



UNION QUALITY PLASTICS LTD

30th Annual Report

2013 - 2014



UNION QUALITY PLASTICS LIMITED

2013 - 14

BOARD OF DIRECTORS:

Mr. Zuzar A Kathawala
Chairman & Managing Director

Mrs. Duriya Z Kathawala
Director

Mr. Sunil R Tripathi
Executive Director

Mr. Jayaram Ananthanarayan
Independent Director

Mrs. Naseem Arsiwala
Independent Director

Mr. Rameshchandra K Mishra
Independent Director

BANKERS:

THE CITY CO-OPERATIVE BANK LTD.
ICICI BANK LIMITED
HDFC BANK LIMITED
ORIENTAL BANK OF COMMERCE

AUDITORS:

M/S. PAREKH SHAH & LODHA
Chartered Accountants

SHARE REGISTRAR & TRANSFER AGENT:

Bigshare Services Pvt. Ltd.
E-2/3, Ansa Industrial Estate, Sakivihar Road,
Sakinaka, Andheri (E), Mumbai - 400 0072.
Tel. No. 2852 3474, 2865 0652/53, 569 36291
Fax No. 2852 5207.
Email: bigshare@bom7.vsnl.net.in

REGISTERED OFFICE:

UNION QUALITY PLASTICS LTD
5th Floor, A.G.H. Chambers,
379/381 Narsi Natha Street,
Mumbai – 400009

FACTORIES:

UNION QUALITY PLASTICS LTD
Plot No.204, G.I.D.C. Industrial Estate,
Umbergoan -396171 , Dist. Bulsar
Gujarat



NOTICE

NOTICE IS HEREBY GIVEN THAT THE THIRTIETH ANNUAL GENERAL MEETING OF THE COMPANY WILL BE HELD ON SEPTEMBER 30TH, 2014 AT 11.00 A.M. AT THE REGISTERED OFFICE OF THE COMPANY AT 5TH FLOOR, A.G.H CHAMBERS, 379/381 NARSI NATHA STREET MUMBAI – 400009, TO TRANSACT THE FOLLOWING BUSINESS:

ORDINARY BUSINESS:

1. To consider and adopt the Audited Balance Sheet as at 31st March, 2014, Profit & Loss Account for the year ended as on that date and the Reports of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Zuzar Kathawala who retires by rotation and, being eligible, offers herself for re-appointment.
3. To appoint a Director in place of Mrs. Durriya Kathawala who retires by rotation and, being eligible, offers herself for re-appointment.
4. To appoint M/s. Parekh Shah & Lodha, Chartered Accountants, Mumbai, as the Statutory Auditors of the Company to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting on such remuneration as may be mutually agreed upon between the Board of Directors and the Auditor's plus service tax, traveling and out of pocket expenses.

Registered Office:

5th Floor, A.G.H Chambers,
379/381 Narsi Natha Street,
Mumbai – 400009

**By order of Board of Directors of
Union Quality Plastics Limited**

Place : Mumbai
Date : 29th July, 2014

Z A KATHAWALA
Managing Director

D.Z KATHAWALA
Director

**Notes:**

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself only on poll and the proxy need not be a member of the Company. The instrument appointing proxy should, however, be deposited at the Registered office of the Company not less than forty eight before the commencement of the meeting.
2. Members/Proxies should bring the Attendance slip duly filled in for attending the meeting and members who hold shares in electronic form (Demat) are requested to bring their Client ID and DP ID numbers for identification of attendance at the meeting
3. The Register of Members and Share Transfer Books will remain closed from 23rd September, 2014 to 30th September, 2014 (both days inclusive)
4. Members are requested to notify the change in their address to the Company and/or Registrar & Share Transfer Agent of the Company in physical mode and always quote their folio no. in all correspondence with the Company. In respect of holding in electronic form, members are requested to notify any change of address and change in bank details in their Depository participants.
5. Members are requested to bring their copy of Annual Report to the Meeting.
6. Members seeking further information on the accounts or any other matter contained in the Notice are requested to write to the Company at least 7 days before the meeting so that relevant information can be kept ready at the meeting.

Registered Office:

5th Floor, A.G.H Chambers,
379/381 Narsi Natha Street,
Mumbai – 400009

**By order of Board of Directors of
Union Quality Plastics Limited**

Place : Mumbai
Date : 29th July, 2014

Z A KATHAWALA
Managing Director

D.Z KATHAWALA
Director



DIRECTORS' REPORT

To,
The Members

Your Directors have pleasure in presenting the 30th Annual Report on the business and operations of the Company together with the Audited Accounts for the year ended 31st March, 2014.

1. FINANCIAL RESULTS:

(Rs. In Lacs)

Particular	(31/03/2014)	(31/03/2013)
Turnover (including other income)	3816.12	3232.52
Profit before Tax & Depreciation	97.39	90.34
Less - Depreciation and Amortization	33.94	29.01
Less – Provision for Taxation including Deferred Tax	0.00	0.00
Profit after tax	63.46	61.33

1. OPERATIONS AND BUSINESS PERFORMANCE:

Total incomes for the year have increased to Rs. 3816.12 Lacs from Rs. 3232.52 Lacs in the previous year and profit after tax increased to Rs. 63.46 Lacs from Rs. 61.33 in the previous year. The Company is taking further measures to increase its market demand.

2. DIVIDEND:

In view of conservation of profit, your Directors had not recommended any dividend for this year.

3. THE COMPANIES ACT, 2013

The Ministry of Corporate Affairs (MCA) has notified 282 sections of the Companies Act, 2012 (CA2013/Act) in tranches in September 2013 and March 2014 with majority of the sections as well as rules being notified in March 2014. The Companies Act, 1956 continues to be in force to the extent of the corresponding provisions of the CA2013 which are yet to be notified. MCA vide its Circular dated April 4, 2014 has clarified that the financial statements and documents annexed thereto, auditor's report and board's report in respect of financial year that have commenced earlier than April 1, 2014 shall be governed by the provisions of the Companies Act, 1956 and in line with the same, the Bank's financial statements, auditor's report and Board's report and attachments thereto have been prepared in accordance with the provisions of the Companies Act, 1956. With respect to other provisions of the Act, appropriate references have been made in this report to the extent these provisions have been applicable effective April, 2014.

5. FIXED DEPOSITS:

During the year, the Company did not accept any deposit from the public within the meaning of section 58A of the Companies Act, 1956.



6. QUALITY MANAGEMENT:

The company is committed to supply products and services conforming to customers requirements by involving employees, vendors sub – contractors and customers to achieve its vision of being a cost-efficient global suppliers of quality products.

7. PARTICULARS OF EMPLOYEE:

As required by the provision of section 217(2A) of the companies act 1956 of the Companies act 1956, read with companies (particulars of employees) Rules, 1975 as amended, there are no employees covered for the year under review

8. DIRECTORS:

In pursuance of the Companies Act, 1956, and articles of association of the company Mr. Zuzar Kathawala and Mrs. Durriya Kathawala retires by rotation and being eligible, offer themselves for re-appointment.

9. DIRECTORS RESPONSIBILITY STATEMENTS:

Pursuant to the requirement under Section 217(2AA) of the Companies Act, 1956, with respect to Directors' Responsibility Statement, the Directors confirm:

- i) That in the preparation of the annual accounts for the financial year ended 31st March, 2014, the applicable accounting standards have been followed and no material departures have been made from the same;
- ii) That they had selected such accounting policies, applied them consistently, made judgments and estimates that are reasonable and prudent so as to give true and fair view of the state of affairs of the Company at the end of the financial year and of the profit of the Company for that period;
- iii) That they had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;
- iv) That they had prepared the annual accounts on a going concern basis.
- v) That Auditors comment on the internal audit system of the company, Directors wants to clarify that our internal accounting system is strong enough to take care of internal control for accounts under the supervision of management. Hence, we have not deputed outside agency to carry on internal audit.
- vi) The company is engaged in manufacturing business where staff turnover ratio is very high. Hence maintaining retirement and other benefit and provision for gratuity on accrual basis is very difficult. Keeping in view the above the Company follows a policy of providing gratuity liability and retirement and other benefits on actual payment basis.
- vii) The observations and comments given in the Auditor's Report read together with notes to accounts are self-explanatory and do not call for any further information and explanation under Section 217(3) of the Companies Act, 1956.



10. CONSERVATION OF ENERGY , ABSORPTION OF TECHNOLOGY AND FOREIGN EXCHANGE AND OUTGO :

Additional information as required as per section 217(I)(e) of the companies act, 1956 read along with companies (Disclosures of particulars in the report of board of Directors) Rules, 1988 is given below;

(I) Conservation of Energy:

Continuous monitoring and awareness amongst employees has helped to avoid waste of energy. Adequate measures had helped in reducing the consumption of energy and overall electricity bill.

It is planned to extend the measures taken during the current year which yielded good results, to other areas/equipment/offices.

(II) Technology Absorption:

Company has not incurred major expenditure on R& D activity during the year under review; however the company is searching various technology and methods which will help in reducing the consumption of energy, increase in input / output ratio and produce internationally acceptable quality products, company have the ISO 9001: 2000 Certificate.

Information regarding technology imported during the last five years:

- | | | |
|---|---|----------------|
| a. Technology imported | : | No |
| b. Year of import | : | Not applicable |
| c. Has technology been fully absorbed | : | Not applicable |
| d. If not fully absorbed, areas where this has not taken place, reasons therefore and future plans of actions | : | Not applicable |

(III) Foreign Exchange:

During the year company has earned foreign exchange by export turnover which amounts to Rs. 187.42 Lacs (P.Y. Rs. 198.19 Lacs) and had incurred Rs. 92.97 Lacs (P.Y. Rs. 149.33 Lacs) towards expenditure in foreign exchange during the year. Company is making all efforts to capture the international market.

11. AUDITORS:

M/s. PAREKH SHAH & LODHA, Chartered Accountants, Statutory Auditors of the Company retire at the conclusion of ensuing annual general meeting and, being eligible, offer themselves for reappointment as statutory auditors. Members are requested to approve the same and fix their remuneration.

12. AUDITORS OBSERVATION:

The comment of the auditors in their reports is self explanatory and need no further clarification.

13. CORPORATE GOVERNANCE:

Your Company believes in coherent and self-regulatory approach in the conduct of its business to achieve highest standard of Corporate Governance. It has complied with the requirement of the Corporate Governance as stipulated by SEBI. A separate report on Corporate Governance along with Auditor's Certificate on its compliance is annexed to and forms part of the report.



14. APPRECIATION:

Your Directors would like to place on record their appreciation of the consistent support, co-operation and assistance from our customers, suppliers, shareholders, employees and other business associates including various agencies of the central and Maharashtra state governments and Bankers for their continued understanding, assistance and support.

**On Behalf of the Board of Directors
For Union Quality Plastics Limited**

**Zuzar A Kathawala
Chairman**

**Place : Mumbai
Date : July 29th, 2014**



CORPORATE GOVERNANCE:

Annexure - A

COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE:

The Company aims at ensuring high ethical standards in all areas of its business operations to enhance its stake holder's value

In accordance with Clause 49 of the Listing agreement with the Stock Exchanges, the details of governance including compliances by the Company with the provisions of Clause 49 are as under:

1. BOARD OF DIRECTORS:

As on 31.03.2014, The Company's Board consisted of Two Promoter Directors, One Executive Director & Three independent directors, who have rich experience in their fields.

The Board of the Company met 4 times during the last financial year on the following dates: -- 30.04.2013, 24.07.2013, 06.11.2013, 05.02.2014

Code of conduct:

The Company has already implemented a Code of Conduct for all Board Members and Senior Managements of the company in compliance with Clause 49 (1) of the Listing Agreement. But, since the operations of the Company were not much, the application of the code of conduct was limited to that extent

The constitution of the Board (as on 31.03.2014) and the attendance of the Directors are given below:

Name of the Director	Category of the Director	No. of other Directorship (*)	No. of Board meetings Attended	Attendance at Last AGM
Zuzar A. Kathawala	Managing Director	6	4	Yes
Durriya Z. Kathawala	Promoter Director	4	4	Yes
Sunil R. Tripathi	Executive Director	Nil	4	Yes
Ananthanarayan Jayaram	Independent Director	1	4	Yes
Naseem Shabbir Arsiwala	Independent Director	Nil	4	Yes
Rameshchandra Mishra	Independent Director	NIL	4	Yes

- Excludes Directorship in Foreign Companies, Companies u/s 25 of the Companies act, 1956
- The Director(s) are neither Chairman nor members of any other committee(s) other than Audit committee, grievance committee, remuneration committee of the Company as mentioned in this report.

Detailed Agenda is circulated/ sent to the members of the Board in advance. The Board discusses/ deliberates and decides on all the topics/ matters including those suggested in the Listing Agreement, as and when the requirement arises.



Risk Mitigation Plan: The Company has already adopted a risk mitigation plan, suitable to the Company. During the year there were no activities that required the assessment of risk.

2. AUDIT COMMITTEE:

The total strength of the Audit Committee is three. The said committee was constituted to exercise powers and discharge function as stipulated in Clause 49 of the Listing Agreement, and other relevant statutory and regulatory provisions. The Chairman of the audit committee is an Independent director, and one Executive Director and one Independent Director as members of the Committee.

During the relevant financial year, Four Audit Committee Meetings were held on 30.04.13, 31.07.2013, 31.10.13 and 31.01.14

The constitution of the Committee (as on 31.03.2014) and the attendance of each member of the Committee is given below

Name of the Member	Category	No. of Meetings	Attendance (No)
Jayaram Anantha Narayan	Chairman	4	4
Sunil R. Tripathi	Member	4	4
Naseem Shabbir Arsiwala	Member	4	4

3. SHARE HOLDERS GRIEVANCE/ SHARE TRANSFER COMMITTEE:

Share Holder's Grievance Committee

During the year two committee meeting was held on 30.09.13 and 29.03.2014. Share Holders Grievance Committee consists of Independent Director as chairman, and one Executive Director and one Independent Director as members.

The data for the year is as follows: No Complaints received from share holders/ Exchange during the year 2014 unresolved complaints (including pertaining to the previous year(s):2013. Majority of these complaints pertain to listing matters which the Company is addressing.

The constitution of the Committee as on today is as under:

Name of the Member	Category	No. of Meetings	Attendance
Jayaram Anantha Narayan	Chairman	2	2
Sunil R. Tripathi	Member	2	2
Naseem Shabbir Arsiwala	Member	2	2

At present, Mrs. Ritika Vinayak Iswalkar, is the Compliance officer of the Company.

Share Transfer Committee

The same members of Share Holders Grievance Committee are the members of this committee also. The Committee met twice in a year.



4. REMUNERATION COMMITTEE

Remuneration Committee was not set up during the year under review.

5. OTHER DETAILS/INFORMATIONS

The details of Annual General Meeting held in last 3 years are as under:

Year	Date	Location	Time
2012-2013	30th Sept, 2013	Registered Office- 5th Floor, A.G.H Chambers, 379/381, Narsi Natha Street, Mumbai – 400 009	11.00 A.M.
2011-2012	27th Sept, 2012	Registered Office- 5th Floor, A.G.H Chambers, 379/381, Narsi Natha Street, Mumbai – 400 009	10.00 A.M.
2010-2011	30th Sept, 2011	Registered Office- 5th Floor, A.G.H Chambers, 379/381, Narsi Natha Street, Mumbai – 400 009	3.30 P.M.

The Company has not used Postal Ballot.

- **Means of communication:**

The Company has started filings since 1996 the entire quarterly / half yearly / annual results of the company with the Stock Exchanges and press release are made in English & Marathi as stipulated in the Listing Agreement. The company does not have a web site. It also has not displayed in official news release and no presentations were made to institutional investors or to the analysts. We do not send half yearly financial reports to the share holders. The management Discussion and Analysis is a part of the Annual Report

- **Compliance of Insider Trading Norms:**

Company has adopted the code of internal procedures and thus complies with the insider trading norms.

- **General Shareholder's information**

a) AGM, date, time, and venue

Venue	Date	Time
502 AGH CHAMBER, 379/381 NARSI NATHA STREET, MASJID, MUMBAI 400 009	30-09-2014	11.00 AM

b) Financial year ending 31st March'2014.

c) Book closure date 23.09.2014 to 30.09.2014, (both the days inclusive)

d) Listing on stock exchanges. : The shares are listed in Bombay Stock Exchange. Trading in Shares is suspended by BSE



All the dues regarding the Listing Fee have been paid

e) Distribution schedule as on 31.03.2014

Category	Number of Shareholders	% (percentage)	Number of Shares Held	% (Percentage)
Upto – 500	2052	80.40	521000	10.78
501-1000	209	8.19	156800	3.24
1001-2000	151	5.92	211900	4.38
2001-3000	50	1.96	131700	2.72
3001- 4000	14	0.55	48600	1.01
4001 - 5000	13	0.51	61100	1.26
5001 - 10000	37	1.45	236500	4.90
10001 and above	26	1.02	3467400	71.71
Total	2552	100.00	4835000	100.00

f) **Share price movements:**

There was no trading of the scripts at the Stock Exchange(s) during the year. The data regarding the price movements are not available, and the management is unable to provide the statement showing the monthly high and low price of the script of the Company as required in the Listing Agreement.

g) **SHARE HOLDING PATTERNAS ON 31.03.2014**

Category	No. of shares	% of equity
Promoter Group	2663700	55.09%
Resident Body Corporate	5500	0.11%
Banks/FI/FII/MF/Trust	1400	0.04
NRI/OCB	382500	7.91%
Employee	29100	0.60%
Public	1752800	36.25%

Share holdings of Independent Directors (Name No. of Shares)

NIL

a) Director retiring by rotation / reappointment:

Mr. Jayaram Ananthanarayan & Mrs. Naseem Shabbir Arsiwala

c) Share transfer system: Physically Processed by R & T Agent M/s Big Shares Services Pvt. Ltd.

d) The Company has not proposed / declared any dividend during the year.

e) Financial Year: 01.04.2014 to 31.03.2015



For the current financial year, following is the calendar (tentative and subject to change)

Financial reporting for 31st March, 2015:

- 1st Quarter 30.06.2014
 - 2nd Quarter 30.09.2014
 - 3rd Quarter 31.12.2014
 - Financial year closing: 31.03.2015
 - 4th Quarter – 31.03.2015
- f) Plant Location: Plot No. 204, G.I.D.C. Industrial Estate, Umbergaon – 396171 Dist. Valsad, Gujrat State, (India) Tele Fax (0260) 2562591
- g) Address for correspondence
- Regd Office: 502, A.G.H.Chambers, 379/381, Narsi Natha Street, Masjid , Mumbai – 400 009
 - E-mail id of the Company: uqpl_india@yahoo.co.in
 - E-mail id of the Compliance officer : ritika.i@unionqualityplastics.com/
info@unionqualityplastics.com
 - Telephone No: 23449885/86
 - Fax: 23401643

Share Transfer Agents: - BIGSHARE SERVICES PVT.LTD.

E/2 ANSA INDUSTRIAL EASTATE, SAKI VIHAR ROAD, SAKI NAKA ANDHERI EAST MUMBAI- 400 072

- h) Stock Code – 526799 (Bombay Stock Exchange)
- i) Dematerialization of shares & liquidity: Bulk of the shares are in physical mode, as given below:

Sr. No	Particulars	No. of shares	Percentage
1	Physical Shares	1945600	40.24%
2	Electronic Shares	2889400	59.76%
	Total	4835000	100.00%

6) DISCLOSURE

- h) Outstanding GDRs/ADRs/Warrants or any Convertible instruments, Conversion date and likely impact on equity NA
- i) Conversion date and likely impact on Equity Shares NA
- j) The details of related parties' viz.; Promoters, Directors or the Management, their Subsidiaries or relatives conflicting with Company's interest: NA
- k) Penalties or structures have been imposed on the Company by Stock Exchange or SEBI or any statutory authority on any matter related to capital markets during the period under review NONE



- l) Performance in comparison to broad-based indices such as BSE Sensex, CRISIL index etc
NA

7) Management Discussion and Analysis

Overall review, industry Structure and Developments:

The Company had good year and was able to increase sales from the previous year almost 17% .

The effort towards higher value addition product has been successful. The company also making efforts to increase exports are gearing up production.

**By Order of Board of Directors of
Union Quality Plastics Limited**

Zuzar A Kathawala
Chairman & Managing Director

Place : Mumbai
Date : 29/07/2014



CEO & CFO CERTIFICATION

The Board of Directors
M/S UNION QUALITY PLASTICS LIMITED
Mumbai

Re-financial Statements for the year 2013-14 – Certification

I, Mr. Zuzar A. Kathawala , Chairman, Managing Director and, CFO, on the basis of the review of the financial statements and the cash flow statements for the

Financial year ending 31.03.2014 and to the best of our knowledge and belief, thereby certify that:-

1. These statements do not contain any materially untrue statements or omit any material fact or contains statements that might be misleading.
2. These statements together present a true and fair view of the Company's affairs and are in compliance with existing accounting standards, applicable laws and regulations.
3. There are to the best of our knowledge and belief, no transaction entered into by the company during the year ended 31.03.2014 which are fraudulent, illegal or violative of the Company's code of conduct.
4. We accept responsibility for establishing and maintaining internal controls for financial reporting, we have evaluated the effectiveness of the internal control systems of the Company pertaining to financial reporting and we have disclosed to the auditors and the Audit Committee those deficiencies, of which we are aware, in the design or operation of the internal control systems and that we have taken the required steps to rectify these deficiencies.
5. We further certify that:
 - (a) There have been no significant changes in the internal control over financial reporting during this year.
 - (b) There have been no significant changes in accounting policies during this year and that the same have been disclosed in the notes to the financial statements.
 - (c) There have been no instances of significant fraud of which we have become aware and the involvement therein, of management or an employee having significant role in the Company's internal control systems over financial reporting.

Place : Mumbai
Date : 29th July, 2014

Zuzar A Kathawala
Chairman & Executive Director / CFO



DECLARATION – COMPLIANCE WITH THE CODE OF CONDUCT

In accordance with clause 49 of the Listing Agreement with the Stock Exchanges, Mr. Zuzar A. Kathawala Chairman & Managing Director of the Company, hereby declare that the Board Members and senior Management Personnel have affirmed compliance with the said Code of Conduct, as mentioned in this report, for the year ended 31.03.2014.

Place : Mumbai
Date : 29th July, 2014

for Union Quality Plastics Limited
Zuzar A Kathawala
Chairman & Executive Director



PAREKH SHAH & LODHA
Chartered Accountants

Independent Auditor's Report

To the Members of
UNION QUALITY PLASTICS LIMITED

Report on the Financial Statements

We have audited the accompanying financial statements of **UNION QUALITY PLASTICS LIMITED**, which comprise the Balance Sheet as at March 31, 2014, and the Statement of Profit and Loss and Cash Flow Statement for the year then ended, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation of these financial statements that give a true and fair view of the financial position, financial performance of the Company in accordance with the Accounting Principles generally accepted in India including Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ("the Act") read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. This responsibility includes the design, implementation and maintenance of internal control relevant to the preparation and presentation of the financial statements that give a true and fair view and are free from material misstatement, whether due to fraud or error.

Auditors' Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with the Standards on Auditing issued by the Institute of Chartered Accountants of India. Those Standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of the accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion and to the best of our information and according to the explanations given to us, the 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:



- a) in the case of the Balance Sheet, of the state of affairs of the Company as at March 31, 2014;
- b) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
- c) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

Report on Other Legal and Regulatory Requirements

1. As required by the Companies (Auditor's Report) Order, 2003 ("the Order") issued by the Central Government of India in terms of sub-section (4A) of section 227 of the Act, we give in the Annexure a statement on the matters specified in paragraphs 4 and 5 of the Order.
2. As required by section 227(3) of the Act, we report that:
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit;
 - b) In our opinion proper books of account as required by law have been kept by the Company so far as appears from our examination of those books
 - c) the Balance Sheet, Statement of Profit and Loss, and Cash Flow Statement dealt with by this Report are in agreement with the books of account.
 - d) in our opinion, the Balance Sheet, Statement of Profit and Loss and Cash Flow Statement comply with the Accounting Standards referred to in subsection (3C) of section 211 of the Companies Act, 1956 read with the General Circular 15/2013 dated 13th September, 2013 of the Ministry of Corporate Affairs in respect of Section 133 of the Companies Act, 2013. subject to the non compliance by the company of the Accounting Standard 15 relating to non-provision of retirement and other benefit which is being accounted by the company on cash basis instead of accrual basis (liability quantum not ascertained) and provision for gratuity is not made on actuarial basis.
 - e) On the basis of written representations received from the directors as on March 31, 2014, and taken on record by the Board of Directors, none of the directors is disqualified as on March 31, 2014, from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956.
 - f) Since the Central Government has not issued any notification as to the rate at which the cess is to be paid under section 441A of the Companies Act, 1956 nor has it issued any Rules under the said section, prescribing the manner in which such cess is to be paid, no cess is due and payable by the Company.

For PAREKH SHAH & LODHA
Chartered Accountants
Firm No.107487W

CA Ravindra Chaturvedi
(Partner)
Membership No.: 048350

Place : Mumbai
Date : 29TH July, 2014



ANNEXURE TO AUDITORS' REPORT

Referred to in paragraph 3 of our report of even date on the accounts of Union Quality Plastics Ltd. for the year ended 31st March 2014.

1. In respect of its fixed assets:
 - a) The Company is in the process of updating of Fixed Asset Register to show full particulars including details and situation of fixed assets.
 - b) We were given to understand that the management has physically verified the fixed assets during the year and this revealed no material discrepancies during such verification between book records and physical balance. In our opinion the frequency of the verification is reasonable, having regard to the size of the Company and the nature of its business.
 - c) In our opinion the Company has not disposed off any major asset/ substantial part of its business during the year and the 'Going Concern' status of the Company is not affected.
2. In respect of its inventories:
 - a) As informed to us, the inventories have been physically verified by management at reasonable intervals during the financial year.
 - b) In our opinion, the procedures of physical verification of inventories followed by management are reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c) On the basis of examination of the records of inventory, we are of opinion that the company is maintaining proper records of inventory and no material discrepancies were noticed on physical verification.
3. In respect of loans, secured or unsecured, granted or taken by the Company to/from companies, firms or other parties covered in the register maintained under section 301 of the Companies Act, 1956:
 - a) During the year Company has granted unsecured loan/ Advances of Rs. 87.15 lacs to one of the parties listed in aforesaid register and the maximum balance outstanding during the year is Rs. 288.82 Lacs. The balance outstanding, as on 31-03-2014 is Rs. 253.87 lacs (P.Y. Outstanding of Rs. 253.87 Lacs).
 - b) In our opinion and according to the information and explanation given to us, the terms and conditions on which the abovementioned loan has been granted are not prima facie prejudicial to the interest of the Company, except for non charging of the interest.
 - c) In respect of loans granted by the Company, these are repayable on demand and therefore the question of interest overdue amounts does not arise.
 - d) During the year the Company has taken interest free unsecured loans from three parties listed in aforesaid register aggregating to Rs. 555.95 lacs and the maximum outstanding balance during the year is Rs. 620.19 lacs. The balance outstanding, as on 31-03-2014 is Rs. 620.19 lacs (P.Y. Outstanding of Rs. 670.65 Lacs).
 - e) In our opinion and according to the information and explanation given to us, the terms and conditions on which the abovementioned loan has been taken are not prima facie prejudicial to the interest of the Company.



- f] In respect of loans taken by the Company, these are repayable on demand and therefore the question of interest overdue amounts does not arise.
4. In our opinion and according to the explanations given to us there is an adequate internal control procedure commensurate with the size of Company and nature of its business, for the purchase of fixed assets, inventory and for the sale of goods. During the course of our audit no major weakness has been observed in internal controls.
5. In respect of transactions covered under section 301 of the Companies Act, 1956.
- a) Based on the audit procedures applied by us and according to the explanations provided by the management, we are of the opinion that all transactions that need to be entered into the register in pursuance of Section 301 of the Companies Act, 1956 and which have so been entered.
- b) In our opinion and according to the information and explanations given to us, the transactions made in pursuance of contracts or arrangements entered in the register in pursuance of Section 301 of the Companies Act, 1956 and exceeding the value of Rs. 5 lacs in respect of any party during the year, have been made at prices which are reasonable having regard to the prevailing market prices at the relevant time.
6. As informed to us, sections 58A and 58AA of the Companies Act, 1956 is not applicable to the Company as it has not accepted any deposits from the public. Hence, the clause (vi) of the Order is not applicable.
7. In our opinion the company does not have any formal internal audit system.
8. We have broadly reviewed the cost records maintained by the Company pursuant to the Companies (Cost Accounting Records) Rules, 2011 prescribed by the Central Government under Section 209(1)(d) of the Companies Act, 1956 and are of the opinion that prima facie the prescribed cost records have been maintained. We have, however, not made a detailed examination of the cost records with a view to determine whether they are accurate or complete. Refer note no. 24 (b) 10.
9. In respect of statutory dues:
- a) The Company is generally regular in depositing undisputed statutory dues including Provident Fund, Investor Education and Protection Fund, Income Tax, Wealth Tax, Sales Tax, Customs Duty, Excise Duty, Cess and any other statutory dues with the appropriate authorities. According to the information made available to us, no undisputed arrears of statutory dues are outstanding as at 31st March 2014 for more than six months from the date when they became except for Professional Tax liability of Rs. 371,483/-.
- b) According to the information and explanations given to us there are no amounts in respect of Sales Tax, Custom duty, Wealth tax, Excise duty and Cess that have not been deposited with the appropriate authorities on account of any dispute, except for some dues towards Provident Fund and excise duties as mentioned below:-



Demand of Excise duties (Rs. In Lacs)	Status.
Rs. 26.02	Demand Notice was issued on 15.01.1997. The matter is pending with larger bench of Custom Excise & Service tax tribunal Ahmadabad.
Rs. 47.96	Demand Notice was issued on 10.03.2008. The matter is in appeal with the Custom Excise & Service tax tribunal Ahmadabad. (CESTAT)
Rs. 7.20	Notice was issued by commissioner of Custom & Excise on 30.11. 2012. Final order was passed on June, 2013. The company has file appeal in the Custom Excise & Service tax tribunal Ahmadabad. (CESTAT)
Rs. 79.56	In the continuation of Excise raid on 25.01.2011, Show cause notice was issued by the commissioner on 14.05.2013. The same was matter of Appeal with the Appellate tribunal Ahmadabad. (CESTAT)

Demand of PF (Rs. In Lacs)	Status
Rs. 57.84	PF commissioner was issued notice of demand of Rs. 57.84 lacs (Rs. 44.61 lacs for penalty and Rs. 13.23 lacs) for interest. The company was paid Rs. 15 lacs upfront and appeal into Appellate Tribunal Delhi in 2007. In May 2011 matter disposed off in favor of the company and restricts the order up to interest only. The department was challenged the decision in 'Honorable High Court' and the same was dismissed by Single Judge Bench on 27.03.2012. Department further file appeal with Divisional Bench and the said bench asked for condonation of delay in filing the appeal from PF department.

10. The Company has accumulated losses of Rs. 17,08,33,364/- as on 31st March 2014 (P.Y. Rs. 1,77,179,024/-). The company has not incurred any cash losses during the financial year and in the immediately preceding financial year.
11. Based on our audit procedures and as per the information and explanations given by the management, we are of the opinion that the company has not defaulted in repayment of dues to a financial institution, bank at balance sheet date.
12. Based on our audit procedures and as per the information and explanations given by the management, the Company has not granted any loans and advances on the basis of security by way of pledge of shares, debentures and other securities during the financial year 2013-2014.
13. The provision of any special statutes applicable to the Chit Funds, Nidhi or Mutual Benefit Society are not applicable to the Company.
14. In our opinion, the Company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly the provisions of this clause are not applicable on the Company.
15. According to the information and the explanations given to us, the Company has not given any guarantee for loans taken by others from bank or financial institutions.



16. According to the information and the explanations given to us, the company has not raised any term loans during the year. except cash credit facility from City Co-op Bank Ltd, the outstanding balance of which is Rs. 240.24 lakhs as on 31.3.2014..
17. According to the information and explanations given to us and on an overall examination of the Balance Sheet of the company, we are of the opinion that the company has not utilized funds raised from short term sources towards long term applications and vice versa.
18. During the current financial year, the Company has not made any preferential allotment of shares to parties and companies covered in the Register maintained under Section 301 of the Companies Act, 1956.
19. No debentures have been issued during the current financial year.
20. No money has been raised by public issues during the current financial year.
21. On the basis of our examination and according to the information and explanations given to us, no fraud on or by the Company has been noticed or reported during the current financial year.

For PAREKH SHAH & LODHA
Chartered Accountants
Firm No.107487W

CA Ravindra Chaturvedi
(Partner)
Membership No.: 048350

Place : Mumbai
Date : 29TH July, 2014



PAREKH SHAH & LODHA

CHARTERED ACCOUNTANTS

31-E, BKC Centre, Laxmi Industrial Estate, New Link Road, Andheri (West), Mumbai – 400 053.

Tel. No. : 022-30706034

AUDITORS CERTIFICATE OF CORPORATE GOVERNANCE

To the members of
UNION QUALITY PLASTICS LIMITED

We have examined the compliance of conditions of corporate governance by Union Quality Plastics Ltd. for the year ended 31st March, 2014, as stipulated in clause 49 of the Listing Agreement of the said company with the Stock Exchange(s) of India.

The compliance of conditions of corporate governance is the responsibility of the management. Our examination was limited to review of procedures and implementations thereof, adopted by the Company for ensuring the compliance of conditions of corporate governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and explanations given to us and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of corporate governance as stipulated in clause 49 of the Listing Agreement except formation of remuneration committee as required under the said clause.

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

For PAREKH SHAH & LODHA
Chartered Accountants
Firm No.107487W

CA Ravindra Chaturvedi
(Partner)
Membership No.: 048350

Place : Mumbai
Date : 29TH July, 2014

BALANCE SHEET AS AT 31ST MARCH 2014

(Amount in Rs.)

	Particulars	Note	As at 31st March, 2014	As at 31st March, 2013
I	EQUITY AND LIABILITIES			
1	Shareholder's Fund			
	Share Capital	1	48,193,700	48,193,700
	Reserves and Surplus	2	(142,549,316)	(148,894,976)
			(94,355,616)	(100,701,276)
2	Non-Current Liabilities			
	Long-Term Borrowings	3	129,423,064	129,423,064
3	Current Liabilities			
	Short-Term Borrowings	4	94,910,131	98,072,639
	Trade Payables	5	60,720,381	57,036,941
	Other Current Liabilities	6	11,459,903	9,049,611
	Short-Term Provisions	7	1,444,650	1,577,937
			168,535,065	165,737,128
	TOTAL		203,602,513	194,458,916
II	ASSETS			
1	Non-current Assets			
	Fixed Assets	8		
	Tangible Assets		16,319,164	18,117,615
	Non-Current Investments	9	2,480,774	2,476,282
	Deferred Tax Assets (Net)	10	1,225,220	1,225,220
	Long-Term Loans And Advances	11	5,840,675	6,756,675
			25,865,833	28,575,792
2	Current Assets			
	Inventories	12	39,959,892	36,419,734
	Trade Receivables	13	86,042,074	83,731,983
	Cash And Cash Equivalents	14	5,032,181	5,082,636
	Short-Term Loans And Advances	15	46,625,068	40,648,770
	Other Current Assets	16	77,465	-
			177,736,680	165,883,124
	TOTAL		203,602,513	194,458,916

Notes, referred hereinabove, annexed to and forming part of the Balance Sheet & Profit and Loss Statement
Significant Accounting Policies and Notes to Accounts 24

As per our report of even date

For PAREKH SHAH & LODHA

Chartered Accountants

Firm Regn No. 107487W

CA Ravindra Chaturvedi

Partner

M. No. 048350

Date : 29/07/2014

Place : Mumbai

**FOR AND ON BEHALF OF BOARD
UNION QUALITY PLASTICS LTD.**

Z A Kathawala
Chairman & Managing
Director

D Z Kathawala
Director



STATEMENT OF PROFIT & LOSS FOR THE YEAR ENDED 31st MARCH, 2014				
(Amount in Rs.)				
	Particulars	Note	As at 31st March, 2014	As at 31st March, 2013
I	Revenue from Operations	17	376,984,484	321,458,319
II	Other Income	18	4,627,984	1,793,249
III	Total Revenue (I + II)		381,612,468	323,251,568
IV	Expenses:			
	Cost of Materials Consumed	19	279,676,329	223,284,736
	Changes in Inventories of Finished Goods, Work-in-Progress and Stock-in-Trade	20	(3,324,944)	6,706,293
	Employee Benefits Expense	21	27,572,085	23,934,961
	Finance Costs	22	5,155,820	5,024,114
	Depreciation and Amortization Expense	8	3,393,640	2,900,898
	Other Expenses	23	62,793,879	55,267,666
	Total expenses		375,266,808	317,118,668
V	Profit before exceptional and extraordinary items and tax (III-IV)		6,345,660	6,132,900
VI	Exceptional items		-	-
VII	Profit before extraordinary items and tax (V - VI)		6,345,660	6,132,900
VIII	Extraordinary Items		-	-
IX	Profit before tax (VII- VIII)		6,345,660	6,132,900
X	Tax Expense:			
	(1) Current Tax		-	-
	(2) Deferred Tax		-	-
	(3) (Short) / Excess Provision for Income Tax for Earlier Years		-	-
XI	Profit (Loss) for the period		6,345,660	6,132,900
XII	Earnings per equity share:			
	Basic		1.31	1.27
	Diluted		1.31	1.27

Notes, referred hereinabove, annexed to and forming part of the Balance Sheet & Profit and Loss Statement
Significant Accounting Policies and Notes to Accounts 24

As per our report of even date
For PAREKH SHAH & LODHA
Chartered Accountants
Firm Regn No. 107487W

**FOR AND ON BEHALF OF BOARD
UNION QUALITY PLASTICS LTD.**

CA Ravindra Chaturvedi
Partner
M. No. 048350
Date : 29/07/2014
Place : Mumbai

Z A Kathawala **D Z Kathawala**
Chairman & Managing Director
Director

Notes annexed to and forming part of the Balance Sheet & Statement of Profit and Loss Account
(Amount in Rs.)

PARTICULARS	As at 31.03.2014	As at 31.03.2013
NOTE - 1		
SHARE CAPITAL		
Authorised Share Capital		
70,00,000 (P.Y. 70,00,000) Equity Shares of Rs. 10/- each	70,00,000	70,00,000
TOTAL	70,00,000	70,00,000
Issued, Subscribed and Paid up share capital		
48,35,000 (P.Y. 48,35,000) Equity Shares of Rs. 10/- each fully paid up	48,350,000	48,350,000
Less: Calls in Arrears 15,630 (P.Y.15,630) Equity Shares of Rs.10/- each	156,300	156,300
TOTAL	48,193,700	48,193,700

- a) A reconciliation of the number of shares outstanding at the beginning and at the end of the accounting year, is set out below:

Particulars	F.Y. 2012-2014 No. of shares	F.Y. 2011 2013 No. of shares
Equity Shares		
Equity shares at the beginning of the year	48,350,000	48,350,000
Add: shares issued during the year	-	-
Equity shares at the end of the year	48,350,000	48,350,000

- b) There are Nil (Previous year – Nil) rights, preference and restriction attaching to each class of shares including restriction on the distribution of dividend and the repayment of capital."
- c) There are nil number of shares (Previous year Nil) in respect of each class in the company held by its holding company or its ultimate holding company including shares held by or by subsidiary or associates of the holding company or the ultimate holding company in aggregate.
- d) Shares in the company held by each shareholders holding more than 5% shares, as on 31.03.2014:

Name of the Shareholder	No. of shares	Percentage (%)
Zuzar Ahmedally Kathawala (PY 7,98,900 16.52%)	798,900	16.52%
Qusai Zuzar Kathawala (PY 7,10,900 14.70%)	710,900	14.70%
Ahmedally G Kathawala (PY 3,62,800 7.50%)	362,800	7.50%
Adamji Investment Pvt. Ltd. (PY 5,39,800 11.16%)	539,800	11.16%

- e) There are nil number of shares (Previous year Nil) reserved for issue under option and contracts /commitment for the sale of shares/disinvestment including the terms and amounts.
- f) For the period of five years immediately preceding the date as at which the balance sheet is prepared

Particulars	No of. Equity Shares	No of. Equity Shares
Aggregate number and class of shares allotted as fully paidup pursuant to contract(s) without payment being received in cash	Nil	Nil
Aggregate number and class of shares allotted as fully paidup by way of bonus shares. Nil	Nil	
Aggregate number and class of shares bought back	Nil	Nil



- g) There are no securities issued which are convertible into equity/preference shares.
h) There are 15630 Calls unpaid (previous year 15630) of Rs 10/- each. Calls unpaid by directors & officers of the company as on Balance Sheet date are Nil. (previous year Nil).
i) There is no forfeiture of the shares of any class during the Financial Year (Previous Year -Nil).

Notes annexed to and forming part of the Balance Sheet & Statement of Profit and Loss Account (Amount in Rs.)		
PARTICULARS	As at 31.03.2013	As at 31.03.2012
NOTE - 2		
RESERVES AND SURPLUS		
Securities Premium		
Opening balance	28,440,348	28,440,348
(-) Calls in Arrears	156,300	156,300
Closing Balance	28,284,048	28,284,048
Profit and Loss Account		
Opening balance	(177,179,024)	(183,311,924)
(+) Net Profit/(Net Loss) For the current year	6,345,660	6,132,900
Closing Balance	(170,833,364)	(177,179,024)
TOTAL	(142,549,316)	(148,894,976)
NOTE-3		
LONG-TERM BORROWINGS		
A. SECURED LONG-TERM BORROWINGS		
Term Loan		
From Ambient Media Pvt Ltd.		
In Foreign Currency ¹	2,218,631	2,218,631
In Rupees ¹	14,529,473	14,529,473
Demand Loan		
From Ambient Media Pvt Ltd.		
In Rupees ²	112,674,960	112,674,960
TOTAL	129,423,064	129,423,064

¹ Secured by way of first charge against Factory Land and Construction thereon along with plant & machinery installed situated at Umbergaon, Gujarat. Interest was paid during the current year (including previous financial years. {Refer Note No 24 (b) (13) (v)}

² Cash Credit Secured by way of pari passu first charge on stock of raw materials, finished goods, consumable stores & spares, work in progress and book debts of the Company. Interest was paid during the current year (including previous financial years. Since the time of repayment was not ascertained, hence the same was considered as long term liability. ({Refer Note No 24 (b) (13) (v)}

Notes annexed to and forming part of the Balance Sheet & Statement of Profit and Loss Account
(Amount in Rs.)

PARTICULARS	As at 31.03.2014	As at 31.03.2013
NOTE - 4		
SHORT-TERM BORROWINGS		
SECURED SHORT-TERM BORROWINGS		
Loans Repayable on Demand- From Banks		
The City Co-op Bank Ltd	24,023,651	22,723,492

(Working Capital facility from City Co-op bank is secured by pari passu first charge on stock of raw materials, finished goods, work in progress and book debts of the company along with the personal surety & security given by the directors of the company. Further the said working facility are repayable on demand and carries interest rates at 15% p. a. on monthly rest)

UNSECURED SHORT-TERM BORROWINGS		
Loans and Advances from Related Parties	62,018,534	67,065,092
Loans Repayable on Demand- From Other Parties	8,867,946	8,284,055
TOTAL	94,910,131	98,072,639
NOTE - 5		
TRADE PAYABLES		
Sundry Creditors	55,009,875	41,089,393
Expenses Payable	1,940,140	587,675
Advance received from Clients	3,770,366	15,359,873
TOTAL	60,720,381	57,036,941
NOTE - 6		
OTHER CURRENT LIABILITIES		
Duties & Taxes Payable	11,071,900	9,049,611
Credit Balance in Bank A/c	388,004	-
	11,459,903	9,049,611
NOTE - 7		
SHORT TERM PROVISIONS		
Provision for employee benefits		
Salary & Reimbursements	981,070	1,422,107
Contribution to PF	463,580	155,830
TOTAL	1,444,650	1,577,937



NOTE - 8
FIXED ASSETS
(in Rupees)

Description	GROSS BLOCK (AT COST)			DEPRECIATION				NET BLOCK			
	As at 01.04.2013	Additions	Dedu- ctions	Revaluations/ (Impairments)	As at 31.03.2014	01.04.2013	For the year	Dedu- ctions	Adjustment due to revaluations/ (Impairments)	As At 31.03.2014	As at 31.03.2013
i. TANGIBLE ASSETS											
Lease Hold Land	2,252,550	-	-	-	2,252,550	-	-	-	-	2,252,550	2,252,550
Factory Building	23,062,287		-	-	23,062,287	16,939,091	612,320	-	-	5,510,876	6,123,196
Plant and Machinery Equipments	79,570,119	1,503,189	-	-	81,073,308	70,636,303	2,617,788	-	-	7,819,217	8,933,816
Electrical Installations	4,018,752		-	-	4,018,752	3,958,916	16,646	-	-	43,190	59,836
Furnitures & Fixtures	769,152		-	-	769,152	549,943	39,677	-	-	179,532	219,209
Office equipment	697,722	5,500	-	-	703,222	383,392	44,226	-	-	275,604	314,330
Staff Quarters	174,736		-	-	174,736	75,815	4,946	-	-	93,975	98,921
Computers	419,097	86,500	-	-	505,597	390,982	45,846	-	-	68,769	28,115
Air Conditioner	39,798		-	-	39,798	4,267	4,942	-	-	30,589	35,531
Generator	54,500		-	-	54,500	2,389	7,249	-	-	44,862	52,111
TOTAL	111,058,713	1,595,189	-	-	112,653,902	92,941,098	3,393,640	-	-	16,319,164	18,117,615
TOTAL	104,836,289	6,222,424	-	-	111,058,713	90,040,200	2,900,898	-	-	18,117,615	14,796,089

Note: There was no written off/ addition to any class of the Fixed Assets, on a reduction of capital and/or on revaluation of assets during the last five financial years

Notes annexed to and forming part of the Balance Sheet & Statement of Profit and Loss Account (Amount in Rs.)		
PARTICULARS	As at 31.03.2014	As at 31.03.2013
NOTE - 9		
NON-CURRENT INVESTMENTS		
Non Trade Investments - As per annexure 9A (Valued at Cost and Certified by the Management)		
Investment in Equity instruments/Mutual Funds		
Quoted Investment in Equity	366,632	366,632
Aggregate amount of quoted investments (Market value of Rs 2,72,004 (Previous Year Rs 2,50,444))		
Quoted Investment in Mutual Funds	1,675,000	1,675,000
Aggregate amount of mutual funds (Market value of Rs. 24,85,457 (Previous Year Rs.16,61,453))		
Unquoted Investment		
Investments in Shares and NCD	619,127	614,635
Investments in Government or Trust securities	15,000	15,000
Less : Provision for diminution in the value of Investments	194,985	194,985
TOTAL	2,480,774	2,476,282
NOTE - 10		
DEFERRED TAX ASSETS		
Opening Balance - Assets/(Liabilities)	12,25,220	-
Add: Arised During the year	-	12,25,220
Closing Balance - Assets / (Liabilities)	12,25,220	12,25,220
NOTE - 11		
LONG-TERM LOANS AND ADVANCES		
Security Deposits	5,840,675	6,756,675
TOTAL	5,840,675	6,756,675
NOTE - 12		
INVENTORIES		
(As taken, valued at Cost and certified by the Management)		
Raw Materials and components	7,703,102	6,381,073
Work in Progress	1,794,500	1,803,000
Finished goods	29,876,573	26,543,129
Stores and spares	585,717	1,692,532
TOTAL	39,959,892	36,419,734



Notes annexed to and forming part of the Balance Sheet & Statement of Profit and Loss Account (Amount in Rs.)		
PARTICULARS	As at 31.03.2014	As at 31.03.2013
NOTE - 13		
TRADE RECEIVABLES		
Trade receivables - Unsecured Considered Good (outstanding for a period <i>less</i> than six months from the date they are due for payment)	73,177,731	72,204,794
Trade receivables - Unsecured Considered Good (outstanding for a period exceeding six months from the date they are due for payment)	12,864,343	11,527,189
TOTAL	86,042,074	83,731,983
NOTE - 14		
CASH & CASH EQUIVALENTS		
Balance with Banks:		
Balance with Scheduled Banks - In Current Accounts	760,993	1,891,936
Balance with Scheduled Banks - In Margin Accounts	1,640,898	1,640,898
Fixed Deposits (with more than 12 months maturity)	1,275,000	250,000
Cash on hand	1,355,290	1,299,803
TOTAL	5,032,181	5,082,636
NOTE - 15		
SHORT-TERM LOANS AND ADVANCES (Unsecured Considered Good)		
Loans and advances to related parties -		
Advances to Directors	-	-
Business Advances to Ambient Media Pvt. Ltd.	25,386,849	25,386,849
Advance to Others	-	-
Other loans and advances		
Balances with Revenue Departments	13,332,527	8,893,164
Advances to Employees	766,730	506,115
Advances to Suppliers	7,138,962	5,862,642
TOTAL	46,625,068	40,648,770
NOTE - 16		
OTHER CURRENT ASSETS		
Pre Paid Expenses	23,221	-
Interest Receivables	54,244	-
TOTAL	77,465	-

Notes annexed to and forming part of the Balance Sheet & Statement of Profit and Loss Account		
(Amount in Rs.)		
PARTICULARS	As at 31.03.2014	As at 31.03.2013
NOTE - 17		
INCOME FROM OPERATIONS		
<u>Sale of Products</u>		
Local Sales	404,435,126	343,303,024
Less: Excise duty on sales	42,648,980	36,908,039
Net Sales	361,786,146	306,394,985
Less : Stock in transit (include Excise duty paid)	2,876,887	3,204,922
Less : Sales Return	667,011	1,550,659
	358,242,248	301,639,404
Export Sales	18,742,236	19,818,915
Jobwork Charges	-	-
TOTAL	376,984,484	321,458,319
NOTE - 18		
OTHER INCOME		
Interest Income	539,782	205,478
Pond Installation	1,154,800	694,762
Net gain/loss on foreign currency transaction	(39,746)	853,813
Sundry Credit balance Written Off	168,733	-
Dividend on Mutual Fund/Shares	78,715	8,897
Net gain/loss on sale of investments	-	28,696
Dgft License (Sale)	2,247,449	-
Subsidy Received	400,382	-
Miss. Income	77,870	1,602
TOTAL	4,627,984	1,793,249
NOTE - 19		
COST OF MATERIALS CONSUMED		
Raw Material Consumed		
Opening Stock	6,381,073	10,036,222
Add : Purchases	277,655,037	217,381,757
Add: Reduction in Credit of Sales Tax	3,343,321	2,247,830
Less: Closing Stock	7,703,102	6,381,073
TOTAL	279,676,329	223,284,736



Notes annexed to and forming part of the Balance Sheet & Statement of Profit and Loss Account (Amount in Rs.)		
PARTICULARS	As at 31.03.2014	As at 31.03.2013
NOTE - 20 CHANGES IN INVENTORIES OF FINISHED GOODS, WORK-IN-PROGRESS AND STOCK-IN-TRADE		
Opening Finished Goods	26,543,129	33,289,422
Less: Closing Finished Goods	26,999,686	23,338,207
Less: Stock in transit of Finished Goods (include Excise duty paid)	2,876,887	3,204,922
Opening Work in Progress	1,803,000	1,763,000
Less: Closing Work in Progress	1,794,500	1,803,000
TOTAL	(3,324,944)	6,706,293
NOTE - 21 EMPLOYEE BENEFITS EXPENSE		
Salaries and incentives	24,284,528	21,117,127
Contributions to -		
- Provident fund	1,593,696	1,436,326
Gratuity fund contributions	1,220,446	1,000,163
Staff welfare expenses	473,415	381,345
TOTAL	27,572,085	23,934,961
NOTE - 22 FINANCE COSTS		
Interest on Cash Credit	3,481,763	3,176,626
Other Interest Costs	964,380	1,279,996
Bank Charges	709,677	567,492
TOTAL	5,155,820	5,024,114

Notes annexed to and forming part of the Balance Sheet & Statement of Profit and Loss Account		
(Amount in Rs.)		
PARTICULARS	As at 31.03.2014	As at 31.03.2013
NOTE - 23		
OTHER EXPENSES		
Direct Expenses		
Consumption of Stores	6,477,123	7,394,803
Labour Charges	9,608,368	9,904,602
Pond instalation material & Charges	874,634	82,951
Power and fuel	13,529,659	12,756,332
Repairs & Maintenance		
- Building	468,197	197,496
- Machinery.	80,904	62,340
- Others	515,384	1,017,806
Insurance Expenses	298,323	28,146
	31,852,593	31,444,476
Administrative & Selling Expenses		
Auditors Remuneration:		
- as statutory auditor	67,416	67,416
- as tax auditor	33,708	33,708
Rent & Hire Charges	2,503,700	2,080,000
Rates and taxes, Duties, excluding, taxes on income.	2,498,553	63,279
Advertisement	121,889	140,468
Directors Remuneration	2,580,000	2,340,000
Computer Expenses	9,600	9,965
Electricity Charges	268,309	208,765
Export Expenses	1,128,862	171,389
Provision of Excise Duty on Stock of Finished Goods	366,690	2,919,839
Freight/Octroi & Clearing (Include export freight)	6,690,573	4,916,050
Other Interest/late payment charges	2,126,543	1,195,817
Legal & Profession Fess	4,075,377	2,961,630
Membership & Subscription	187,493	100,345
Motor Vehicle Expenses	551,315	322,218
Printing & Stationery	343,744	389,195
Discount & Commission on Sales	133,970	226,651
Sales & Business Promotion Expenses	1,593,646	1,976,020
Postage & Telephone	960,704	770,056
Security Expenses	652,627	-
Travelling & Conveyances Expenses	3,702,829	1,878,438
Donation	6,000	18,302
Miscellaneous expenses,	337,737	1,033,639
	30,941,286	23,823,190
TOTAL	62,793,879	55,267,666



Note - 24 : ACCOUNTING POLICIES AND NOTES TO ACCOUNT

(A) SIGNIFICANT ACCOUNTING POLICIES

(a) Basis of preparation

The financial statements have been prepared to comply in all material respects with the mandatory Accounting Standards issued by the Institute of Chartered Accountants of India and the relevant provisions of the Companies Act, 1956. The financial statements have been prepared under the historical cost convention on an accrual basis.

(b) Use of Estimates

The preparation of financial statements in conformity with generally accepted accounting principles requires the management to make estimates and assumptions that affect the reported balances of assets and liabilities as of the date of the financial statements and reported amounts of income and expenses during the period. Management believes that the estimates used in the preparation of financial statements are prudent and reasonable. actual; results could differ from estimates

(c) Employee Benefits:-

- i. Retirement benefits in the form of Provident Fund are a defined contribution scheme and the contributions are charged to the Profit and Loss Account of the year when the contributions to the respective funds are due. There are no other obligations other than the contribution payable to the respective trusts.
- ii. Gratuity liability is defined benefit obligations and is provided for on payment basis.
- iii. Short term compensated absences are provided for on based on estimates. Long term compensated absences are provided for based on actuarial valuation on projected unit credit method carried by an independent actuary as at end of the year.
- iv. Actuarial gains / losses are immediately taken to profit and loss account and are not deferred.
- v. Payments made under the Voluntary Retirement Scheme are charged to the Profit and Loss account immediately.

(d) Fixed Assets

Fixed assets are stated at cost (or revalued amounts, as the case may be), less accumulated depreciation and impairment losses if any. Fixed assets erected & commissioned have been capitalized at cost including other incidental expenses relating to acquisition and installation.

(e) Depreciation

- i) Depreciation has been provided on written down value method corresponding to the rates prescribed under schedule XIV of the Companies Act 1956.
- ii) Depreciation on additions is being provided on pro-rata basis from the date of such additions.

**(f) Impairment**

The carrying amounts of assets are reviewed at each balance sheet date if there is any indication of impairment based on internal/external factors. An impairment loss is recognized wherever the carrying amount of an asset exceeds its recoverable amount. The recoverable amount is the greater of the asset's net selling price and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value at the weighted average cost of capital.

After impairment, depreciation is provided on the revised carrying amount of the asset over its remaining useful life.

(g) Leases

Assets acquired under finance leases are recognised in accordance with the method recommended by the ICAI. Lease payments are apportioned between finance charge and reduction of outstanding liabilities. The finance charge is allocated to periods during lease term at a constant periodic rate of interest on the remaining balance of the liability.

(h) Investments

Investments that are readily realisable and intended to be held for not more than a year are classified as current investments. All other investments are classified as long-term investments. Current investments are carried at lower of cost and fair value determined on an individual investment basis. Long-term investments are carried at cost. However, provision for diminution in value is made to recognize a decline other than temporary in the value of the investments.]

(i) Inventories

Raw materials, components, stores and spares:

Lower of cost and net realizable value. However, materials and other items held for use in the production of inventories are not written down below cost if the finished products in which they will be incorporated are expected to be sold at or above cost. Cost is determined on FIFO basis.

Net realizable value is the estimated selling price in the ordinary course of business, less estimated costs of completion and estimated costs necessary to make the sale.

(j) Revenue recognition

Revenue is recognized to the extent that it is probable that the economic benefits will flow to the Company and the revenue can be reliably measured.

Dividend

Dividend including Interim is accounted for when declared.

All items of income/ expenses are accounted for on accrual basis except for the following items which are accounted for on cash basis.

- 1) Encashment of leave and gratuity payable to employees
- 2) Custom /Excise Duty on Material in bond.
- 3) Bonus



(k) Foreign currency translation

(i) Initial Recognition

Foreign currency transactions are recorded in the reporting currency, by applying to the foreign currency amount the exchange rate between the reporting currency and the foreign currency at the date of the transaction.

(ii) Conversion

Foreign currency monetary items are reported using the closing rate at the end of the reporting period. Non-monetary items which are carried in terms of historical cost denominated in a foreign currency are reported using the exchange rate at the date of the transaction; and non-monetary items which are carried at fair value or other similar valuation denominated in a foreign currency are reported using the exchange rates that existed when the values were determined.

(iii) Exchange Differences

Exchange differences arising on the settlement of monetary items or on reporting company's monetary items at rates different from those at which they were initially recorded during the year, or reported in previous financial statements, are recognized as income or as expenses in the year in which they arise. Exchange differences arising in respect of fixed assets acquired from outside India are capitalized as a part of fixed asset

(l) Taxes on Income

Income Tax expense comprise of Current Tax and Deferred Tax charge or credit. The current tax is determined as the amount of tax payable in respect of taxable income for the year, as per the provisions of Income Tax Act, 1961. The Company provides for Deferred Tax Liability based on the tax effect of Timing Differences resulting from the reorganization of item in the financial statements and estimating its current income tax provision. Where there are brought forward fiscal allowances, deferred tax asset is recognized only if there is virtual certainty of realization of such assets. Deferred tax assets and liabilities are reviewed as at each balance sheet date and restated as per current developments.

(m) Borrowing Costs

Borrowing Costs attributable to the fixed assets during their construction/renovation and modernization are capitalized in accordance with AS-16 issued by ICAI. Such borrowing costs are apportioned on the average balance of Capital Work-In-Progress for the year. Other borrowing costs are recognized as an expense in the period in which they are incurred.

(n) Earnings per Share

Basic earnings per share are calculated by dividing the net profit or loss for the period attributable to equity shareholders (after deducting preference dividends and attributable taxes, if any) by the weighted average number of equity shares outstanding during the period. Partly paid equity shares are treated as a fraction of an equity share to the extent that they were entitled to participate in dividends relative to a fully paid equity share during the reporting period.

For the purpose of calculating diluted earnings per share, the net profit or loss for the period attributable to equity shareholders and the weighted average number of shares outstanding during the period are adjusted for the effects of all dilutive potential equity shares.

**(o) Provisions**

Provisions involving a substantial degree of estimation in measurement are recognized when there is a present obligation as a result of past events and it is probable that there will be an outflow of resources. Contingent Liabilities are not recognized but are disclosed in the notes. Contingent Assets are neither recognized nor disclosed in the financial statement

(p) Segment Information

The Company has only one business and geographical Segment viz. HDPE Tarpaulene and related products in India. Hence no further disclosures are required to be made as per AS-17 on segment reporting.

(q) Indirect Taxes**Excise Duty:**

- I) Excise Duty payable on finished goods is accounted for on clearance of goods from the factory, no provision is made for Excise Duty in respect of Finished Goods lying the factory.
- II) Cenvat in respect of Excise Duty paid on purchase of Raw Materials, Stores and Capital goods is accounted for by reducing the purchase cost of the related goods

Custom Duty:

Custom Duty payable on Raw Materials, Stores, Spares and Components is accounted on clearance thereof from the bonded warehouses.

(B) NOTES TO THE ACCOUNTS**1. Impairment of Assets**

The Company has carried out Impairment test on its fixed assets as on the date of Balance Sheet and the management is of the opinion that there is no asset for which provision for impairment is required to be made as per Accounting Standard - 28 on Impairment of Assets.

2 Contingent Liabilities:

- a) Performance Bank Guarantee issued by Oriental Bank of Commerce of Rs. 41,00,000/-
- b) PF commissioner was issued notice of demand of Rs. 57.84 lacs (Rs. 44.61 lacs for penalty and Rs. 13.23 lacs) for interest. The company was paid Rs.15 lacs upfront and appeal into Appellate Tribunal Delhi in 2007. In May 2011 matter disposed off in favor of the company and restricts the order up to interest only. The department was challenged the decision in 'Honorable High Court' and the same was dismissed by Single Judge Bench on 27.03.2012. Department further file appeal with Divisional Bench and the said bench asked for condonation of delay in filing the appeal from PF department.
- d) In Case of Excise duty & TDS following demand notice issued by the authority.



Demand of (Rs. In Lacs)	Status.
Rs. 2.67	Default in TDS deposit & Late filing fees as per 26AS. The matter is pending with A.O.
Rs. 26.02	Demand Notice was issued on 15.01.1997. The matter is pending with larger bench of Custom Excise & Service tax tribunal Ahmadabad.
Rs. 47.96	Demand Notice was issued on 10.03.2008. The matter is in appeal with the Custom Excise & Service tax tribunal Ahmadabad. (CESTAT)
Rs. 7.20	Notice was issued by commissioner of Custom & Excise on 30.11. 2012. Final order was passed on June,2013. The company has filed appeal in the Custom Excise & Service tax tribunal Ahmadabad. (CESTAT)
Rs. 79.56	Show cause notice was issued by the commissioner on 14.05.2013. The same was matter of Appeal with the Appellate tribunal Ahmadabad. (CESTAT)

3. No provision has been made in accounts for gratuity and other retirement benefits accruing to employees which is not in accordance with the Accounting Standard 15 and accounting policy of the company

4. Payments to Auditors

Particulars	2013-14	2012-13
Audit Fees (inclusive of Service Tax)	67,416	67,416
Tax Audit Fees (inclusive of Service Tax)	33,708	33,708
Total	1,00,124	1,00,124

5. **Managerial Remuneration**

Remuneration has been paid to Director as per Schedule XII of Companies Act 1956 as under:-

Particulars	2013-14	2012-13
Salary	25,80,000	23,40,000
Total	25,80,000	23,40,000

6. **Accounting standard (AS-19) Lease Transaction Disclosures**

(a) Disclosures relating to Finance and Operating Leases

The Company has not entered in any kind of Finance and Operating Lease transactions during the Financial Year. Hence, no disclosure is required to be made as per AS-19 in this respect.

7. **Related Parties Disclosures**

(I). Names of related parties

7. Accounting standard (AS-19) Lease Transaction Disclosures

(a) Disclosures relating to Finance and Operating Leases

The Company has not entered in any kind of Finance and Operating Lease transactions during the Financial Year. Hence, no disclosure is required to be made as per AS-19 in this respect.

8. Related Parties Disclosures

(I). Names of related parties

Names of related parties where control exists irrespective of whether transactions have occurred or not	Nil	
Names of other related parties with whom transactions have taken place during the year	Nil	
Associates	Nil	
Key Management Personnel	1.	Mr. Zuzar A. Kathawala (Managing Director)
	2.	Mrs. Durriya Z. Kathawala (Director)
	3.	Mr. Sunil Ramakanth Tripathi (Director)
Relatives of key management personnel	1.	Mr. Imtiaz A. Kathawala
	2.	Yunus Kathawala
	3.	Salim Kathawala
	4.	A. G. Kathawala
	5.	Qusai Kathawala
	6.	Naamah Kathawala
Enterprises owned or significantly influenced by key management personnel or their relatives	1.	Alban Communications India Pvt. Ltd.
	2.	Adamji Investment Pvt. Ltd
	3.	Ambient Media Solutions Pvt. Ltd.
	4.	Niyuprene Plastics Co. Pvt. Ltd.
	5.	Kathawala Realtors LLP
	6.	International Linker (Partnership Firm)



(II). Related Party Disclosure

(Amount in Rupees)

	Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)		Realtives of Key Management Personnel		Enterprises owned or significantly influenced personnel or their relatives	
	2014	2013	2014	2013	2014	2013
Employee Benefits for Key Management Personnel						
Zuzar A. Kathawala	16,80,000	14,40,000				
Sunil Tripathi	9,00,000	9,00,000				
Unsecured Loans Taken						
Durriya Z Kathawala	-	2,20,000				
Zuzar A. Kathawala	5,15,70,515	2,26,69,834				
A.G. Kathawal				50,000		
Imtiaz A Kathawala				1,00,000		
Ambient Media Solutions P. Ltd.						7,95,490
Niyuprene Plastics Co. Pvt. Ltd.						2,00,000
International Linker					10,34,478	
Kathawala Realtors LLP					1,17,05,000	95,90,000
Sunrise Corporation						6,40,000
Total of Unsecured Loans Taken	5,15,70,515	2,28,89,834	-	1,50,000	1,27,39,478	1,12,25,490
Unsecured Loans repaid/ given						
Durriya Z Kathawala	-	3,00,000				
Zuzar A. Kathawala	436,70,558	1,61,03,192				
A.G. Kathawal				- 50,50,000		
AGH ENTERPRISES					- 7,85,126	
Yunus Kathawala			18,57,878			
S.A. Kathawala			55,01,160			
Imtiaz A Kathawala			41,54,353	1,00,000		
Naamah Kathawala			2,90,000			
Ambient Media Solutions P. Ltd.						6,06,000

(II). Related Party Disclosure

(Amount in Rupees)

	Key Management Personnel (Managing Director, Whole time director, manager and other managerial personnel)		Realtives of Key Management Personnel		Enterprises owned or significantly influenced personnel or their relatives	
	2014	2013	2014	2013	2014	2013
Kathawala Realtors LLP					1,17,05,000	95,90,000
International Linker					5,65,358	
Sunrise Corporation						10,000
Total of Unsecured Loans Repayments	436,70,558	1,64,03,192	118,03,391	51,50,000	130,55,484	1,02,06,000
Hire Charges / (Income)	-	-	-	-		
Zuzar Kathawala	3,60,000	3,60,000				
Silver Wings Pvt. Ltd	-				5,25,000	60,000
Sales International Linker	-	-	-	-	2,77,000	23,26,300
Professional Fees.	1,31,500	-				
Balances Outstanding at the year end						-
Unsecured Loan Payable	1,57,14,702	75,42,743	421,31,890	5,39,35,281	41,71,941	55,87,067
Business Advance (Receivable)/Payable		-			(2,53,86,849)	(2,53,86,849)

* Amount written off or written back in respect of debts due from or to related parties is "NIL".

** Figures for the previous year have been shown in the brackets.

*** Related party relationship is as identified by the management and relied upon by the auditor.

8. Segment Reporting

The Company has only one business and geographical Segment viz. HDPE Tarpaulene and related products in India. Hence no further disclosures are required to be made as per AS-17 on segment reporting.

9. Provision for Taxation

a) **Current Tax:** The company has made a appropriate provision for taxation for the year under the provision of the Income Tax Act, 1961

b) **Deferred Tax**

Deferred tax is recognized on timing differences in accordance with AS-22 issued by ICAI as per details given hereunder.



As a matter of Prudence, no provision for deferred Tax Asset has been made in the accounts.

10. Pursuant to the direction of Ministry of Corporate Affairs Cost Audit Order No.52/26/CAB-2010 dated 24.01.2012 & 06.11.2012, read with Section 233B of the Companies Act, 1956, cost audit applicable to company, Cost Audit report have not been submitted to the auditors, as the management is still in the process of cost audit exercise.

11. Earning Per Share (EPS)

(Rs. in lacs except EPS)			
	Particulars	2013-14	2012-13
i)	Net Profit after tax as per profit and	63.46	61.33
	Less : Profit Attributable to ordinary	-	-
ii)	Net Profit attributable to equity share	63.46	61.33
iii)	Weighted Average number of equity shares used as denominator for	48,35,000	48,35,000
iv)	Basic and Diluted EPS		
	- Basic	1.31	1.27
	- Diluted	1.31	1.27
vi)	Face Values per equity share		

12. Earnings / Expenditure in foreign currency

	2013-14	2012-13
Earnings in foreign currency (Cash/Accrual basis)		
Exports at F.O.B. Value	1,87,42,236	1,98,18,915
Total (A)	1,87,42,236	1,98,18,915
Expenditure in foreign currency (Cash/Accrual basis)		
Travelling	15,48,147	1,77,000
Others (Commission)	-	-
Value of imports calculated on CIF basis		
Raw Material import	77,48,632	1,47,56,321
Total (B)	92,96,779	1,49,33,321

13. General Notes:

I) In term of notification GSR (129E) dated. 22.02.99 issued by the department of the company affairs, the company is required to furnish the details of outstanding to SSI undertaking under the head "Current Liabilities & Provision" of amount more than one lacs and for the period of more than 45 days the company has requested to vendor to furnish requisite information along with their SSI registration balance sheet, therefore the company is unable to furnish the particulars.

II) Income Tax assessments of the Company have been completed till the assessment year 2010 – 2011 U/S 143 (1) (a).

III) Provision has not been made for Bonus Payable in the current year.

IV) The company has in the year 1997 pledged with Bank against loan. Which held and owned by the Directors Mr. A. G. Kathawala, Mr. Z. A. Kathawala and Mrs. D. Z. Kathawala and their relative Mrs. M. A. Kathawala, having market value at the time around Rs. 10.00 Lacs to secure the company's liabilities for payment of long outstanding collection bill dated 17.07.1990 for USD 29025/- (Rupees 7.42 Lacs).

We are given to understand that though the shares were pledged for a particular transaction and upto a limit of Rs. 10 Lacs only, in the year January 2000 the bank exercised their right to invoke the pledge without giving notice to the pledger and without restricting the sale to the extent of Rs. 10 Lacs only, and accordingly sold the shares for Rs. 2,88,50,988.57 and credited the proceeds to the companies account. The amount credited by the bank is shown under the group of unsecured loans from related party.

V) As per the information available the loan from Ambient Media Pvt. Ltd. for Rs. 1294.23 lacs (as mentioned in Note No. 3 of the Balance Sheet) is representing a loan purchased by M/s Ambient Media Solutions Private Limited (AMSPL, Group Company) from Assets Reconstruction Company India Ltd. The company has paid a sum of Rs. 253.87 lacs to AMSPL as a part of settlement of loan (as mentioned in Note 15 to Balance Sheet), subject to final settlement.

14. Balance of all sundry Debtors, Sundry Creditors & loan and advances are subject to confirmation and consequent reconciliation and adjustments, if any.

15. As per the Excise records, Dutiable sales is Rs. 3476.27 lacs, Reconciliation of total Sales with Excise records are as follows

Particulars	Amount in lacs
Dutiable Sales as per the Excise records	
Direct Sale	799.84
Branch Transfer	2,676.33
Dutiable Sales as per the Excise records	3,476.17
Add: Export Sales	187.42
Add: Sales to UNICEF	73.29
Less: Sales Return	(6.67)
Total Sales	3,730.21
Less: Stock at Branch (Net)	2.92
Add: Additional sales at branch	36.72
Total Sales stated in P&L	3,769.84

16. No forward exchange contracts are outstanding on the balance sheet date which is entered to hedge foreign exchange exposures of the Company.

17. Account confirmation statements were not received from some of the parties



18. In the opinion of the Board, the assets (other than Fixed Assets and Non Current Investments) are approximately of the value stated, if realized in the ordinary course of business. The provisions for liabilities are considered to be adequate by the Board

As per our report of even date

For PAREKH SHAH & LODHA
Chartered Accountants
Firm Regn No. 107487W

**FOR AND ON BEHALF OF BOARD
UNION QUALITY PLASTICS LTD.**

CA Ravindra Chaturvedi
Partner
M. No. 048350
Date : 29/07/2014
Place : Mumbai

Z A Kathawala
Chairman & Managing
Director

D Z Kathawala
Director

CASH FLOW STATEMENT FOR THE YEAR ENDED 31.03.2013			
Particulars		2013-14 RS	2012-13 RS
CASH FLOW FROM OPERATION ACTIVITIES :			
Net Profit before tax and extraordinary items :		6,345,660	6,132,900
Adjustment for :			
Depreciation		3,393,640	2,900,898
Preliminary Expenses		-	-
Interest/Dividend received		(618,497)	(214,376)
Operating Profit before Working capital changes :		9,120,803	8,819,422
Adjustment for :			
Trade and Other Receivables		(2,310,091)	(42,184,151)
Inventories		(3,137,382)	13,554,673
Trade Paybles		5,557,670	17,216,762
Other Current Assets		(6,053,763)	4,257,669
Cash Generated from Operation		3,177,237	1,664,374
Cash Flow Before extraordinary items		3,177,237	1,664,374
Direct Tax Paid		-	-
Other Income		-	-
Net cash from operating activities after extra ordinary items	A	3,177,237	1,664,374
CASH FLOW FROM INVESTING ACTIVITIES			
Sale / (Purchase) of Fixed Assets		(1,595,189)	(6,222,424)
Sale/ (Purchase) of Investments		(4,492)	330,000
Interest /Dividend received		618,497	214,376
Net Cash Used in Investing activities	B	(981,184)	(5,678,048)
CASH FLOW FROM FINANCIAL ACTIVITIES			
Net Proceeds from Issue of Share Capital		-	-
Net Proceeds from Unsecured Loans		(3,546,667)	890,358
Net Proceeds from Secured Loans		1,300,159	2,068,822
Net Cash used in Financial Activities	C	(2,246,508)	2,959,180
Net Increase\Decrease in Cash and Cash Equivalents	A+B+C	(50,455)	(1,054,495)
Cash and Cash Equivalents as on 01-04-13(Opening)		5,082,636	6,137,131
Cash and Cash Equivalents as on 31-03-14(Closing)		5,032,181	5,082,636

AUDITORS'S CERTIFICATE

We have examined the above Cash Flow Statement of Union Quality Plastics Ltd for the year ended 31st March, 2014. The Statement has been prepared by the company in accordance with the requirements of clause 32 of the listing agreement with Stock Exchanges and is based on and in agreement with the corresponding Profit and Loss Account and Balance Sheet of the company covered by our Report of even date to Members of the Company.

As per our report of even date
For PAREKH SHAH & LODHA
 Chartered Accountants
 Firm Regn No. 107487W

CA Ravindra Chaturvedi
 Partner
 M. No. 048350
 Date : 29/07/2014

**FOR AND ON BEHALF OF BOARD
 UNION QUALITY PLASTICS LTD.**

Z A Kathawala **D Z Kathawala**
 Chairman & Managing Director
 Director

UNION QUALITY PLASTICS LIMITED

Regd. Off: 5th Floor, A.G.H Chambers, 379/381, Narsi Natha Street, Mumbai - 400 009.

ATTENDANCE SLIP

30th Annual General Meeting: 30th September, 2014.

Regd. Folio No./DP or Client ID

Mr. / Mrs. / Miss

(Shareholder's Name in BLOCK Letters)

Certify that I am a registered shareholder / proxy for the registered shareholders of the company.

(Member's / proxy's name and address in Block Letters to be furnished below)

hereby record my peresence at the 30th Annual General Meeting of the Company to be held on Monday, 30th September, 2014 at 11:00 am

If signed by Proxy, name should be
Written here in BLOCK Letters

Member's / Proxy's Signature

Please fill in this attendance slip and hand it over at the Entrance of the Meeting Hall.

UNION QUALITY PLASTICS LTD.

Regd. Off: 5th Floor, A.G.H Chambers, 379/381, Narsi Natha Street, Mumbai - 400 009.

Proxy Form

30th Annual General Meeting: 30th September, 2014.

Regd. Folio No./DP or Client ID.....

No. of sharesheld.....

I/We.....of.....being a
member/members of Union Quality Plastics Limited here by appoint

Mr./Mrs.....of.....failing
him/her Mr./Mrs.....of.....

..... failing him/her as my/our proxy to attend and vote for me/us and on
my/ our behalf at the 30th Annual General Meeting of the Company to be held on Monday,
30th September, 2014 at 11:00 am and at my adjournment thereof..

As witness my/our hand(s) this.....day of.....2014.

Signature

Note: This form in order to be effective should be duly stamped, completed and signed and must be deposited at the Registered Office of the company, not less than 48 hours before the time for holding the aforesaid Annual General Meeting

BOOK-POST

If undelivered please return to:

UNION QUALITY PLASTICS LTD.

Registered Office:

5th Floor, A.G.H Chambers, 379/381, Narsi Natha Street, Mumbai - 400 009.