, 2019	Balance as at April 1, 2018	Depreciation / amortisation expense for the year		Disposals/ Adjustments
Kashimira Property Freehold Leasehold *	31,392,854 -	1,300,000 -	-	32,692,854 -	Land Freehold Leasehold *	21,338,261 -	1,100,442 -	22,438,703 -	10,254,151 -
<b>Total</b>	<b>31,392,854</b>	<b>1,300,000</b>	<b>-</b>	<b>32,692,854</b>	<b>Total</b>	<b>21,338,261</b>	<b>1,100,442</b>	<b>22,438,703</b>	<b>10,254,151</b>

Note : Fair Value for the property as at 31<sup>st</sup> March, 2019 is ₹12 Cr

**Notes forming part of the financial statements**

**Note 3 Non-current investments**

	Particulars	As at	As at
		31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
		₹	₹
	<b>Investments (At cost): UNQUOTED</b>		
	<b><u>Other investments</u></b>		
	<b>Investment in government or trust securities</b>		
i)	government securities	61,000	61,000
	National Savings Certificates (Pledged with Government Authorities)	-	-
	<b>Total</b>	<b>61,000</b>	<b>61,000</b>

**Note 4 Other Financial Assets**

Sr No	Particulars	As at	As at
		31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
		₹	₹
i)	Security Deposits for Hubtown Property	2,661,821	2,457,823
ii)	Security Deposits for Bhiwandi Property	179,999	169,551
	<b>Total</b>	<b>2,841,820</b>	<b>2,627,374</b>

**Note 5 Other Non- Current Assets**

Sr No	Particulars	As at	As at
		31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
		₹	₹
i)	Unexpired Lease Rentals Kashmir Property	1,846,001	1,882,500
ii)	Unexpired Lease Rentals MIDC Property	144,690	118,950
iii)	Prepaid Lease Rentals - Hubtown Property	-	9,572
iv)	Prepaid Lease Rentals - Bhiwandi Property	295,919	493,187
v)	MAT Credit Entitlement	32,949,325	32,949,325
vi)	Other Loans and Advances - K K Plastics	4,882,559	4,882,559
vii)	Deposits	7,009,496	6,115,409
	<b>Total</b>	<b>47,127,991</b>	<b>46,451,502</b>

**Note 6 Inventories**

Sr No	Particulars	As at	As at
		31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
i)	Raw materials	81,723,168	57,265,483
ii)	Work-in-progress	59,120,703	61,654,240
iii)	Finished goods (other than those acquired for trading)	127,227,744	104,156,001
iv)	Stock-in-trade (acquired for trading)	140,258	2,655,560
v)	Stores and spares	589,437	323,541
vi)	Others - Packing Material	6,973,828	1,826,380
vii)	Return Assests	1,136,252	-
<b>Total</b>		<b>276,911,390</b>	<b>227,881,205</b>

**Note 7 Trade receivables**

Sr No	Particulars	As at	As at
		31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
		₹	₹
i)	Unsecured, considered good	264,620,926	209,071,046
ii)	Less : Exepected Credit Loss Allowance	18,794,433	17,420,506
<b>Total</b>		<b>245,826,493</b>	<b>191,650,540</b>

**Note 8 Cash & Cash Equivalents**

Sr No	Particulars	As at	As at
		31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
		₹	₹
i)	<b>Cash on hand</b>	2,832,360	787,216
ii)	<b>Balances with banks</b>		
	(i) In current accounts	1,153,555	75,318
	(ii) In earmarked accounts (Dividend Accounts)	3,336,083	4,127,283
iii)	- Balances held as margin money or security against borrowings, guarantees and other commitments	93,908	93,908
iv)	Others (Fixed Deposits)	1,766,491	1,874,558
<b>Total</b>		<b>9,182,396</b>	<b>6,958,283</b>

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**Note 9 Other current assets**

Sr No	Particulars	As at	As at
		31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
		₹	₹
<b>a)</b>	<b>Accruals</b>		
	i) Interest accrued on deposits	-	-
	ii) Loans & Advances to Employee	941,140	1,069,322
	iii) Prepaid Expenses	1,190,000	3,087,710
	iv) Cenvat Credit Receivables	7,852	104,315
	v) Vat /CST/GST Credit Receivables	5,840,481	7,291,130
	vi) Electricity & Sales Tax Authority Deposits	-	564,945
	vii) Advance Tax	16,928,356	11,282,699
	viii) Capital Advances	1,232,752	8,984,636
	ix) Others	876,312	79,299
	x) Advance Suppliers	5,166,851	5,978,033
<b>ii)</b>	<b>Others</b>		
	i) Discount Receivables	3,093,224	3,529,235
	ii) Other Receivables	-	249,432
	<b>Total</b>	<b>35,276,967</b>	<b>42,220,756</b>

**Note 10 Share capital**

Particulars	As at March 31, 2019		As at March 31, 2018	
	Number of shares	₹	Number of shares	₹
<b>Authorised</b>				
20000000 (20000000) Equity Shares of ₹10/- each	20,000,000	200,000,000	20,000,000	200,000,000
Issued subscribed & Paid up				
9129600 (9129600) Equity Shares of ₹10/- each fully paid up	9,129,600	91,296,000	9,129,600	91,296,000
<b>Total</b>	<b>9,129,600</b>	<b>91,296,000</b>	<b>9,129,600</b>	<b>91,296,000</b>

**(a) Rights etc attached to Equity Shares :**

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

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

Name of the Shareholder	As at March 31, 2019		As at March 31, 2018	
	Number of shares	% of Holding	Number of shares	% of Holding
Mr. Paresh V Parekh	975,001	10.68	975,001	10.68
Mrs. Preeti P Parekh	975,000	10.68	975,000	10.68
Mr. Ketan V Parekh	834,500	9.14	834,500	9.14
Mrs. Neeta K Parekh	969,000	10.61	969,000	10.61
Mr. Ketan V Parekh (HUF)	552,000	6.05	552,000	6.05

**(c) Reconciliation of number of shares outstanding as on beginning and closing of the year.**

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

**Note 11 Other Equity**

Sr No	Particulars	As at	As at
		31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
i)	<b>Capital reserve</b>		
	Balance As per Last Year	115,881,612	115,881,612
		<b>115,881,612</b>	<b>115,881,612</b>
ii)	<b>Retained Earnings</b>		
	Opening balance	47,596,628	15,074,496
	Add: Profit / (Loss) for the year	22,280,534	32,522,131
	Less: Final Dividend Disbursed (₹ 1 per Share )	9,129,600	-
	Tax on Final Dividend	1,858,572	-
	Less : IND AS adjustments conversions	2,098,500	-
	Closing balance	<b>56,790,490</b>	<b>47,596,627</b>
iii)	<b>Other Comprehensive Income</b>		
	Opening Balance	3,308,446	1,255,251
	Add:	-	<b>2,053,195</b>
	Less:	9,295	-
	Closing Balance	3,299,151	<b>3,308,446</b>
<b>Total</b>		<b>175,971,253</b>	<b>166,786,685</b>

**Note 12 Non Current Borrowings**

Sr No	Particulars	As at	As at
		March 31, 2018	March 31, 2017
		₹	₹
a)	Term loans		
	From banks		
	1) Secured - Vehicle Loans	7,899,368	10,620,869
	Term Loans	5,409,532	14,166,646
	2) Unsecured		
		13,308,900	24,787,515
b)	Loans and advances from related parties		
	Unsecured	141,154,427	104,351,070
		141,154,427	104,351,070
<b>Total</b>		<b>154,463,327</b>	<b>129,138,585</b>

**Details of Security & Terms of Repayment**

- i) Vehicle Loan amounting to ₹ 4.42 Lacs (Previous Year ₹10.02 Lacs ) Repayable in monthly installments , last installment due in 05.10.2020 Rate of interest as at year end 9.36 % and secured against specific vehicle.
- ii) Vehicle Loan amounting to ₹ 39.04 Lacs (Previous Year ₹ 50.05 Lacs ) Repayable in monthly installments, last installment due in 05.12.2022 Rate of interest as at year end 7.74 % and secured against specific vehicle.
- iii) Vehicle Loan amounting to ₹ 29.85 Lacs (Previous Year ₹ 38.54 Lacs ) Repayable in monthly installments , last installment due in 15.11.2022 Rate of interest as at year end 7.84 % and secured against specific vehicle.

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- iv) Vehicle Loan amounting to ₹ 5.69 Lacs (Previous Year ₹ 7.58 Lacs ) Repayable in monthly installments , last installment due in 05.07.2022 Rate of interest as at year end 8.51 % and secured against specific vehicle.
- v) Term Loan (Plant & Machinery) amounting to ₹ 65.76 Lacs (Previous Year ₹ NIL) Repayable in monthly installments , last installment due on in 30.06.2020 . Secured against specific machinery.
- vi) Term Loan (Plant & Machinery) amounting to ₹ 141.67 Lacs (Previous Year ₹ 241.66) Repayable in monthly installments , last installment due on in 31.08.2020 . Secured against specific machinery.
- vii) Unsecured Loans amounting to ₹ 1411 lacs (Previous Year ₹ 1044 lacs) represents loans from related parties and generally of long term nature however no repayment schedule is specified .

**Note 13 Other Financial Liabilities**

Sr No	Particulars	As at	As at
		31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
		₹	₹
i)	Statutory remittances (Contributions to PF and ESIC, Withholding Taxes, Excise Duty, VAT, Service Tax,GST etc.)	8,128,098	5,820,904
ii)	Unpaid Dividend	3,849,263	1,181,243
iii)	Trade /Security deposits received	3,594,234	5,719,234
<b>Total</b>		<b>15,571,595</b>	<b>12,721,381</b>

**Note 14 DEFERRED TAX LIABILITY AS AT 31/03/2019**

PARTICULARS	AMOUNT	AMOUNT
<b>Deferred Tax Liability as at 31/03/2018</b>		<b>18,988,321</b>
<b>Add:</b>		
Incremental DTL on PPE	15,260,310	
Incremental DTL on Other Non Current Liabilities	645,101	
Incremental DTL on Unsabsorbed Loss	1,747,625	
Incremental DTL on Provisions for Gratuity Short Term	12,333	
Recognition of DTL in OCI	2,306	17,667,675
<b>Less:</b>		
Incremental DTA on Other Financial Liabilities	42,607	
Incremental DTA on Provisions for Gratuity Long Term	5,319,405	5,362,011
<b>Deferred Tax Liability as at 31/03/2019</b>		<b>39,875,218</b>

**Note 15 Employee Benefit Obligations**

Sr No	Particulars	As at	As at
		31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
		₹	₹
i)	Provision for gratuity (net)	3,969,415	3,195,372
<b>Total</b>		<b>3,969,415</b>	<b>3,195,372</b>

**Note 16 Other Non Current Liabilities**

Sr No	Particulars	As at	As at
		31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
		₹	₹
i)	Govt Lease Land Bihar	12,026,562	12,173,718
ii)	Unamortize Govt Grant - Bihar (Plant & Mach)	2,996,475	3,424,543
iii)	Unamortize Govt Grant - Bihar (Land)	1,464,000	1,482,000
iv)	Prepaid Rental Income - Kashmirira	1,791,043	1,262,550
v)	Prepaid Rental Income - MIDC	116,160	215,724
vi)	Current Non Financial Liability	1,295,327	-
<b>Total</b>		<b>19,689,567</b>	<b>18,558,535</b>

**Note 17 Current Borrowings**

Sr No	Particulars	As at	As at
		31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
		₹	₹
i)	Loans repayable on demand		
	From banks		
	Secured - Guaranteed by Directors	271,532,136	269,803,945
	Unsecured	-	-
<b>Total</b>		<b>271,532,136</b>	<b>269,803,945</b>

**Notes :**

**Details of Security for the Secured Short-Term Borrowings:**

- Cash Credit facility from bank amounting to ₹1937.05 Lacs ( Previous year ₹1799.20 Lacs ) secured against first charge on Current Assets of Silvassa, Patna and Nellore Units.
- Packing Credit Loan and Export Bill Discounting amounting to ₹ 778.27 Lacs (Previous Year ₹ 898.84 Lacs) secured against First charge on Fixed Assets and Current Assets of Silvassa and Patna Unit.
- Term Loan repayable on Demand of ₹ 5000 Lacs (Previous year NIL) Secured against hypothecation of present and future Current Assets , Properties of Silvassa and Patna factory.

**Note 18 Trade payables**

Sr No	Particulars	As at	As at
		31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
		₹	₹
a)	<b>Micro Small &amp; Medium Enterprises</b>	-	-
b)	<b>Others</b>		
	i) Trade payables:	104,810,274	72,075,691
	ii) Other than Acceptances	17,626,929	21,157,800
<b>Total</b>		<b>122,437,203</b>	<b>93,233,491</b>

Company had issued communications in the month of February 2019 seeking confirmation / clarifications from the identified vendors regarding their registration status under the Micro Small & Medium Enterprises Development Act, 2006. However no responses were received from any of the addressed vendors and hence no amounts have been classified as such.



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**Note 19 Other Financial Liabilities**

Sr No	Particulars	As at	As at
		31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
		₹	₹
i)	Current maturities of long-term debt	18,054,831	14,284,969
ii)	Other payables	5,693,869	4,178,119
iii)	Security Deposit Kashmirira	4,163,306	2,914,412
iv)	Payables on purchase of fixed assets	2,217,529	-
v)	Security Deposit MIDC	1,279,285	4,127,283
	<b>Total</b>	<b>31,408,820</b>	<b>25,504,783</b>

**Note 20 Other Current Liabilities**

Sr No	Particulars	As at	As at
		31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
		₹	₹
i)	Advances from customers	22,976,985	2,819,247
	<b>Total</b>	<b>22,976,985</b>	<b>2,819,247</b>

**Note 21 Provisions**

Sr No	Particulars	As at	As at
		31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
		₹	₹
i)	Provision for employee benefits Gratuity	556,451	509,511
	<b>Total</b>	<b>556,451</b>	<b>509,511</b>

**Note 22 Provisions**

Sr No	Particulars	As at	As at
		31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
		₹	₹
i)	Provision for employee benefits Gratuity	17,364,943	12,860,265
	<b>Total</b>	<b>17,364,943</b>	<b>12,860,265</b>

**Note 23 Revenue from operations**

Sr. No	Particulars	As at	As at
		31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
		₹	₹
(a)	Sale of products	1,286,168,879	1,192,556,199
(b)	Other operating revenues	5,415,034	14,196,892
		<b>1,291,583,914</b>	<b>1,206,753,091</b>
	Less:		
(c)	Duties & Taxes	175,559,226	170,998,925
	<b>Total</b>	<b>1,116,024,687</b>	<b>1,035,754,166</b>

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
		₹	₹
(i)	Sale of products comprises :		
	<b><u>Manufactured goods</u></b>		
	Moulded Plastic Articles	854,668,407	797,534,282
	Plastic Mats	221,141,348	239,185,776
	Sales discount and sales returns	(22,513,070)	(31,179,824)
	Cooler Sales	112,985,138	102,077,599
	RM Sales	56,569,323	6,125,158
	TF Sales	4,070,651	-
	Spool Sales	59,247,083	58,659,194
	<b><u>Total - Sale of manufactured goods</u></b>	<b>1,286,168,879</b>	<b>1,172,402,185</b>
	<b><u>Traded goods</u></b>		
	Artificial Turf Material	-	20,154,014
	<b><u>Total - Sale of traded goods</u></b>	<b>-</b>	<b>20,154,014</b>
	<b><u>Total - Sale of products</u></b>	<b>1,286,168,879</b>	<b>1,192,556,199</b>
(ii)	Other operating revenues comprise:		
	Entitlement Income	3,065,023	3,689,579
	Vat/Entry Tax Refund	-	9,250,928
	Foreign Currency Gain	1,900,332	-
	Other	449,680	1,256,385
	<b>Total - Other operating revenues</b>	<b>5,415,034</b>	<b>14,196,892</b>

**Note 24 Other income**

Sr. No	Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
		₹	₹
i)	Interest income from Banks on Deposits	183,441	258,987
ii)	Interest Income IND AS - Hubtown Solaries	203,998	188,363
iii)	Interest Income IND AS - Bhiwandi Depot	10,448	12,994
iv)	Other non-operating income (net of expenses directly attributable to such income)	184,565	-
v)	Govt Income - Patna Land	18,000	18,000
vii)	Govt Income Patna - Plant & Mach	428,068	428,067
viii)	Govt Grant Assistance - Patna Lease Land	147,156	147,156
viii)	Other Non Operating Income	13,496,735	16,414,389
	<b>Total</b>	<b>14,672,411</b>	<b>17,467,956</b>

**Note 25 Cost of materials consumed**

Particulars	As at	As at
	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
	₹	₹
Opening stock	57,265,483	49,565,982
Add: Purchases	807,463,440	698,688,378
	<b>864,728,923</b>	<b>748,254,360</b>
Less: Closing stock	81,782,160	57,265,483
<b>Cost of material consumed</b>	<b>782,946,763</b>	<b>690,988,877</b>

**Note 26. Changes in inventories of finished goods, work-in-progress and stock-in-trade**

Particulars	As at	As at
	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
	₹	₹
<u>Inventories at the end of the year:</u>		
Finished goods	127,168,752	104,156,001
Work-in-progress	59,120,703	61,654,240
Stock-in-trade	140,258	2,655,560
	<b>186,429,713</b>	<b>168,465,801</b>
<u>Inventories at the beginning of the year:</u>		
Finished goods	104,156,001	107,422,833
Work-in-progress	61,654,240	45,872,342
Stock-in-trade	2,655,560	11,386,416
	<b>168,465,801</b>	<b>164,681,591</b>
<b>Net (increase) / decrease</b>	<b>(17,963,912)</b>	<b>(3,784,210)</b>

**Note 27 Employee benefits expense**

Sr. No	Particulars	As at	As at
		31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
		₹	₹
i)	Salaries , Wages & Bonus	57,148,973	53,086,157
ii)	Contributions to provident and other funds	2,624,923	2,585,328
iii)	Gratuity	930,129	1,138,200
iv)	Staff welfare expenses	1,714,730	1,378,886
	<b>Total</b>	<b>62,418,755</b>	<b>58,188,571</b>

**Note 28 Finance costs**

Particulars	As at 31 <sup>st</sup> March, 2019	As at 31 <sup>st</sup> March, 2018
	₹	₹
<b>i) Interest expense on:</b>		
<b>(a) Borrowings</b>	<b>29,563,598</b>	<b>26,589,026</b>
Working Capital	21,027,848	20,059,057
L C	580,982	747,445
Term Loan	2,949,611	3,257,346
Car Loan	1,096,473	624,485
Interest On Packing Credit	3,832,683	1,900,694
Export Bill Discounting	76,001	-
<b>(b) Trade Payables</b>	<b>765,078</b>	<b>1,091,845</b>
Interest Paid to Creditors	715,919	-
Late Payment charges	49,159	1,091,845
<b>(c) Exchange Rate Diff Finance</b>	<b>-</b>	<b>1,904,359</b>
<b>(d) Others</b>	<b>1,007,519</b>	<b>1,250,323</b>
Interest On Statutory Dues	106,233	1,156,383
Interest paid on Sec Deposit (Debtors)	7,200	-
Interest other	894,086	93,940
<b>ii) Other Borrowings Costs :</b>	<b>1,036,599</b>	<b>3,433,805</b>
Bank Charges (Other)	1,036,599	3,242,179
Brokerage	-	1,500
Sales Bill Discounting	-	190,126
<b>Total</b>	<b>32,372,794</b>	<b>34,269,358</b>

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**Note 29 Other expenses**

Sr. No	Particulars	As at	As at
		31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
		₹	₹
<b>1.0</b>	<b>MANUFACTURING EXPENSES</b>		
1.1	Consumption of stores & spare parts	3,625,781	4,033,879
1.2	Consumption of packing materials	18,440,163	23,983,380
1.3	Increase/ (Decrease ) of Excise duty on inventory	-	(11,946,261)
1.4	Labour Charges	30,453,531	23,195,026
1.5	Electricity,Power and fuel	53,372,476	45,312,181
1.6	Water	127,944	8,134
1.7	Repairs and maintenance - Buildings	13,100	1,497,223
1.8	Repairs and maintenance - Machinery	6,029,617	7,803,998
1.9	Other Manufacturing Exp	159,075	-
<b>2.0</b>	<b>SELLING AND DISTRIBUTION</b>		
2.1	Freight and forwarding	9,407,161	9,838,171
2.2	Sales commission	1,921,158	3,000,000
2.3	Advertisement and Sales Promotion Expenses	3,386,241	4,916,847
2.4	Export Expenses	24,676,393	26,873,490
2.5	Prov For Bad Debts (Advance)	1,373,926	7,945,192
2.6	Bad Debts W/off	1,335,940	14,801,351
2.7	Less : Prov for Bad & Doubtful Debts	-	(9,554,917)
<b>3.0</b>	<b>ESTABLISHMENT EXPENSES</b>		
3.1	Repairs and maintenance - Others	2,009,173	1,925,157
3.2	Insurance	479,439	1,313,895
3.3	Rent , Rates and taxes	13,218,516	14,705,485
3.4	Lease rent on Govt Assistance apportion - Patna Lease Land	197,028	460,179
3.5	Rental Expenses - IND AS - Hubtown	197,268	197,271
3.6	Rental Expenses - IND AS - Bhiwandi	9,576	12,767
3.7	Communication	2,649,063	2,536,883
3.8	Travelling and conveyance , Foreign Travelling	13,374,002	15,208,392
3.9	Printing and stationery	592,124	736,045
3.10	Motor car expenses	4,478,138	2,610,453
3.11	Donations and contributions	220,100	500,000
3.12	Legal and professional	4,963,713	2,681,094
3.14	Payments to auditors	400,000	504,995
3.15	Prior period items (net)	1,540,873	994,422
3.16	Loss on sale of Fixed Assets	1,460,397	212,251
3.17	CSR Funding	153,000	-
3.18	Foreign Currency Loss	478,461	-
3.19	Security charges	3,711,668	3,054,915
3.20	Miscellaneous expenses	3,504,736	6,558,740
	<b>Total</b>	<b>207,959,780</b>	<b>205,920,637</b>

**Note 30 As per Indian Accounting Standard 19 “Employee benefits”, the disclosures as defined are given below :**

**Defined Contribution Plans**

**Contribution to Defined Contribution Plans, recognised as expense for the year is as under :**

(Figures in ₹)

<b>PARTICULARS</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
Employer’s Contribution to Provident Fund & Pension	2,585,328	2,859,831

**The Company’s Provident Fund is exempted under Section 17 of Employees’ Provident Fund and Miscellaneous Provisions Act, 1952. Conditions for grant of exemption stipulate that the employer shall make good deficiency, if any, in the interest rate declared by the trust vis-a-vis statutory rate.**

**Defined Benefit Plan**

**I) Reconciliation of Defined Benefit Obligation**

(Figures in ₹)

<b>Particulars</b>	<b>As at March 31, 2019</b>	<b>As at March 31, 2018</b>
	<b>(12 Months)</b>	<b>(12 Months)</b>
Opening Defined Benefit Obligation	3,704,883	3,486,459
Transfer in/(out) obligation	-	-
Current service cost	671,369	667,297
Interest Cost	258,760	246,744
Components of actuarial gain/losses on obligations:		
Due to Change in financial assumptions	21,154	(104,871)
Due to change in demographic assumption	-	-
Due to experience adjustments	(14,165)	(725,713)
Past service cost	-	224,159
Loss (gain) on curtailments	-	-
Liabilities extinguished on settlements	-	-
Liabilities assumed in an amalgamation in the nature of purchase	-	-
Exchange differences on foreign plans	-	-
Benefits Paid	(116,135)	(89,192)
Closing Defined Benefit Obligation	4,525,866	3,704,883

**II) Reconciliation of Plan Assets**

(Figures in ₹)

Particulars	As at March 31, 2019	As at March 31, 2018
	(12 Months)	(12 Months)
Opening value of plan assets	-	-
Transfer in/(out) plan assets	-	-
Expenses deducted from the fund	-	-
Interest Income	-	-
Return on plan assets excluding amounts included in interest income	-	-
Assets distributed on settlements	-	-
Contributions by employer	-	-
Assets acquired in an amalgamation in the nature of purchase	-	-
Exchange differences on foreign plans	-	-
Benefits paid	-	-
Closing value of plan assets	-	-

**III) Reconciliation of ner defined benefit liability**

(Figures in ₹)

Particulars	As at March 31, 2019	As at March 31, 2018
	(12 Months)	(12 Months)
Net opening provision in books of accounts	3,704,883	3,486,459
Transfer in/(out) obligation	-	-
Transfer (in)/out plan assets	-	-
Employee Benefit Expense as per Annexure 2	930,129	1,138,200
Amounts recognized in Other Comprehensive Income	6,989	(830,584)
	4,642,001	3,794,075
Benefits paid by the Company	(116,135)	(89,192)
Contributions to plan assets	-	-
Closing provision in books of accounts	4,525,866	3,704,883

**Reconciliation of asset Ceiling**

(Figures in ₹)

Particulars	As at March 31, 2019	As at March 31, 2018
	(12 Months)	(12 Months)
Opening value of asset ceiling	-	-
Interest on opening value of asset ceiling	-	-
Loss/(gain) on assets due to surplus/deficit	-	-
Closing value of plan asset ceiling	-	-

**IV) Composition of the plan assets**

(Figures in ₹)

Particulars	As at March 31, 2019	As at March 31, 2018
	(12 Months)	(12 Months)
Government of India Securities	0%	0%
State Government Securities	0%	0%
High quality corporate bonds	0%	0%
Equity shares of listed companies	0%	0%
Property	0%	0%
Special Deposit Scheme	0%	0%
Policy of insurance	0%	0%
Bank Balance	0%	0%
Other Investments	0%	0%
<b>Total</b>	<b>0%</b>	<b>0%</b>

**V) Bifurcation of liability as per schedule III**

(Figures in ₹)

Particulars	As at March 31, 2019	As at March 31, 2018
	(12 Months)	(12 Months)
Current Liability*	556,451	509,511
Non-Current Liability	3,969,415	3,195,372
Net Liability	4,525,866	3,704,883

\* *The current liability is calculated as expected benefits for the next 12 months.*

**VI) Principle actuarial assumptions**

(Figures in ₹)

Particulars	As at March 31, 2019	As at March 31, 2018
	(12 Months)	(12 Months)
Discount Rate	7.45%	7.20%
Salary Growth Rate	7.00%	7.00%
Withdrawal Rates	5% at younger ages reducing to 1% at older ages	5% at younger ages reducing to 1% at older ages



**VII) Expected cashflows based on past service liability**

(Figures in ₹)

Particulars	Cashflows	Distribution
	₹	%
Year 1	556,451	5
Year 2	115,072	1
Year 3	172,858	2
Year 4	140,469	1
Year 5	308,221	3
Year 6 to Year 10	3,238,185	29

The future accrual is not considered in arriving at the above cash-flows.

**The Expected contribution for the next year is ₹ 5,56,451**

**The Average Outstanding Term of the Obligations (Years) as at valuation date is 9.83 years**

**VIII) Sensitivity to key assumptions**

(Figures in ₹)

Particulars	As at March 31, 2019
	(12 Months)
Discount rate Sensitivity	
Increase by 0.5%	4,321,862
(% change)	-4.51%
Decrease by 0.5%	4,747,161
(% change)	4.89%
Salary growth rate Sensitivity	
Increase by 0.5%	4,737,592
(% change)	4.68%
Decrease by 0.5%	4,325,835
(% change)	-4.42%
Withdrawal rate (W.R.) Sensitivity	-
W.R. x 110%	4,527,200
(% change)	3.00%
W.R. x 90%	4,524,127
(% change)	-0.04%

**A description of methods used for sensitivity analysis and its Limitations:**

Sensitivity analysis is performed by varying a single parameter while keeping all the other parameters unchanged. Sensitivity analysis fails to focus on the interrelationship between underlying parameters.

Hence, the results may vary if two or more variables are changed simultaneously. The method used does not indicate anything about the likelihood of change in any parameter and the extent of the change if any.

**Note 31 EARNINGS PER SHARE (EPS)**

(Figures in ₹)

Sr No	Particulars	As at	As at
		March 31, 2019	March 31, 2018
		₹	₹
i)	Net Profit after Tax as per Statement of Profit and Loss attributable to Equity Shareholders	22,280,534	32,522,131
ii)	Weighted Average number of Equity Shares used as denominator for calculating Basic EPS	9,129,600	9,129,600
iii)	Weighted Average Potential Equity Shares	-	-
vi)	Total Weighted Average number of Equity Shares used as denominator for calculating Diluted EPS calculating Diluted EPS	9,129,600	9,129,600
vi)	Basic Earnings per Share (₹)	2.44	3.56
vii)	Diluted Earnings per Share (₹)	2.44	3.56
viii)	Face Value per Equity Share (₹)	2.44	3.56

**Note 32 RELATED PARTIES DISCLOSURES**

(i) As per Ind AS 24, the disclosures of transactions with the related parties are given below:

List of related parties where control exists and also related parties with whom transactions have taken place and relationships:

Sr. No.	Name of the Related Party	Designation	Relationship
1	PARESH V PAREKH	Managing Director	Key Managerial Personnel
2	KETAN V PAREKH	Director	Key Managerial Personnel
3	HARSH P PAREKH	Whole time Director	Key Managerial Personnel
4	NEETA P PAREKH	Director	Key Managerial Personnel
5	UMESH L SHENOY	Chief Financial Officer	Key Managerial Personnel
6	MALVIKA SHARMA	Company Secretary	Key Managerial Personnel
7	ENPEE CREDIT & CAPITAL (INDIA ) PVT LIMITED	-	Shareholders of the Company being relative of KMP. Also Company holds 1,48,511 shares of NPIL
8	RAYZON GLOBAL LLP	-	Partner in LLP being relatives of Managing Director of the Company.

**(ii) Transactions during the year with related parties :**

(Figures in ₹)

Sr. No.	Nature of Transactions (Excluding Reimbursements)	Associates/ Joint Venture	Key Managerial Personnel/ Relative	Total
		Amount	Amount	Amount
<b>a)</b>	<b>Net Loans and Advances, Deposits given/ (Returned)</b>			
i)	Loans / Advances Received /Taken	<b>20,702,319</b> (3,000,000)	<b>36,061,777</b> (500,900)	<b>56,764,096</b> (3,500,900)
ii)	Loans / Advances Repaid /Given	<b>4,116,664</b> (10,624,388)	<b>16,037,420</b> (518,168)	<b>20,154,085</b> (11,142,556)
ii)	Remuneration Paid	-	<b>6,663,552</b> (5,926,467)	<b>6,663,552</b> (5,926,467)
<b>b)</b>	<b>Balances as at 31<sup>st</sup> March 2019</b>			
i)	Loans and Advances	<b>21,507,089</b> (1,482,732)	<b>119,453,994</b> (102,868,340)	<b>140,961,083</b> (104,351,072)

**Note 32 Compensation of Key management personnel**

The remuneration of director and other member of key management personnel during the year was as follows:

(Figures in ₹)

Sr. No.	PARTICULARS	As at March 31, 2019	As at March 31, 2018
i	Short-term benefits	6,663,552	5,926,467
ii	Post employment benefits	1,556,538	1,442,308
	<b>Total</b>	<b>8,220,090</b>	<b>7,368,775</b>

**Note 33 EVENTS AFTER THE REPORTING PERIOD**

The Board of Directors have recommended dividend of ₹ 1.00 per fully paid up equity share of ₹ 10/- each, aggregating ₹ 91,29,600/-lacs, including ₹ 18,58,572/- lacs dividend distribution tax for the financial year 2018-19, which is based on relevant share capital as on 31<sup>st</sup> March 2019. The actual dividend amount will be dependent on the relevant share capital outstanding as on the record date / book closure subject to approval of the members in the Annual General Meeting .

Dividends paid during the year ended 31<sup>st</sup> March 2019 include an amount of Re. 1 per fully paid up equity share of ₹ 10/- towards final dividend for the year ended 31<sup>st</sup> March 2018.

**34 DUE TO MICRO AND SMALL ENTREPRISES**

Certain disclosures are required to be made relating to Micro, Small and Medium enterprises Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) (In force from 2 October 2006) . On the basis of the information and records available with the management, there are no outstanding dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

Particulars	31 <sup>st</sup> March,2019	31 <sup>st</sup> March, 2018
Principal amount remaining unpaid to any supplier as at the year end	-	-
Interest due thereon	-	-
Amount of interest paid by the Company in terms of section 16 of the MSMED, along with the amount of the payment made to the supplier beyond the appointed day during the accounting year	-	-
Amount of interest due and payable for the period of delay in making payment (which have been paid but beyond the appointed day during the period) but without adding the interest specified under the MSMED	-	-
Amount of interest accrued and remaining unpaid at the end of the accounting year	-	-

**For R.S.Prabhu & Associates  
Chartered Accountants**

Firm Regn. No 127010W

**CA.Anitha Viswanathan**

Partner

ICAI Mem No.113512

**Place : Mumbai**

**Date : 20<sup>th</sup> May, 2019**

**For and on behalf of the Board of Directors**

**Paresh V. Parekh**

Managing Director

DIN: 00432673

**Umesh Shenoy**

Chief Financial Officer

**Ketan V. Parekh**

Director

DIN: 00432734

**Shraddha Bagwe**

Company Secretary

**Note No 35 : FINANCIAL INSTRUMENTS - FAIR VALUES AND RISK MANAGEMENT**
**A. Accounting Classifications and Fair Values**

Carrying amounts and fair values of financial assets and financial liabilities, including their levels in the fair value hierarchy, are presented below. It does not include the fair value information for financial assets and financial liabilities not measured at fair value if the carrying amount is a reasonable approximation of fair value.

31 <sup>st</sup> March, 2019	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortised	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>								
<b>Non Current</b>								
Investments	61,000.00	-	-	61,000	-	-	-	-
Security Deposits	-	-	2,841,820	2,841,820	-	2,841,820	-	2,841,820
<b>Current</b>								
Trade Receivables	-	-	245,826,493	245,826,493	-	-	-	-
Cash & Cash Equivalence	-	-	2,832,360	2,832,360	-	-	-	-
Other Bank Balances	-	-	6,350,037	6,350,037	-	-	-	-
	<b>61,000.00</b>	<b>-</b>	<b>257,850,709</b>	<b>257,911,709</b>	<b>-</b>	<b>2,841,820</b>	<b>-</b>	<b>2,841,820</b>
<b>Financial Liabilities</b>								
<b>Non Current</b>								
Borrowings*	-	-	154,463,327	154,463,327	-	-	-	-
Security Deposits	-	-	11,977,361	11,977,361	-	11,977,361	-	11,977,361
Trade Deposits**	-	-	15,571,595	15,571,595	-	15,571,595	-	15,571,595
<b>Current</b>								
Borrowings	-	-	271,532,136	271,532,136	-	-	-	-
Trade Payables	-	-	122,437,203	122,437,203	-	-	-	-
Other Current Financial Liabilities	-	-	31,408,820	31,408,820	-	-	-	-
	<b>-</b>	<b>-</b>	<b>607,390,442</b>	<b>607,390,442</b>	<b>-</b>	<b>27,548,956</b>	<b>-</b>	<b>27,548,956</b>

31 <sup>st</sup> March, 2018	Carrying Amount				Fair Value			
	FVTPL	FVTOCI	Amortised	Total	Level 1	Level 2	Level 3	Total
<b>Financial Assets</b>								
<b>Non Current</b>								
Investments	61,000.00	-	-	61,000	-	-	-	-
Security Deposits	-	-	2,627,374	2,627,374	-	2,627,374	-	2,627,374
<b>Current</b>								
Trade Receivables	-	-	-	-	-	-	-	-
Cash & Cash Equivalence	-	-	209,071,046	209,071,046	-	-	-	-
Other Bank Balances	-	-	787,216	787,216	-	-	-	-
	<b>61,000.00</b>	<b>-</b>	<b>218,656,703</b>	<b>218,717,703</b>	<b>-</b>	<b>2,627,374</b>	<b>-</b>	<b>2,627,374</b>
<b>Financial Liabilities</b>								
<b>Non Current</b>								
Borrowings*	-	-	129,138,585	129,138,585	-	-	-	-
Security Deposits	-	-	7,002,147	7,002,147	-	7,002,147	-	7,002,147
Trade Deposits**	-	-	12,721,381	12,721,381	-	12,721,381	-	12,721,381
<b>Current</b>								
Borrowings	-	-	269,803,945	269,803,945	-	-	-	-
Trade Payables	-	-	106,093,756	106,093,756	-	-	-	-
Other Current Financial Liabilities	-	-	25,504,783	25,504,783	-	-	-	-
	<b>-</b>	<b>-</b>	<b>550,264,597</b>	<b>550,264,597</b>	<b>-</b>	<b>19,723,528</b>	<b>-</b>	<b>19,723,528</b>

\* In case of long term borrowings the carrying value in the books have considered to be the fair value as the measurement carried out by applying the Effective Interest Rate method resulted in a very marginal difference.

\* Trade Deposits are the deposits collected from customers and would be held in by the Company till the time the customer is associated as a measure of security towards possible non payment (if any). Since the tenure of holding cannot be ascertained the carrying value in the books have been considered to be the fair value.

**B. Measurement at Fair Values**

**Valuation techniques and significant unobservable inputs**

The following tables show the valuation techniques used in measuring Level 2 and Level 3 fair values, as well as the significant unobservable inputs used.

Financial instruments measured at fair value

Type	Valuation Technique
Security Deposits	The valuation model considers present value of expected payments discounted using an appropriate discounting rate
Investment Property	Ready Recokner rates as notified by the Government of Maharashtra

The Fair Value of the Investment Property situated at Kashmirira approximates to ₹12 Cr as at 31/03/2019

**C. Financial risk management**

The Company has exposure to the following risks arising from financial instruments

- (1) Credit Risk
- (2) Liquidity Risk
- (3) Market Risk

**(1) Credit Risk**

Credit risk is the risk of financial loss to the Company if a customer or counterparty to a financial instrument fails to meet its contractual obligations, and arises principally from the Company's receivables from customers and loans and advances.

The carrying amount of following financial assets represents the maximum credit exposure:

**Trade receivables and loans and advances.**

The Company's exposure to credit risk is influenced mainly by the individual characteristics of each customer in which it operates. Credit risk is managed through credit approvals, establishing credit limits and continuously monitoring the creditworthiness of customers to which the Company grants credit terms in the normal course of business.

The Company has established a credit policy under which each new customer is analysed individually for creditworthiness before the Company's standard payment and delivery terms and conditions are offered. Further for domestic sales, the company segments the customers into Distributors and Others for credit monitoring.

The Company maintains security deposits for sales made to its distributors. For other trade receivables, the company individually monitors the sanctioned credit limits as against the outstanding balances.

Accordingly, the Company makes specific provisions against such trade receivables wherever required and monitors the same at periodic intervals.

As at 31<sup>st</sup> March, 2018, the ageing of Trade Receivables was as follows;

Particulars	Carrying Amount	
	March 31, 2019	March 31, 2018
Neither Past Due nor Impaired	245,838,042	194,799,702
Due 0- 180 days	18,782,884	14,271,344
Due 180- 365 days	264,620,926	209,071,046

**Cash and cash equivalents and other Bank balances**

The Company held cash and cash equivalents and other bank balances of ₹ 91.35 lakhs as on 31<sup>st</sup> March 2019 (Previous year ₹ 69.58 lakhs). The cash and cash equivalents are held with bank counterparties with good credit ratings.

**(2) Liquidity risk**

Liquidity risk is the risk that the Company will encounter difficulty in meeting the obligations associated with its financial liabilities that are settled by delivering cash or another financial asset. The Company's approach to managing liquidity is to ensure, as far as possible, that it will have sufficient liquidity to meet its liabilities when they are due, under both normal and stressed conditions, without incurring unacceptable losses or risking damage to the Company's reputation

## NATIONAL PLASTIC INDUSTRIES LIMITED

As of 31<sup>st</sup> March, 2019 and 31<sup>st</sup> March, 2018 the Company had unutilized credit limits from banks of ₹ 27 Lakhs and ₹ 27 Lakhs respectively.

### Maturity profile of financial liabilities

The following are the remaining contractual maturities of financial liabilities at the reporting date. The amounts are gross and undiscounted, and include estimated interest payments and exclude the impact of netting agreements.

31 <sup>st</sup> March, 2019	Carrying Amount	Contractual Cash Flows				
		Total	Less than 6 months	6-12 months	1-2 years	More than 5 years
Working Capital Borrowings	271,532,136	271,532,136		271,532,136		
Trade Payables	122,437,203	122,437,203	-	122,437,203	-	-
Other Financial Liabilities	31,408,820	31,408,820	31,408,820			

31 <sup>st</sup> March, 2018	Carrying Amount	Contractual Cash Flows				
		Total	Less than 6 months	6-12 months	1-2 years	More than 5 years
Working Capital Borrowings	269,803,945	269,803,945		269,803,945		
Trade Payables	106,093,756	106,093,756	-	106,093,665	-	-
Other Financial Liabilities	25,504,783	25,504,783	25,504,783			

The gross inflows/(outflows) disclosed in the above table represent the contractual undiscounted cash flows relating to the financial liabilities which are not usually closed out before contractual maturity.

### (3) Market risk

Market risk is the risk that changes in market prices – such as foreign exchange rates, interest rates and equity prices – will affect the Company's income or the value of its holdings of financial instruments. Market risk is attributable to all market risk sensitive financial instruments including foreign currency receivables and payables and long term debt. We are exposed to market risk primarily related to foreign exchange rate risk, interest rate risk and the market value of our investments. Thus, our exposure to market risk is a function of investing and borrowing activities and revenue generating and operating activities in foreign currency. The objective of market risk management is to avoid excessive exposure in our foreign currency revenues and costs.

### Currency risk

The Company is exposed to currency risk on account of its borrowings and other payables in foreign currency. The functional currency of the Company is Indian Rupee.

Exposure to currency risk (Exposure in different currencies converted to functional currency i.e. INR)

The currency profile of financial assets and financial liabilities as at 31<sup>st</sup> March, 2019 and 31<sup>st</sup> March, 2018 are as below:

31 <sup>st</sup> March, 2019	USD
<b>Financial Assets</b>	
Trade & Other Receivables	372,391
<b>Total</b>	<b>372,391</b>
<b>Financial Liabilities</b>	
Trade & Other Payables	-
<b>Total</b>	<b>-</b>
<b>Net Exposure</b>	<b>372,391</b>

31 <sup>st</sup> March, 2018	USD
<b>Financial Assets</b>	
Trade & Other Receivables	673,373
<b>Total</b>	<b>673,373</b>
<b>Financial Liabilities</b>	
Trade & Other Payables	-
<b>Total</b>	<b>-</b>
<b>Net Exposure</b>	<b>673,373</b>

The following exchange rates have been applied during the year

INR	Year End Spot Rate	
	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
USD 1	69.44	65.17

#### Sensitivity analysis

A reasonably possible strengthening (weakening) of the foreign Currency against the Indian Rupee at 31<sup>st</sup> March would have affected the measurement of financial instruments denominated in foreign currencies and affected equity and profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular interest rates, remain constant and ignores any impact of forecast sales and purchases.

Effect in INR	31 <sup>st</sup> March, 2019		31 <sup>st</sup> March, 2018	
	Effect in Profit & Loss		Effect in Profit & Loss	
	Strengthening	Weakening	Strengthening	Weakening
USD 3% movement	775,799.40	-775,799.40	970,242	-970,242

#### Interest rate risk

Interest rate risk can be either fair value interest rate risk or cash flow interest rate risk. Fair value interest rate risk is the risk of changes in fair values of fixed interest bearing investments because of fluctuations in the interest rates. Cash flow interest rate risk is the risk that the future cash flows of floating interest bearing investments will fluctuate because of fluctuations in the interest rates.

#### Exposure to interest rate risk

Company's interest rate risk arises from borrowings. The interest rate profile of the Company's interestbearing financial instruments as reported to the management of the Company is as follows.

	31 <sup>st</sup> March, 2019	31 <sup>st</sup> March, 2018
Variable rate Borrowings	148,934,686	145,349,102

#### Cash flow sensitivity analysis for variable-rate instruments

A reasonably possible change of 25% in interest rates (MCLR) at the reporting date would have increased (decreased) profit or loss by the amounts shown below. This analysis assumes that all other variables, in particular foreign currency exchange rates, remain constant.

Particulars	Profit / (Loss)	
	25% Increase	25% Decrease
<b>March 31, 2019</b>		
Variable Rate Instruments	-3,216,989	3,216,989
<b>Cash Flow Sensitivity (Net)</b>	<b>-3,216,989</b>	<b>3,216,989</b>
<b>March 31, 2018</b>		
Variable Rate Instruments	-3,139,541	3,139,541
<b>Cash Flow Sensitivity (Net)</b>	<b>-3,139,541</b>	<b>3,139,541</b>



## NATIONAL PLASTIC INDUSTRIES LIMITED

The risk estimates provided assume a parallel shift of 25% interest rate across all yield curves. This calculation also assumes that the change occurs at the balance sheet date and has been calculated based on risk exposures outstanding as at that date. The period end balances are not necessarily representative of the average debt outstanding during the period.

### Capital Management

For the purpose of the Company's capital management, capital includes issued capital and other equity reserves. The primary objective of the Company's Capital Management is to maximise shareholders value. The Company manages its capital structure and makes adjustments in the light of changes in economic environment and the requirements of the financial covenants.

The Company monitors capital using debt to equity ratio.

Particulars	Profit / (Loss)	
	25% Increase	25% Decrease
Non Current Borrowings	154,463,327	129,138,585
Current Borrowings	271,532,136	269,803,945
<b>Gross Debt</b>	<b>425,995,462</b>	<b>398,942,530</b>
<b>Total Equity</b>	<b>267,267,253</b>	<b>258,082,685</b>
<b>Adjusted Net Debt to Equity Ratio</b>	<b>1.59</b>	<b>1.55</b>

### NOTE 35 NOTES TO THE STANDALONE FINANCIAL STATEMENTS

#### A. CORPORATE INFORMATION

National Plastic Industries Limited ("the Company") is a listed entity incorporated in India.

The addresses of its registered office and principal place of business are disclosed in the introduction to the annual report.

#### B. SIGNIFICANT ACCOUNTING POLICIES

##### B.1 BASIS OF PREPARATION AND PRESENTATION

The financial statements have been prepared on the historical cost basis except for Defined Benefit Plan - Plan Assets which has been measured at fair value amount.

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

Company's financial statements are presented in Indian Rupees (RS), which is also its functional currency.

The financial statements of the Company have been prepared to comply with the Indian Accounting standards ('Ind AS'), including the rules notified under the relevant provisions of the Companies Act, 2013.

##### B.2 USE OF ESTIMATES AND JUDGEMENTS

###### (a) Property, plant and equipment

The preparation of these financial statements in conformity with the recognition and measurement principles of Ind AS requires the management of the Company to make estimates and assumptions that affect the reported balances of assets and liabilities, disclosures of contingent liabilities as at the date of the financial statements and the reported amounts of income and expense for the periods presented.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimates are revised and future periods are affected.

Key sources of estimation of uncertainty at the date of the financial statement, which may cause a material adjustment to the carrying amounts of assets and liabilities within the next financial year, are in respect of impairment of investments, useful lives of property, plant and equipment, valuation of deferred tax assets and fair value measurement of financial instruments, these are discussed below. Key sources of estimation of uncertainty in respect of revenue recognition, employee benefits and provisions and contingent liabilities have been discussed in their respective policies.

#### **Useful lives of property, plant and equipment**

The company reviews the useful life of property, plant and equipment at the end of each reporting period. This reassessment may result in change in depreciation expense in future periods.

#### **Valuation of deferred tax assets**

The Company reviews the carrying amount of deferred tax assets at the end of each reporting period. The policy has been explained under note 2(i).

#### **Fair value measurement of financial instruments**

When the fair value of financial assets and financial liabilities recorded in the balance sheet cannot be measured based on quoted prices in active markets, their fair value is measured using valuation techniques including the Discounted Cash Flow model. The inputs to these models are taken from observable markets where possible, but where this is not feasible, a degree of judgement is required in establishing fair values. Judgements include consideration of inputs such as liquidity risk and volatility. Changes in assumptions about these factors could affect the reported fair value of financial instruments.

### **B.3 SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

#### **(a) Property, plant and equipment**

Property, plant and equipment are stated at cost, net of recoverable taxes, trade discount and rebates less accumulated depreciation and impairment losses, if any. Such cost includes purchase price, borrowing cost and any cost directly attributable to bringing the assets to its working condition for its intended use, net charges on foreign exchange contracts and adjustments arising from exchange rate variations attributable to the assets.

Subsequent costs are included in the asset's carrying amount or recognised as a separate asset, as appropriate, only when it is probable that future economic benefits associated with the item will flow to the entity and the cost can be measured reliably.

Expenses incurred relating to construction of factory extension at Silvasa, Patna and Nellore during the construction stage prior to its intended use are disclosed under Capital Work - in - Progress.

Depreciation on property, plant and equipment is provided using straight line method. Depreciation is provided based on useful life of the assets as prescribed in Schedule II to the Companies Act, 2013.

Sr No	Particular	Useful Life (in Years)
1	Land	30
2	Buildings	30
3	Plant & Machinery	15
4	Dies & Moulds	15
5	Furniture & Fixtures	10
6	Vehicles	8
7	Office Equipment	8
8	Electrical Installation	10
9	Others	5

The residual values, useful lives and methods of depreciation of property, plant and equipment are reviewed at each financial year end and adjusted prospectively, if appropriate.

Gains or losses arising from derecognition of a property, plant and equipment are measured as the difference between the net disposal proceeds and the carrying amount of the asset and are recognised in the Statement of Profit and Loss when the asset is derecognised..

**(b) Leases**

Company does not have any financial lease . All the leases of the Company falls under the category of operating leases.

Operating lease payments are recognised as an expense in the Statement of Profit and Loss on a straight-line basis over the lease term except where another systematic basis is more representative of time pattern in which economic benefits from the leased assets are consumed.

**(c) Inventory**

Items of Inventories are measured at lower of cost and net realisable value after providing for obsolescence, if any, except in case of by-products which are valued at net realisable value. Cost of inventories comprises of cost of purchase, cost of conversion and other costs including manufacturing overheads net of recoverable taxes incurred in bringing them to their respective present location and condition.

**(d) Impairment of non-financial assets - property, plant and equipment and intangible assets**

IND AS 36 on Impairment of Assets requires every company to test for the impairment of its PPE annually. Due to the nature of business and products of the Company, the moulding process of production, the assets do not have a very high risk of impairment. Further Management has view that Moulding machines do not get impaired on their own as they host the moulds through which the moulding of plastic and other products happen. Moulds have a useful life in terms capacity of no of items to be produced. However, the Company maintains the moulds very well as a result; the moulds outlive their useful life.

**(e) Provisions**

Provisions are recognised when the Company has a present obligation (legal or constructive) as a result of a past event, it is probable that an outflow of resources embodying economic benefits will be required to settle the obligation and a reliable estimate can be made of the amount of the obligation.

If the effect of the time value of money is material, provisions are discounted using a current pre-tax rate that reflects, when appropriate, the risks specific to the liability. When discounting is used, the increase in the provision due to the passage of time is recognised as a finance cost.

**(f) Employee Benefits Expense**

**Short Term Employee Benefits**

The undiscounted amount of short term employee benefits expected to be paid in exchange for the services rendered by employees are recognised as an expense during the period when the employees render the services.

**Defined Benefit Plans**

The Company pays gratuity to the employees whoever has completed five years of service with the Company at the time of resignation/superannuation. The gratuity is paid @15 days salary for every completed year of service as per the Payment of Gratuity Act 1972.

The liability in respect of gratuity and other post-employment benefits is calculated using the Projected Unit Credit Method and spread over the period during which the benefit is expected to be derived from employees' services.

Re-measurement of defined benefit plans in respect of post-employment are charged to the Other Comprehensive Income.

**(g) Tax Expenses**

The tax expense for the period comprises current and deferred tax. Tax is recognised in Statement of Profit and Loss, except to the extent that it relates to items recognised in the comprehensive income or in equity. In which case, the tax is also recognised in other comprehensive income or equity.

**Current Tax**

Current tax assets and liabilities are measured at the amount expected to be recovered from or paid to the taxation authorities, based on tax rates and laws that are enacted or substantively enacted at the reporting period.

**Deferred Tax**

Deferred tax is recognised on temporary differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit.

Deferred tax liabilities and assets are measured at the tax rates that are expected to apply in the period in which the liability is settled or the asset realised, based on tax rates (and tax laws) that have been enacted or substantively enacted by the end of the reporting period. The carrying amount of Deferred tax liabilities and assets are reviewed at the end of each reporting period.

**(h) Foreign currencies transactions and translation**

Transactions in foreign currencies are recorded at the exchange rate prevailing on the date of transaction. Monetary assets and liabilities denominated in foreign currencies are translated at the functional currency closing rates of exchange at the reporting date.

Exchange differences arising on settlement or translation of monetary items are recognised in Statement of Profit and Loss.

**(i) Revenue recognition**

Effective from April 1, 2018, the Company has applied IND AS 115 which establishes a comprehensive framework for determining whether, how much and when the revenue is to be recognised. IND AS 115 replaces IND AS 18 Revenue and IND AS 11 Construction Contracts. Para D35 of IND AS 101 First Time Adoption of IND AS states that a first time adopter is not required to restate contracts that were completed before the earliest reporting period. Since Company does not have any kind of continuing contracts, the Company has adopted IND AS 115 using the prospective method.

## NATIONAL PLASTIC INDUSTRIES LIMITED

IND AS 115 prescribes a five step model for revenue recognition;

- 1) Identifying the Contract with the Customer
- 2) Identifying the Performance Obligation
- 3) Determining the Transaction Price
- 4) Allocating the Transaction Price to the Performance Obligation
- 5) Recognising the Revenue proportionately.

The Company earns revenue primarily from sale of household furnitures.

Accordingly revenue from domestic sale of goods is recognised when the performance obligations (i.e. delivery of the goods) are completed to the buyer.

Company follows industry practice of providing a right to return the defective products / parts and replaces the same. As required under the para 55 of IND AS 115, return liability has been recognised on the basis of expected returns which in turn have been computed on the basis of average returns of the Company over the past three years.

Revenue from export sale of goods is recognised when the performance obligations (i.e. loading of the goods on the vessel) are completed in case of Free on Board (FOB) contracts. In cases of Export sales under Cost including Freight contracts (CIF) Company recognises the revenue as per the general industry practise (i.e loading the goods on the vessel date). However Company has ensured that the delivery of all the revenue recognised as at the reporting date have actually reached the desired destination before finalisation of the accounts thereby ensuring the completeness of performance obligation.

Revenue from rendering of services is recognised when the performance of agreed contractual task has been completed.

Revenue from sale of goods is measured at the transaction price mutually decided at the time of execution of the contracts / Purchase Orders with the customers. The rates for the goods or services differ from customer to customer.

Revenue from operations includes sale of goods, services, goods and service tax (GST) and adjusted for discounts (net).

### **Interest income**

Interest income from a financial asset is recognised using effective interest rate method.

### **Significant Judgements in applying IND AS 115**

Timing of satisfaction of performance obligation	Since the Company is purely in the business of sale of furniture the timing of satisfaction of the performance obligation is clearly the date on which the intended goods are delivered to the customer
Timing of satisfaction of performance obligation (Export Sales)	In case of FOB sales, the timing of satisfaction of performance obligation would be date of loading of the goods on the vessel.
Timing of satisfaction of performance obligation (Export Sales)	In case of CIF sales, Company has taken a judgement based on current industry practice to consider these transaction in same line as that of FOB sales.
Transaction price & the amounts allocated to the performance obligations	Individual contracts / purchase orders are executed with each customer categorically specifying the individual unit rate decided after mutual negotiations.

Method of recognising revenue	Output Method
Reason for selection of Output method	As stipulated in Para B15, since the measurement of performance obligation can be directly evidenced, output method of revenue recognition is adopted.

**(j) Government Grants**

Grants received towards depreciable assets has been recognised as income over the period of useful life of the assets through which it is depreciated.

Grants received towards non depreciable assets has been recognised as income over the period in which expenses have been incurred to realise income from those assets.

**(k) Financial instruments**

**i) Financial Assets**

**A. Initial recognition and measurement**

All financial assets and liabilities are initially recognized at fair value. Transaction costs that are directly attributable to the acquisition or issue of financial assets and financial liabilities, which are not at fair value through profit or loss, are adjusted to the fair value on initial recognition. Purchase and sale of financial assets are recognised using trade date accounting.

**B. Subsequent measurement**

**a) Financial assets carried at amortised cost (AC)**

A financial asset is measured at amortised cost if it is held within a business model whose objective is to hold the asset in order to collect contractual cash flows and the contractual terms of the financial asset give rise on specified dates to cash flows that are solely payments of principal and interest on the principal amount outstanding.

**Impairment of financial assets**

In accordance with Ind AS 109, the Company uses 'Expected Credit Loss' (ECL) model, for evaluating impairment of financial assets other than those measured at fair value through profit and loss (FVTPL).

Expected credit losses are measured through a loss allowance at an amount equal to:

\* The 12-months expected credit losses (expected credit losses that result from those default events on the financial instrument that are possible within 12 months after the reporting date); or

\* Full lifetime expected credit losses (expected credit losses that result from all possible default events over the life of the financial instrument)

For trade receivables Company applies 'simplified approach' which requires expected lifetime losses to be recognised from initial recognition of the receivables. The Company has its own adopted policy to determine impairment loss on the portfolio of trade receivables. At every reporting date this policy is reviewed and changes in the forward looking estimates are analysed.

**ii) Financial liabilities**

**A. Initial recognition and measurement**

All financial liabilities are recognized at fair value and in case of loans, net of directly attributable cost. Fees of recurring nature are directly recognised in the Statement of Profit and Loss as finance cost.

**B. Subsequent measurement**

Financial liabilities are carried at amortized cost using the effective interest method. For trade and other payables maturing within one year from the balance sheet date, the carrying amounts approximate fair value due to the short maturity of these instruments.

**iii) Derecognition of financial instruments**

The Company derecognizes a financial asset when the contractual rights to the cash flows from the financial asset expire or it transfers the financial asset and the transfer qualifies for derecognition under Ind AS 109. A financial liability (or a part of a financial liability) is derecognized from the Company's Balance Sheet when the obligation specified in the contract is discharged or cancelled or expires.

**CRITICAL ACCOUNTING JUDGMENTS AND KEY SOURCES OF ESTIMATION UNCERTAINTY**

The preparation of the Company's financial statements requires management to make judgement, estimates and assumptions that affect the reported amount of revenue, expenses, assets and liabilities and the accompanying disclosures. Uncertainty about these assumptions and estimates could result in outcomes that require a material adjustment to the carrying amount of assets or liabilities.

**a) Depreciation / amortisation and useful lives of property plant and equipment / intangible assets**

Property, plant and equipment / intangible assets are depreciated / amortised over their estimated useful lives, after taking into account estimated residual value. Management reviews the estimated useful lives and residual values of the assets annually in order to determine the amount of depreciation / amortisation to be recorded during any reporting period. The useful lives and residual values are based on the Company's historical experience with similar assets and take into account anticipated technological changes. The depreciation / amortisation for future periods is revised if there are significant changes from previous estimates.

**b) Recoverability of trade receivable**

Judgements are required in assessing the recoverability of overdue trade receivables and determining whether a provision against those receivables is required. Factors considered include the credit rating of the counterparty, the amount and timing of anticipated future payments and any possible actions that can be taken to mitigate the risk of non-payment..

**c) Provisions**

Provisions and liabilities are recognized in the period when it becomes probable that there will be a future outflow of funds resulting from past operations or events and the amount of cash outflow can be reliably estimated. The timing of recognition and quantification of the liability requires the application of judgement to existing facts and circumstances, which can be subject to change. The carrying amounts of provisions and liabilities are reviewed regularly and revised to take account of changing facts and circumstances.

**d) Impairment of non-financial assets**

Due to the nature of business and products of the Company, the moulding process of production, the assets do not have a very high risk of impairment. Further Management has view that Moulds do not get impaired on their own as they host the moulds through which the moulding of plastic and other products happen. Moulds have a useful life in terms capacity of no of items to be produced. However, the Company maintains the moulds very well as a result; the moulds outlive their useful life.

**D AUDITOR REMUNERATION**

(Figures in ₹)

Sr. No.	PARTICULARS	As at March 31, 2019	As at March 31, 2018
	<b>Auditor's Remuneration</b>		
i)	For Statutory Audit	400,000	475,000
ii)	For Tax Audit	110,000	110,000

**E EXPENDITURE IN FOREIGN CURRENCY #**

(Figures in ₹)

Sr. No.	PARTICULARS	As at March 31, 2019	As at March 31, 2018
i)	Foreign Travelling Expenses	-	669,008
ii)	Bank Charges	158,044	233,000

**F EARNINGS IN FOREIGN EXCHANGE @@**

(Figures in ₹)

Sr. No.	PARTICULARS	As at March 31, 2019	As at March 31, 2018
i)	Export of goods calculated on FOB Basis	180,053,795	165,184,511

**G** Under the Micro, Small and Medium Enterprises Development Act, 2006, (MSMED) which came into force from 2 October 2006, certain disclosures are required to be made relating to Micro, Small and Medium enterprises. On the basis of the information and records available with the management, there are no outstanding dues to the Micro and Small enterprises as defined in the Micro, Small and Medium Enterprises Development Act, 2006.

**H STANDARDS ISSUED, BUT NOT YET APPLICABLE**

On 30<sup>th</sup> March, 2019, the Ministry of Corporate Affairs, via the Companies (Indian Accounting Standards (Ind AS)) Amendment Rules, 2019, has notified Ind AS 116-Leases, which repeals the erstwhile Ind AS 17 Leases w.e.f. accounting periods beginning from 1<sup>st</sup> April, 2019.

Ind AS 116 introduces a single Lease accounting model, which requires the lessee to recognise assets and liabilities for all leases with a contractual or intended term more than 12 months, unless the value of the underlying asset is of low value. It thus eliminates the classification into Operating and Finance leases by the lessee, as required by the erstwhile Ind AS 17. The Lessee is required to recognise a right-to-use asset, representing its right over the underlying leased assets and a corresponding lease liability, representing the lease payment obligations. The right-to-use asset and the lease liability are arrived by discounting the lease payments at a rate of interest implicit in the lease.

This standard does not prescribe any changes for accounting in the books of the lessor. Thus, a lessor would continue to classify leases into operating and finance leases, with accounting treatments similar to Ind AS 17

The company's leases relate to some of its premises, all which satisfy the conditions of fixed payment and identification principles.

The Company proposes to account for leases using the retrospective approach, recognising a right-to-use asset and equivalent liability at the present value of the remaining lease payments, which are calculated using the company's incremental cost of capital.



**NATIONAL PLASTIC INDUSTRIES LIMITED**

The Company has decided to apply the transitional effect as per clause b of Para C5 of the Standard. Based on the information currently available, the Company estimates that it will recognise a right to use asset of approximately ₹147.36 lakhs and a corresponding lease liability of approximately ₹169.89 lakhs. Leases involving no cash outflows have not been recognised in the financials as they do not fall within the scope of the standard.

**For R.S.Prabhu & Associates**

**Chartered Accountants**

Firm Regn. No 127010W

**CA.Anitha Viswanathan**

Partner

ICAI Mem No.113512

**Place : Mumbai**

**Date : 20<sup>th</sup> May, 2019**

**For and on behalf of the Board of Directors**

**Paresh V. Parekh**

Managing Director

DIN: 00432673

**Umesh Shenoy**

Chief Financial Officer

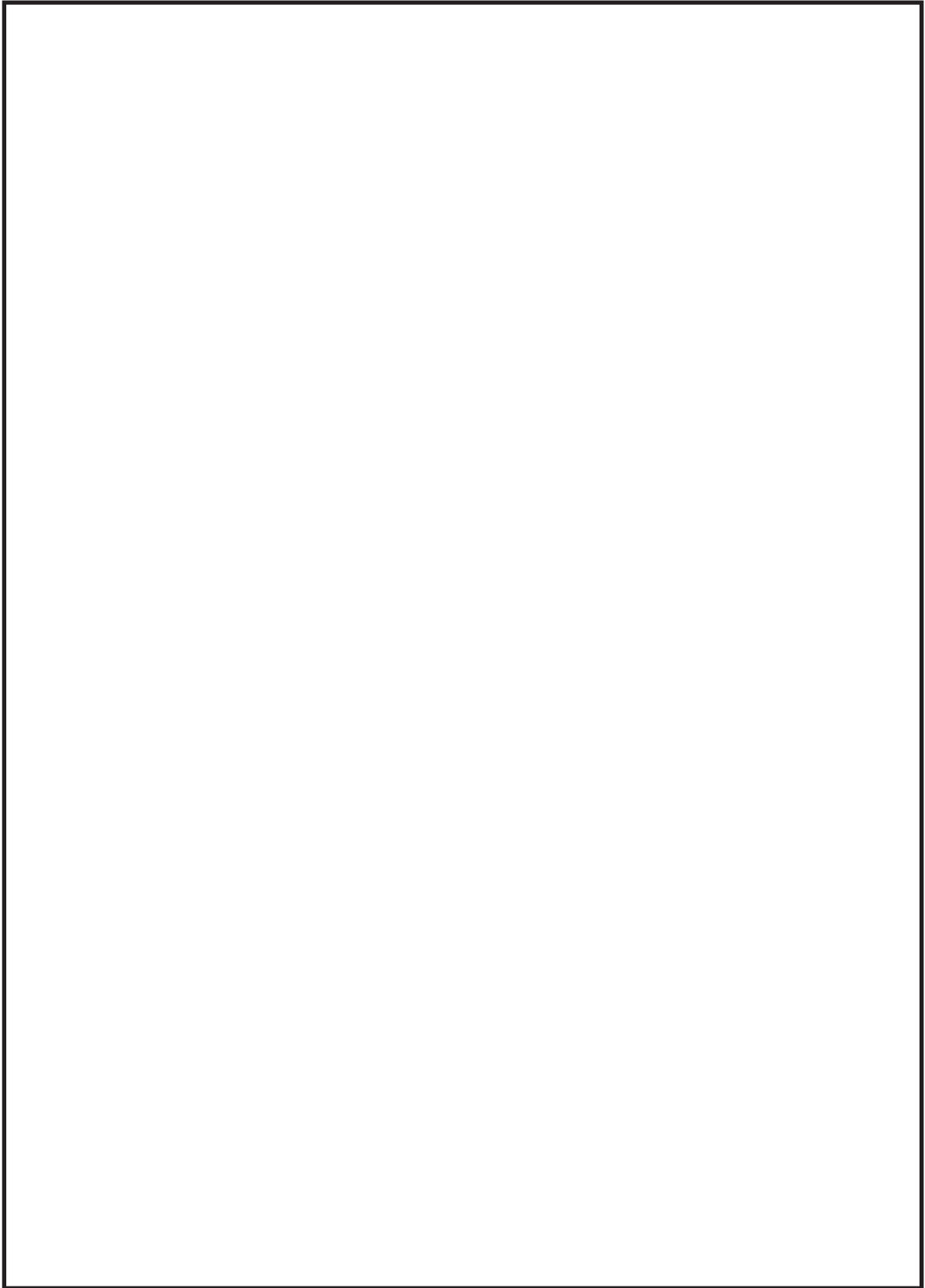
**Ketan V. Parekh**

Director

DIN: 00432734

**Shraddha Bagwe**

Company Secretary





**NATIONAL PLASTIC INDUSTRIES LIMITED**

CIN: L25200MH1987PLC044707

**Registered Office:** Office No. 213, 214 & 215, 2<sup>nd</sup> Floor, Hubtown Solaris,  
N. S. Phadke Marg, Andheri (East),  
Mumbai - 400069

**Email:** info@nationalplastic.com, **Website:** www.nationalplastic.com

**Phone No.:** 022 - 67669999 **Fax:** 022 - 67669998

**ATTENDANCE SLIP**

(32<sup>nd</sup> Annual General Meeting)

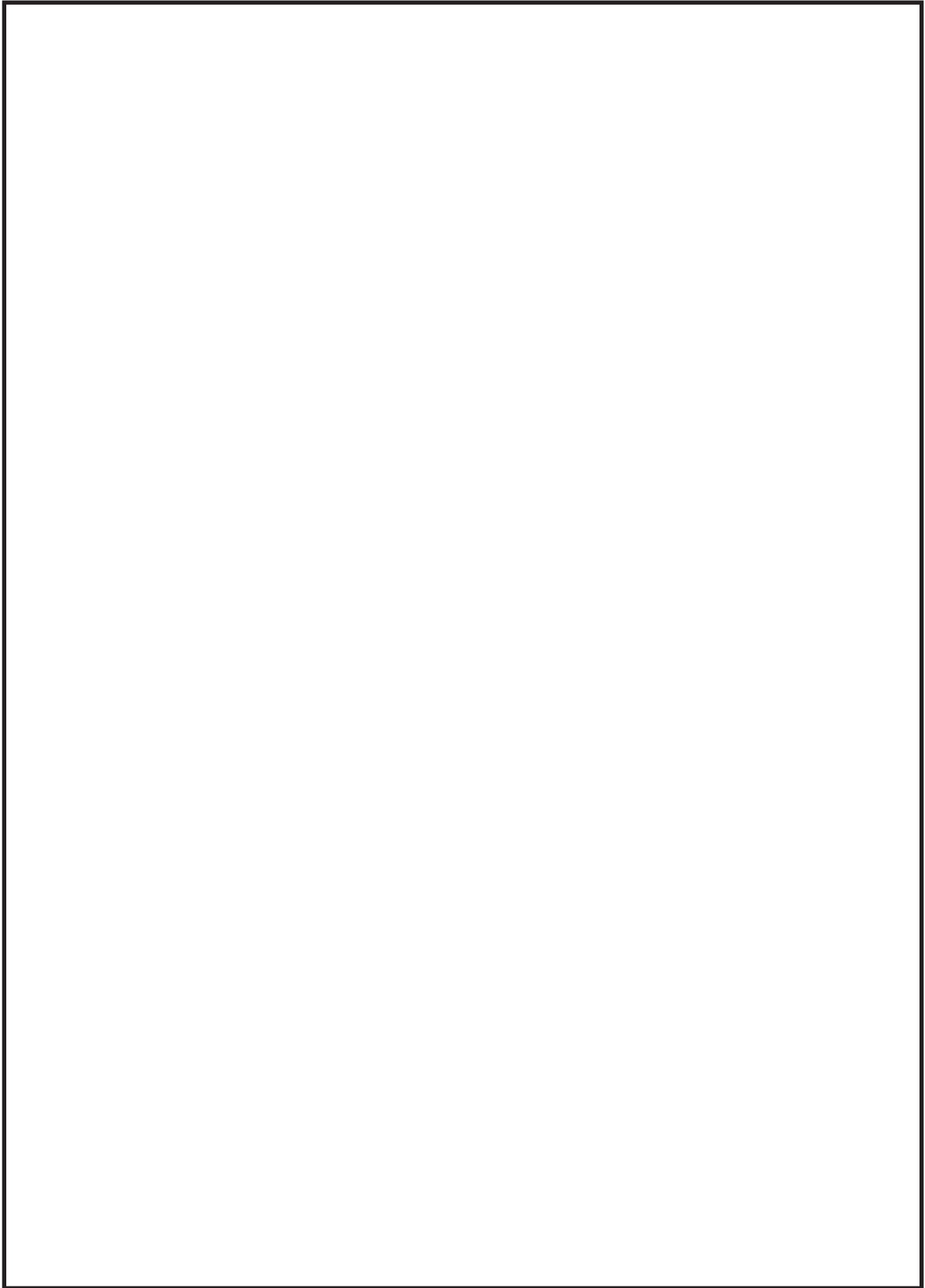
DP ID No. & Client ID No. / Folio No.	
Name and Address of the Shareholder in Block Letters	
Name of the Joint Holder(s), if any (in Block Letters)	
No. of Shares held	
Name of Proxy, if any (in Block Letters)	

I certify that I am a member/proxy of the Company.

I/We hereby record my/our presence at the Thirty Second Annual General Meeting of the Members of National Plastic Industries Limited held on Friday, September 20, 2019 at 4.30 p.m. at Hotel Suba Galaxy, N. S. Phadke Road, Off Western Express Highway, Andheri (East), Mumbai - 400 069 and/or any adjournment thereof.

\_\_\_\_\_  
Member's/ Proxy's Signature

**Note:** Please fill this attendance slip and hand it over at the entrance of the Hall.





**FORM NO.: MGT-11  
PROXY FORM**

[Pursuant to Section 105(6) of the Companies Act, 2013 and rule 19(3) of the Companies (Management and Administration) Rules, 2014]

<b>CIN</b>	L25200MH1987PLC044707
<b>Name of the Company</b>	National Plastic Industries Limited
<b>Registered Office</b>	Office No. 213,214 & 215, 2 <sup>nd</sup> Floor, Hubtown Solaris, N. S. Phadke Marg, Andheri (East), Mumbai - 400069

<b>Name of the Member(s)</b>		
<b>Registered Address</b>		
<b>Email ID</b>		
<b>Folio No. / Client ID</b>		
<b>DP ID</b>		
I/We ,being the member(s) of above named company holding _____ equity shares , hereby appoints		
<b>Name</b>		
<b>Address</b>		
<b>Email Id</b>		<b>Signature -</b>
<b>OR FAILING HIM:</b>		
<b>Name</b>		
<b>Address</b>		
<b>Email Id</b>		<b>Signature -</b>
<b>OR FAILING HIM:</b>		
<b>Name</b>		
<b>Address</b>		
<b>Email Id</b>		<b>Signature -</b>

₹1/-  
Revenue  
Stamp

As my/our proxy to attend and vote (on a poll) for me/us and on my/our behalf at the 32<sup>nd</sup> Annual General Meeting of the Company, to be held on Friday, September 20, 2019 at 4.30 PM at Hotel Suba Galaxy, N. S. Phadke Road, Off. Western Express Highway, Andheri (East), Mumbai - 400 069 and at any adjournment thereof in respect of such resolutions as are indicated herein:

ITEM NO.	RESOLUTION	FOR	AGAINST
<b>ORDINARY RESOLUTION</b>			
1.	To receive, consider and adopt the audited financial statements of the Company for the year ended March 31, 2019 the reports of the Board of Directors and Auditors thereon.		
2.	To declare dividend on Equity Shares for the Financial Year 2018 - 2019.		
3.	Re-appointment of Mr. Paresh Vinod Parekh, who retires by rotation		
<b>SPECIAL RESOLUTION</b>			
4.	Appointment of Mr. Nipun Shah, as an Independent Director		
5.	Appointment of Mr. Purnachandra Rao Dendukuri, as an Independent Director		
6.	Approval for Payment of Remuneration to Executive Directors who are Promoters or Members of Promoter Group of the Company Pursuant to Regulation 17 (6) (e)(ii) of the Securities And Exchange Board of India (Listing Obligations And Disclosure Requirements) Regulations, 2015.		
7.	To approve the remuneration payable to the Cost Auditor of the Company for the year 2019-20		

Signed this \_\_\_\_\_ day of \_\_\_\_\_ 2019

**Signature of Shareholder-**

**Signature of Proxy-**

Note:

- a) This proxy form in order to be effective should be duly completed and deposited at the Registered office of the Company, not less than 48 hours before commencement of the meeting.
- b) The proxy form should be signed across the revenue stamp as per specimen signature(s) registered with Company/ depository participant.
- c) A proxy need not to be a member.
- d) A person can act as a proxy on behalf of members not exceeding 50(Fifty) and holding in aggregate not more than 10 per cent of the total share capital of the company carrying voting rights.
- e) A member holding more than 10 per cent of total share capital of the Company carrying voting rights may appoint a single person as proxy and such person shall not act as a proxy for any other person or shareholder.

**E-MAIL ID REGISTRATION FORM**

All the members of the company who have not registered their email id so far with the company/RTA and those members who have registered their email id but wish to update their email ids, are requested to fill the below details to register and update their email ids.

**Email ID –**

**Signature of Member -**



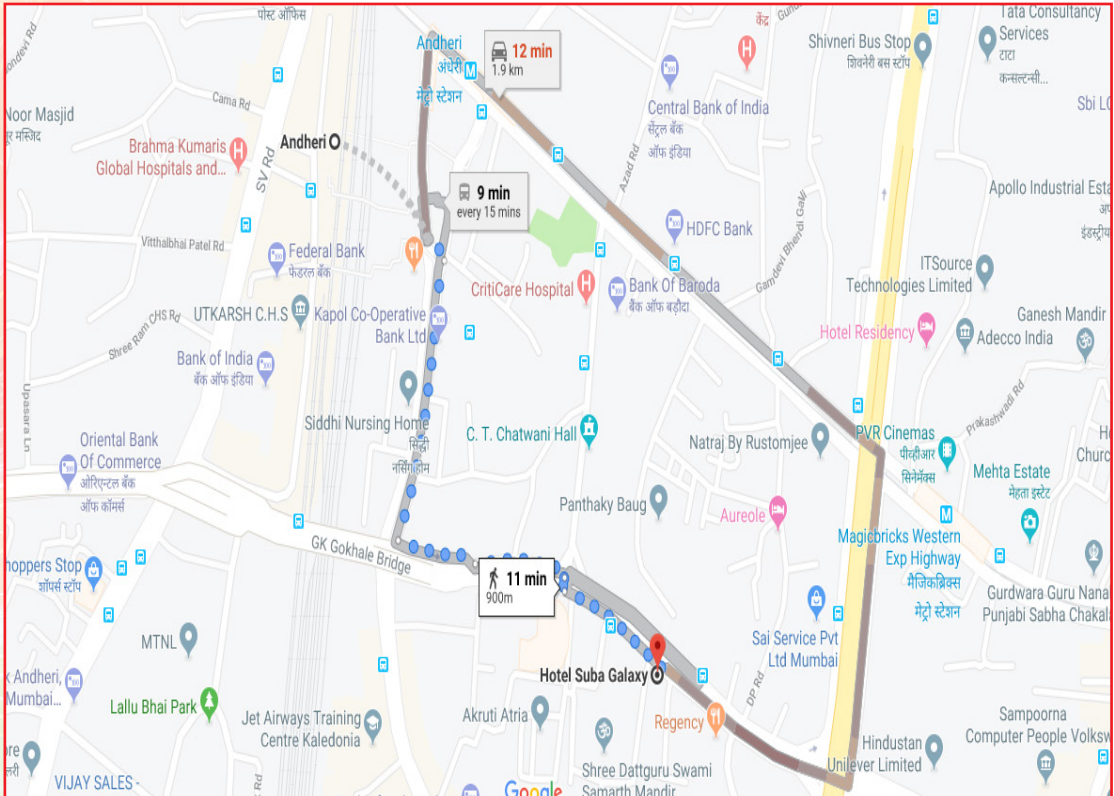






# Route Map to the Venue of the AGM

**Hotel Suba Galaxy,  
N. S. Phadke Road, Off Western Express Highway,  
Andheri (East), Mumbai - 400 069**



If Undelivered, please return to :

**National Plastic Industries Limited**

Office No. 213-215, 2nd Floor,  
Hubtown Solaris, N. S. Phadke Marg,  
Andheri (East), Mumbai- 400069.



**National Plastic Industries Limited**