



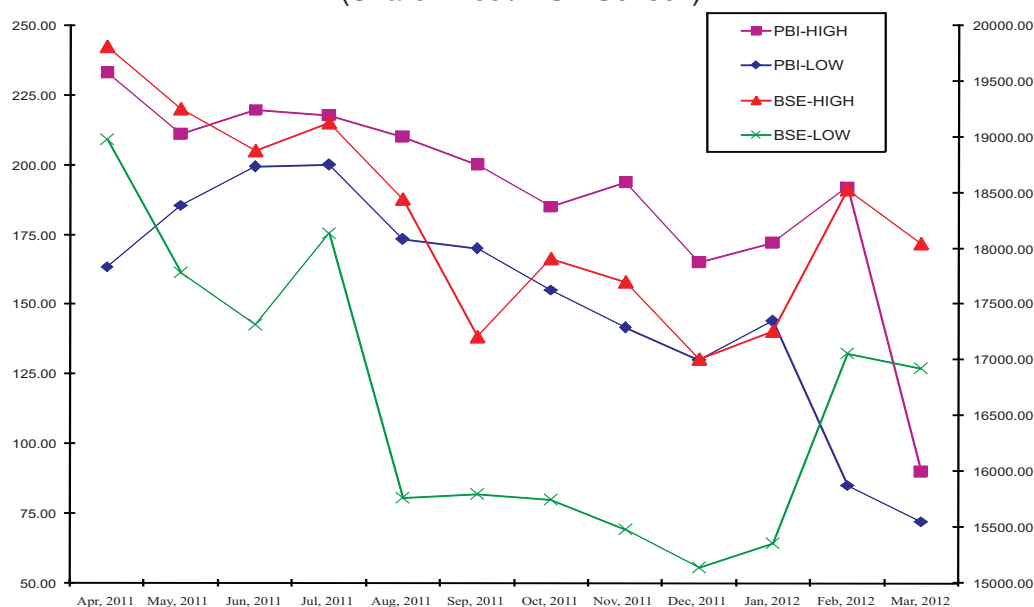
FINANCIAL HIGHLIGHTS

(₹ in Lacs)

	2011-12	2010-11	2009-10	2008-09	2007-08
OPERATING RESULTS					
Sales and Other Income	34141.60	27737.72	21065.82	17094.64	16130.21
Profit before Depreciation, Interest & Tax	3246.41	3045.33	2016.47	2109.88	2284.76
Less : Depreciation	401.26	365.29	344.91	310.25	235.40
Finance cost	447.63	319.76	237.59	251.01	200.42
Profit before Tax (PBT)	2397.52	2360.28	1433.97	1548.63	1848.93
Profit after Tax (PAT)	1671.17	1854.38	1042.99	1177.34	1592.13
ASSETS EMPLOYED					
Fixed Assets	6146.83	5831.47	5870.38	5664.42	5002.49
Investments	371.40	398.74	585.55	456.55	762.01
Net Working Capital	9633.03	8457.20	5027.62	2912.13	3417.44
Total	16151.26	14687.41	11483.55	9033.10	9181.94
FINANCED BY					
Share Capital	649.73	649.73	649.73	649.73	649.73
Reserves	10025.06	8882.48	7556.68	6969.79	6324.55
Borrowings	4927.75	4742.83	2903.42	1077.99	1923.86
Deferred Tax Adjustment	548.72	412.37	373.71	335.59	283.80
Total	16151.26	14687.41	11483.55	9033.10	9181.94
OTHERS					
Face Value of Share (₹)	5	10	10	10	10
Number of Equity Shares	12994600	6497300	6497300	6497300	6497300
Debt : Equity	0.46	0.50	0.35	0.14	0.28
Book Value Per Share (₹)*	82.15	146.72	126.30	117.27	107.34
Earning Per Share (EPS) (₹)*	12.86	28.54	16.05	18.12	24.50
Dividend Per Share (₹)*	3.50	7.00	6.00	7.00	7.00
Return on Equity %	15.66	19.45	12.71	15.45	22.83

* Book value, EPS and Divident for F. Y. 2011-12 is not comparable with that of previous years since during the financial year Equity Share of ₹ 10/- each were sub-divided into two Equity Share of ₹ 5/- each.

STOCK PERFORMANCE (Share Price / BSE Sensex)



Board of Directors



Shri Shreevallabh G. Kabra
(Chairman & Managing Director)



Shri Satyanarayan G. Kabra
(Vice-Chairman & Managing Director)

Shri Anand S. Kabra
(Executive Director)



Shri Haridas S. Sanwal
(Independent Director)



Shri Pushp Raj Singhvi
(Independent Director)



Dr. Yatish B. Vasudeo
(Independent Director)



Shri Sudarshan K. Parab
(Independent Director)



CONTENTS

PAGE

Chairman's Speech	2
Innovation	4
Strategy Drivers	5
Notice	8
Directors' Report	9
Management Discussion and Analysis	12
Report on Corporate Governance	14
Auditor's Report	20
Balance Sheet	22
Statement of Profit & Loss	23
Cash Flow Statement	24
Notes	25
Proxy Form and Attendance Slip	35

BANKERS

DBS Bank Ltd.
HDFC Bank Ltd.
State Bank of India

AUDITORS

A. G. Ogale & Co.,
Chartered Accountants

COMPANY SECRETARY

Himanshu S. Mhatre

21st ANNUAL GENERAL MEETING

Date : 30th August, 2012
Time : 4.15 p.m.
Venue : Hotel Karl Residency, Andheri (West), Mumbai-58

REGISTERED OFFICE

30, Shah Indl. Estate, Kolsite House, 2nd Floor,
Off. Veera Desai Road, Andheri (West), Mumbai - 400 053
Tel. No. : +91-22-26736468/67205200
Fax : +91-22-26736808
Website : www.plastiblendsindia.com

CHAIRMAN'S SPEECH

The Backdrop

The World Bank expects the Indian economy to grow by 6.9% in the Financial Year 2012-13 notwithstanding problems like high fiscal deficit and sticky inflation. For the longer term, however they have pegged growth at 7.2% and 7.4% in fiscal years 2013-14 and 2014-15, respectively in the report titled 'Global Economic Prospects'. The global economy is projected to grow by 2.5% in 2012 and 3.1% in 2013, following a growth of 2.7% in 2011, a slight downward revision from previous forecasts.

Despite the uncertain economic outlook in India and worldover, we are optimistic about the long term prospects of the plastic industry. As per Plastindia Foundation the demand for plastics in India alone is expected to almost double over the next three years. Globally too, the Plastics Consumption is expected to reach 297.5 Million Tons by 2015, according to New Report by Global Industry Analysts, Inc.

The masterbatch industry is a direct beneficiary from the growth in plastic industry. The value of total masterbatch market is 14.8 Billion USD and the share of additive masterbatch market in this is about 3 Billion USD. Despite witnessing a temporary deceleration in growth in the years 2008 and 2009, world masterbatch market is expected to grow, on account of the resurgence of demand fundamentals, such as, improving income levels, growing propensity to spend, continued shift towards packaged products and increase in the demand for consumer goods, automobiles and electronic appliances among others. The Government of India is likely to announce huge investment in infrastructure, irrigation, agriculture water management, in the 12th Five year plan which as a whole will lead to increased demand for masterbatches used in processing plastics.

With the polymer consumption in India expected to grow at annual rate of 15% and the per capita consumption of plastics expected to double over the next five years, the outlook is very optimistic in terms of growth for masterbatches in the coming years and the business could grow at about 20% for the next few years. (Source : www.derivatives.capitaline.com)

The Performance

I am pleased with the way we have performed during the year, despite subdued economic growth. The Net Income stood at ₹ 34,112.47 lacs, a growth of 23.2% as compared to last year. The Indian polymer processing industry grew at the rate of 3-4% in the year 2011-12, which has been growing

at an average rate of 10-12% and masterbatch industry is growing at a rate of 15%. Exports continued to boost our topline as it grew by 46% in terms of value in 2011-12, while, in terms of volumes it registered an increase of 27% in 2011-12. On the domestic front too we have been able to maintain our performance as our sales grew by 16%.

Notably, the significant rise in exports and domestic sales have been on account of our continued thrust on marketing initiatives, participation in trade fairs, focused marketing approach for specific markets, developing high performance specialty masterbatches thereby creating a strong brand equity for our products.

During the year, EBIDTA stood at ₹ 3,217.28 lacs while Net Profit stood at ₹ 1,671.17 lacs, de-growing by 9.8% against the previous year.

Raw material price volatility and fluctuations impacted our operating performance as crude oil prices rose last year along with rupee depreciation. Further, we had to account for the rise in power cost by over 30% with retrospective effect from June 2011, the entire amount for which had to be debited in the third quarter of the financial year 2011-12. There was also a onetime cost of implementing SAP which has been accounted for in the third and fourth quarter of the financial year 2011-12.

As we are now getting past the cost curve, we are poised to benefit from the revenue curve ahead, once the demand situation improves. As SAP implementation has been completed we expect improved inventory and financial management arising out of efficiencies in various areas of operation.

We are diversifying our product mix by focusing on high performance and specialty masterbatches. In line with our focus on technological advancement and resultantly innovation, we have been able to introduce some new generation additives and masterbatches like anti-rodent, anti-microbial (bactiblock), nucleating and clarifying agents and high performance masterbatches such as UV Stabilizers.

These speciality and high performance additive masterbatches enhance the performance of the plastic products that are widely used in household appliance, kitchen wares, electronic goods, sports & leisure, construction, agricultural activities etc. with Indian population over 1.2 billion, the opportunity for these sectors to grow is immense besides the global markets.

The Growth Strategy

Sharp deceleration in the Indian economy has meant that the polymer consumption was nearly flat in the first half of the current fiscal on y-o-y basis. Going forward, as India's inflationary trend eases, we can expect a rebound in demand for polymers from many interest sensitive sectors like automobiles, real estate, packaging, consumer durables etc. So, while the demand for masterbatches is relatively sluggish

in the current fiscal thus far, the prospects remain bright for the medium to long term.

We will also continue to lay thrust on exports which provides us with immense opportunities as India accounts for 4% of global masterbatch demand.

Our participation in various trade fairs including the Plastindia Exhibition, K-2010 etc. yielded a very good response and thus aided our geographical expansion. This will be a key strategic area going forward as we continue to strengthen our marketing network.

While opportunities are abound, we would continue to focus on product and service innovation and improvement. In a market which is highly unorganized, it is our ability to invest in R&D and differentiate ourselves by offering innovative yet cost effective and value added offerings that makes us the market leader.

The recognition from the Department of Scientific & Industrial Research (DSIR) continues to propel our growth by enabling the development of newer, high performance, value added and low cost products in our portfolio. This will help us not only improve our business performance but also to strengthen our relationships with our existing and prospective clients.

Overall, our strategic efforts remain focused on saving costs, increased thrust on marketing and enhancing our product portfolio through continuous investments in R&D. As the macroeconomic parameters turn around, we will be ready to tap the next growth phase for our business.

We won the Plasticon "Gold Trophy Award" for Fastest Growing Enterprise Processing (Commodity Polymers) declared by Plastindia Foundation and Government of India has also awarded to us Star Export House status based on excellent export performance for the last three years. This has strengthened the conviction that our strategies are working.

Vote of Thanks

I extend my sincere thanks to all of you who have helped us achieve continued success and who will remain the vital force in shaping our history-our employees, consumers, customers, suppliers, business partners, bankers and stakeholders. I am also grateful to our Management Team for their persistent efforts towards redefining our growth strategy and to our Board of Directors for their continued guidance. We look forward to continued success and profitable growth.

S. V. Kabra
Chairman & Managing Director

INNOVATION

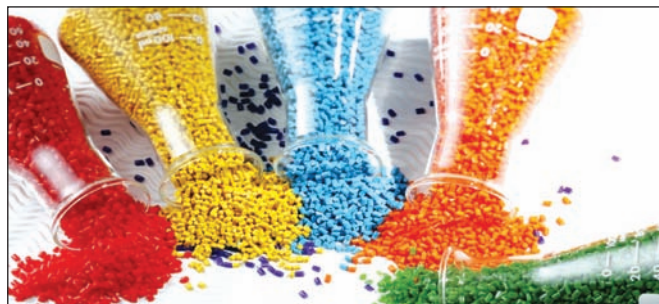
What we offer to our Clients

Some of the masterbatches developed by the company during the year encompass :

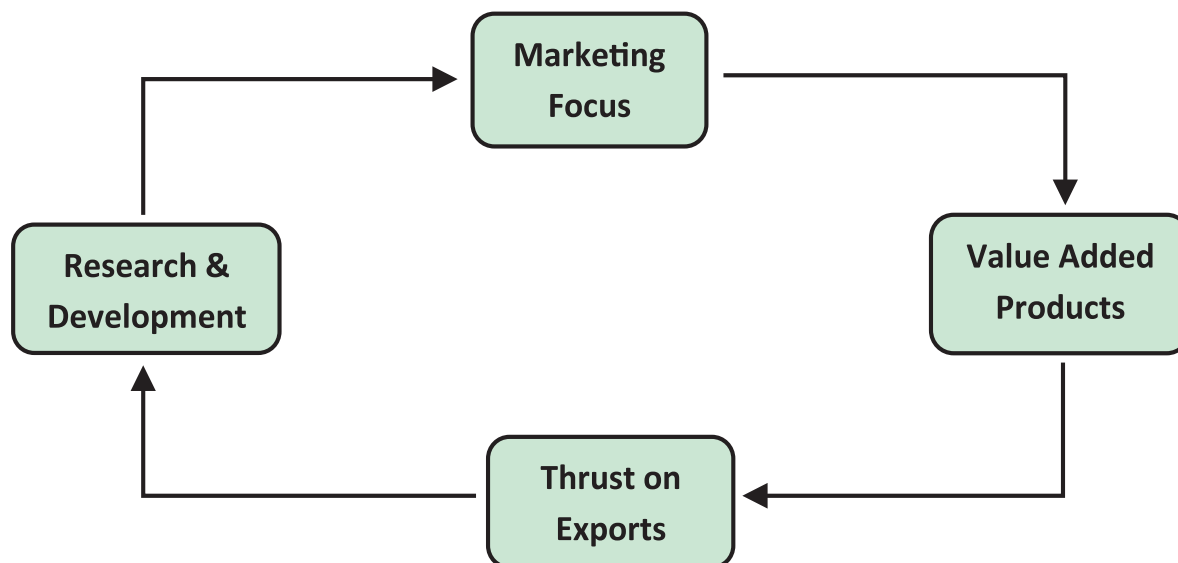
Product	Description	Key Characteristics	Applications
Polyclear & Polynuc	Latest generation clarifying and nucleating agents that have been specially formulated to ensure product enhancement even at low dosages.	<ul style="list-style-type: none"> Improved Transparency Reduced Cycle Time Improves stiffness Low dosage Approved for food contact (FDA approved) 	<ul style="list-style-type: none"> Containers Caps & Closures Electronic Appliances White Goods Automotives
Polyultra	Range of high performance UV Stabilizers for wide range of applications	<ul style="list-style-type: none"> High gas fade resistance Pesticide Resistant grades Anti-sulphur grades Low interaction with organic pigments 	<ul style="list-style-type: none"> Greenhouse films, Shade Nets Mulch Films, Tunnel Rolls Playground slides Water storage tanks Crates, Chairs PET Bottles
Antimicrobial Masterbatches	High performance, masterbatch that addresses threats posed by bacteria and microbes affecting humans in all their daily chores	<ul style="list-style-type: none"> Non-toxic to Humans Safe Long Lasting Registered by EPA Approved by FDA 	<ul style="list-style-type: none"> Hospital bed posts, gowns, medical structure Kitchen cutting board Sports equipment & Sports Leisure wear Public Seating Household uses Mobile Covers Keyboards / Mouse Fishing Ropes Playground Equipments
Poly Rodent	An anti-rodent masterbatch which safeguards products by emitting an odour unpleasant to rodents.	<ul style="list-style-type: none"> Odors offensive to rodent Pungent & unpleasant taste Non-toxic 	<ul style="list-style-type: none"> Fiber Optic Cable Ducts Wires & Cables HDPE/ PP Pipes, Woven Sacks Garden Plastic Furniture
Polyfr	Flame retardant masterbatches when incorporated in plastics helps delay the onset of fire and its spread	<ul style="list-style-type: none"> Low smoke emission Low toxicity Halogenated & Non-Halogenated flame retardant 	<ul style="list-style-type: none"> Office Equipments Electronic Appliances White Goods Appliances PE Wires & Cables Automotive Components

In addition to the above the Company also focuses on making significant improvements in some of the existing products. For POLYULTRA – Ultraviolet Stabilizers the company has introduced new grades of UV Stabilizers that find wide application in greenhouse films, mulch films, shade nets, tunnel films etc. These films are useful in increasing the crop productivity and quality and cater to the agriculture industry.

The growth of the polymer industry in India and the growth in the demand for plastics will fuel the demand for masterbatches in India. With the polymer consumption expected to grow in India and globally, companies like Plastiblends who focus on high performance specialty masterbatches in the organized segment are poised to benefit.



STRATEGY DRIVERS



Marketing Focus

Plastiblends India has been an active participant in various international and domestic trade fairs and exhibitions, which provide a platform to showcase its new generation products, create brand awareness and strengthen its brand loyalty.

K - 2010

An international Trade Fair held in Dusseldorf Germany is one of the most prestigious trade fair for the plastic industry in which Plastiblends had participated. As part of its strategy to expand into untapped markets, Plastiblends elicited numerous responses and active queries from visitors during the exhibition that was visited by industry players from across the world. Resultantly, the Company has been able to expand its dealer and channel networks across geographies based on the success received in K-2010

This event aided our marketing efforts of creating a niche presence in the overseas markets. It has also led to substantial improvement in our brand visibility and awareness. The success of this show will enable Plastiblends to participate in K-2013 on a much wider scale.

Plastindia 2012

Held in February 2012 in New Delhi, the company chose to participate in Plastindia 2012, an exhibition considered to be the third largest prestigious event providing a platform for the plastic industry showcasing their best. The company again garnered a very positive response from visitors, OEMs, dealers as well as customers from the domestic and overseas markets. Our continued thrust on the marketing front and participation in various trade fairs and exhibitions have elicited tremendous

response from visitors, dealers and their OEMs as well as our customers. These exhibitions have been one of the prime drivers for our export growth during 2011-12 as our presence in various geographies had been expanded due to increased channel partnerships.

Plastiblends also exhibited new generation masterbatches as – Bactiblock, Nucleating and Clarifying masterbatches, Anti Rodent masterbatches and other performance masterbatches such as UV, Antioxidant etc. The stall was well visited throughout and appreciated for the look.

In the financial year 2012-13, the Company plans to participate in many more international fairs and focus on exports markets. Besides this, focused marketing strategies adopted for specific markets with visible growth potential too have accelerated our penetration in the international markets. Our activities will be focussed on new geographies.

– Anand S. Kabra, Executive Director



Plastiblends stall at Plastindia 2012

21st Annual Report 2011–12

R&D Facilities

Research & Development is the key differentiating factor for Plastiblends that has enabled us to maintain our leadership status. The State of the Art R&D Unit of the Company has been recognized by the Department of Scientific & Industrial Research (DSIR), Government of India.

R&D helps the Company stay ahead of the competition by providing cost effective and technologically advanced solutions to growing needs of the customer as awareness levels and consequently demand for innovative products increases.

During the year some high performance additives like clarifying agents, advanced anti-oxidants and nano bio materials (nbm) for anti-microbial masterbatches were developed and showcased at various trade fairs and exhibitions in which we participated.

“Strategically, R&D enables us to provide our customers with specialty, high performance masterbatches which are not easy for the unorganized segment to provide. It gives us an edge in terms of protecting our margins, widening our product range to the client and building brand loyalty.”

– S. N. Kabra, Vice-Chairman and Managing Director

Leadership Positioning in Domestic Industry

Masterbatches are usually complex mixtures of additives blended with polymers. This helps improve and enhance the performance of plastic products in terms of both the quality and durability.

India's plastic consumption is expected to grow from 7.5 million tonnes to 15 million tonnes by 2015 (Source : Plastindia Foundation) and will emerge as the third largest consumer of plastics in the world. This will result in increased demand for plastic processing industry in-turn leading to direct increase in the demand for masterbatches and additives. In 2010 the per capita consumption of plastics was 7.5 Kg, that was much lower than China's 34 Kg and USA's 105 Kg. The turnover of the polymer industry is estimated at ₹40,000 crore, with capital assets worth ₹85,000 crore. While, exports for this industry are valued at about ₹4,500 crore. (Source : <http://www.derivatives.capitaline.com>)

The Indian Masterbatch Industry has been growing at around 15% and has a total capacity of 3,75,000 tonnes per annum. Of this 25% comprised of organized sector while the balance 75% of the capacity comes from the unorganized sector.

The world market for masterbatches is estimated at about 3.9 million tonnes in volume terms and USD 14.8 billion in value. The Indian market thus is just 3.7% of the global market in terms of volume and 3% in terms of value. The market in Asia is 6.85 lacs tonnes valued at USD 1.8 billion. (<http://www.derivatives.capitaline.com>)

Agriculture, Packaging, Automobiles, Electronics, Telecom, Healthcare, Infrastructure, Transportation, Construction and Consumer Durables, are the key end-user industries and major drivers of growth in plastic consumption. With a wider population base the Indian consumption demand for plastics is



only set to grow from here, thereby creating demand for high performance masterbatches and additive masterbatches.

Packaging is a major market for masterbatches and finds wide applicability in different plastic products like drums, containers, transport and bottle crates, films, special films, caps and closures and bottles. Plastics in packaging consume 3.5 million tonnes of polymers today and by 2020 it is expected to increase to 9 million tonnes. (Source : Plastindia Foundation)

Automotive sector is expected to grow by 10-12 per cent in FY 2012-13 as per industry body SIAM (Source : <http://www.siamindia.com>). Masterbatches determine the exterior as well as interior aesthetic appeal and at the same time offer resistance against environmental damages. Resultantly, this is one of the most promising sectors that will drive up demand for masterbatches in which the Company operates.

Agriculture is a pre-dominant activity in India that provides a huge market for the masterbatch industry. Over the years there has been a visible trend of increased usage of plastic products to improve agricultural productivity and ensure crop efficiency, given the decline in share of Agriculture to Indian GDP. Hence, increased uses of greenhouse films, mulch films, shade nets, crop protection films, drip irrigation systems are expected to provide the much needed growth for high performance specialty masterbatches and additive masterbatches.

“In line with our vision of continuously innovating our processes and products we have been able to develop some of the latest high performing masterbatches for various industries. Currently we manufacture white, black, colour and other functional masterbatches, additives and compounds. Our R&D team's persistent effort is to undertake product innovation, diversification and also customization to suit the clients specifications.”

– S. V. Kabra, Chairman and Managing Director

Export Thrust

Globally, the growth in the masterbatch industry is expected to be driven primarily by resurgence in demand fundamentals, strong consumer confidence, improving income levels

and standard of living and increased spending capacity of consumers. Additionally, shift towards packaged food and products, and rising demand from fast growing automobile, electrical goods and appliances among others will drive growth.

The Asian market has been one of the fastest growing and most dynamic markets for thermoplastic masterbatch in the world. Leading this fast paced growth will be companies from the Chinese and Indian markets that have witnessed fast track growth, driven by consumption demand primarily from the packaging industry, plastic products, cables and pipes.

Newly developed masterbatches have been customized to suit the needs of polymer processors functioning in industries like packaging including food packaging, agriculture, construction, electronics and electrical appliances, white goods, automobiles and many other industrial uses.

"With focused marketing and trade fair participation, we are targeting to enhance our geographical presence and client base in the coming months. Further with India expected to be a global hub for sourcing plastic products, machinery, critical components, the Company is well placed to capitalize on such opportunities."

- V. Sundaresan, V. P.- International Marketing and
- Ramesh Dumbre, V.P. Marketing



Plasticon "GOLD TROPHY AWARD" for Fastest Growing Enterprise Processing (Commodity Polymers) presented at the 6th Plasticon Awards 2012

21st Annual Report 2011–12

NOTICE

NOTICE is hereby given that the **TWENTYFIRST ANNUAL GENERAL MEETING** of the Members of **PLASTIBLENDS INDIA LIMITED** will be held on Thursday, the 30th day of August, 2012 at 4.15 p. m. at Hotel Karl Residency, 36, Lallubhai Park Road, Next to Lallubhai Park, Andheri (West), Mumbai-400 058 to transact the following business:

ORDINARY BUSINESS:

1. To consider and adopt the audited Balance Sheet as at 31st March, 2012 and the Statement of Profit and Loss for the year ended on that date and the Reports of the Board of Directors and Auditors thereon;
2. To declare dividend on Equity Shares for the financial year ended 31st March, 2012;
3. To appoint a Director in place of Shri S. K. Parab, who retires by rotation and being eligible, offers himself for re-appointment;
4. To appoint a Director in place of Shri H. S. Sanwal, who retires by rotation and being eligible, offers himself for re-appointment;
5. To appoint M/s. A. G. Ogale & Co., Chartered Accountants, Pune as Auditors of the Company to hold office from the conclusion of this Meeting until the conclusion of the next Annual General Meeting on such remuneration and reimbursement of out of pocket expenses, if any, as may be mutually agreed upon between the Board of Directors of the Company and the said Auditors.

**By order of the Board
For Plastiblends India Ltd.**

Place: Mumbai
Date: 30th May, 2012

**Himanshu S. Mhatre
Company Secretary**

Notes:

1. **A member entitled to attend and vote at the Annual General Meeting may appoint proxy to attend and on a poll vote, instead of himself / herself. A proxy need not be a member of the company. Proxies in order to be effective must be received by the company at the registered office of the company not later than forty-eight hours before the commencement of the meeting.**
2. Corporate Members are requested to send a duly certified copy of the Board Resolution authorising their representative to attend and vote at the meeting.
3. Register of Members and the Share Transfer Books of the Company will remain closed from Thursday, the 23rd day of August, 2012 to Thursday the 30th day of August, 2012 (both days inclusive)

4. The dividend, as recommended by the Board, if sanctioned at the ensuing Annual General Meeting will be paid to those persons whose names appear as Beneficial Owners as at the end of business hours on Wednesday, the 22nd day of August, 2012 as per the list to be furnished by the National Securities Depository Ltd. (NSDL) and Central Depository Services (India) Ltd. (CDSL) in respect of shares held in demat form and to the Members holding shares in physical mode as per Register of Members of the Company as on Thursday, the 30th day of August, 2012 after giving effect to all valid transfers in respect of which request were lodged on or before 22nd day of August, 2012.
5. (i) Those shareholders who have so far not claimed their dividend for the financial years 2004-05 to 2010-11 are requested to return the time barred dividend warrants or forward their claims to the Company for issue of duplicate thereof.
(ii) Pursuant to the provisions of Section 205A & 205C (2) (a) of the Companies Act, 1956, as amended, dividend for the financial year 2004-2005 and thereafter which shall remain unclaimed / unpaid for a period of Seven (7) years from the date of transfer to the unpaid dividend account is required to be transferred to the Investors Education & Protection Fund (IEPF). Accordingly, during September, 2012, the Company would be transferring such unclaimed or unpaid dividend for the financial year ended 31st March, 2005. Members are therefore requested to make claim thereof, before August, 2012 otherwise no claim shall lie in respect of such amount.
(iii) Pursuant to the said provisions unclaimed / unpaid dividend upto F.Y. 2003-04 have been transferred to Investor Education & Protection Fund.
6. Brief profile of the Directors retiring by rotation and being eligible for re-appointment at the ensuing Annual General Meeting is furnished in the section of Corporate Governance, forming part of this Annual Report.
7. Queries if any, should be sent at least 15 days before the Annual General Meeting to the Company Secretary at the Registered Office of the Company.
8. As a step towards the "Green initiative" of Government of India, Ministry of Corporate Affairs members are requested to register their e-mail ID's with the company for receiving Annual Reports, Notices, Circulars in electronic form. Documents e-mailed to shareholders will also be posted on the website of the Company www.plastiblendsindia.com.

**By order of the Board
For Plastiblends India Ltd.**

Place: Mumbai
Date: 30th May, 2012

**Himanshu S. Mhatre
Company Secretary**

DIRECTORS' REPORT

To
The Members of
Plastiblends India Limited

Your Directors have pleasure in presenting the **TWENTYFIRST ANNUAL REPORT** and the **Audited Financial Statements** for the financial year ended 31st March, 2012.

FINANCIAL RESULTS

PARTICULARS

Sales and Other Income
Gross Profit before Interest, Depreciation and Tax
Less: Finance Cost
Depreciation
Profit Before Tax (PBT)
Less : Provision for Taxation
(including earlier year)
Add : Excess provision of earlier years written back
Profit After Tax (PAT)
Less : Provision for Deferred Tax Liability
Net Profit after provision of Deferred Tax
Add: Balance brought forward from previous year
Profit available for appropriation
APPROPRIATIONS:
Transferred to General Reserves
Provision for Proposed Dividend
Provision for Tax on Proposed Dividend
Surplus balance carried forward to Balance Sheet

	(₹ in Lacs)
Year ended 31 st March 12	Year ended 31 st March 11
34,141.60	27,737.72
3,246.41	3,045.33
447.63	319.76
401.26	365.29
2,397.52	2,360.28
590.00	510.00
---	42.75
1,807.52	1,893.03
136.35	38.65
1,671.17	1,854.38
6,676.63	6,350.84
8,347.80	8,205.22
170.00	1,000.00
454.81	454.81
73.78	73.78
7,649.21	6,676.63
8,347.80	8,205.22

DIVIDEND

Your Directors are pleased to recommend a dividend of ₹ 3.50 per share of the face value of ₹ 5/- each for the year ended 31st March, 2012 (₹ 7/- per share on face value of ₹ 10/- per share for the previous year) subject to the Members' approval. The dividend payment amounts to ₹ 454.81 lacs. In addition ₹ 73.78 lacs is payable towards tax on dividend.

OPERATIONS

During the year under review, your Company has achieved Operational and Other Income of ₹ 34,141.60 lacs as against ₹ 27,737.72 lacs during the previous year, registering an increase of about 23.09 % over the previous year. Profit after providing for taxes is ₹ 1,671.17 lacs as against ₹ 1,854.38 lacs during the previous year, registering a decrease of about 9.88% over the previous year.

The Company has achieved production of 47418 tones for the year as compared to 42143 tones during the previous year. Your Company has sold 47039 tones for the year under review as compared to 41858 tones during the previous year.

EXPORTS

Exports during the year under review were ₹ 9,737.26 Lacs as against ₹ 6,652.48 Lacs in the previous financial year registering an increase of 46% over previous year and contributed 28% in the total sales. Company exports to various countries around the globe with strong presence in Middle East, Africa & Europe.

AWARDS & RECOGNITION

We are pleased to inform you that The Plastic Export Promotion Council (PLEXCONCIL) has awarded to the Company a certificate and a Trophy for winning First position as a "Top Exporter of Masterbatch" being the highest recognition for exports for the year 2009-10 and 2010-11. The Company has been receiving this award for eight consecutive years since 2003-04.

Company has also been bestowed with the Plasticon "GOLD TROPHY AWARD" for Fastest Growing Enterprise Processing (Commodity Polymers), which was presented at the 6th Plasticon Awards 2012.

DIRECTORS

In accordance with the Articles of Association of the Company and in view of provisions of Section 255 of the Companies Act, 1956, Shri S. K. Parab and Shri H. S. Sanwal, Directors of the Company will retire by rotation at the ensuing Annual General Meeting and being eligible seeks re-appointment.

DIRECTORS' RESPONSIBILITY STATEMENT

Pursuant to Section 217(2AA) of the Companies Act, 1956, your Directors hereby confirm that:

- (i) in the preparation of annual accounts for the year ended 31st March, 2012, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;

21st Annual Report 2011–12

- (ii) they have selected such appropriate accounting policies and applied them consistently and made judgments and estimates that were reasonable and prudent so as to give the true and fair view of the state of affairs of the Company as at 31st March, 2012 and of the profits of the Company for the said financial year;
- (iii) they have 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) they have prepared the said accounts on a "going concern basis".

CORPORATE GOVERNANCE

As required by Clause 49 of the Listing Agreement, a Report on Corporate Governance is appended along with a Certificate of Compliance from the Auditors, forming part of this report.

The Board of Directors of the Company adopted the Code of Conduct and the same is posted on the Company's website.

The Directors and Senior Management personnel have affirmed their compliance with the said code.

SUB-DIVISION OF EQUITY SHARES

During the year, the Equity Shares of the Company of the face value of ₹ 10/- each fully paid-up were sub-divided into two Equity Shares of the face value of ₹ 5/- each fully paid up. The new share certificates of the face value of ₹ 5/- each were issued to the shareholders in respect of those who were holding the shares in physical form and were credited to the beneficiary accounts of those holding the shares in electronic form.

The shareholders who have not received their share certificates are requested to get in touch with the Company or share transfer agent to claim their certificates. In compliance with provision of Clause 5A of Listing agreement, the Company will after sending necessary reminders transfer the unclaimed shares to "Unclaimed suspense Account".

AUDITORS

M/s. A. G. Ogale & Co., Chartered Accountants, Pune Auditors of the Company will retire from the office of the Auditors at the conclusion of the ensuing Annual General Meeting and being eligible offer themselves for re-appointment. They have furnished a certificate of their eligibility for re-appointment u/s. 224 (1-B) of the Companies Act, 1956 and they are not disqualified under amended section 226(3)(e) of the said Act.

In terms of section 233(B) of Companies Act, 1956 the Central Government has prescribed cost audit for the product of the company. Board of Directors have approved the appointment of Shri A. P. Raman, Cost Accountant, subject to approval of Central Government. The cost auditor has confirmed his eligibility and independence to the Company.

LISTING FEES

The Company confirms that the Annual Listing Fees due to BSE Ltd. and National Stock Exchange of India Ltd. for the financial year 2012-13 have been paid.

CUSTODIAN CHARGES

The Company confirms that the Custodian Charges due to National Securities Depository Ltd., and Central Depository Services (India) Ltd., have been paid for the financial year 2012-13 as applicable and payable as per the SEBI circular in this regard.

PARTICULARS OF EMPLOYEES

Employees relations continued to be cordial throughout the year. The Directors appreciate the efforts put in by the employees at all the levels. As required by the provisions of Section 217(2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975 as amended, none of the employee draws salary in excess of ₹ 5,00,000/- per month, hence no disclosure required to be made.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION

A statement giving details of conservation of energy, technology absorption and foreign exchange earnings and outgo in accordance with the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 forms part of this report as **ANNEXURE 'A'**.

ACKNOWLEDGEMENT

Your Directors would like to express their appreciation for the assistance and co-operation received from the Shareholders, Bankers, Government Authorities, Export Promotion Council, Other Semi Government Authorities, Stock Exchanges, Customers, Dealers, Suppliers and Business Associates at all levels during the year under review. Your Directors also wish to place on record their appreciation for the committed services of the executives, staff and workers of the Company.

For and on behalf of the Board

Place: Mumbai
Date: 30th May, 2012

S. V. Kabra
Chairman & Managing Director

ANNEXURES TO DIRECTORS' REPORT

ANNEXURE 'A'

DISCLOSURE OF PARTICULARS WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO AS REQUIRED UNDER SECTION 217(1) (e) OF THE COMPANIES ACT, 1956, READ WITH THE COMPANIES (DISCLOSURE OF PARTICULARS IN THE REPORT OF BOARD OF DIRECTORS) RULES, 1988.

A. CONSERVATION OF ENERGY:

- (a) **Energy Conservation Measures taken:** The Company has installed the state of the art technology machines which are energy conservative.
- (b) **Additional Investments and proposals, if any, for reduction of consumption of energy:** None
- (c) **Impact of measures at (a) & (b) above:** With the sophisticated Plant & Machinery and on account of restructuring of machinery, the energy consumption for manufacturing masterbatches has been reduced.

B. TECHNOLOGY ABSORPTION:

Research and Development

The Company has in-house full-fledged Research & Development Department equipped with a wide range of lab machines, equipments, instruments and testing facilities that enables to deliver a broad spectrum of new & customized solution for tailor made product and formulations like bio-degradable masterbatches and masterbatches for BOPP Films, PP Yarns, Fibres etc.

with excellent price benefit ratio. The Company also has technical experts with latest technical know-how & innovative abilities focusing on upgradation of the existing masterbatches and development of new products. The manufacturing units are highly automatic and equipped with sophisticated laboratory facilities to conduct stringent tests.

We are proud to state that the In-house Research and Development facility of the Company has been registered with the Department of Scientific and Industrial Research and this is the first time any Company in masterbatch business that has this achievement.

During the year, the Company has spent ₹ 43.42 Lacs on Research & Product Development initiatives.

C. FOREIGN EXCHANGE EARNINGS AND OUTGO:

	(₹ in Lacs)
	2011-12
Foreign Exchange Earned	9,991.81
Foreign Exchange Used	11,614.70
	2010-11
	5,528.14
	9,863.18

For and on behalf of the Board

Place: Mumbai
Date: 30th May, 2012

S. V. Kabra
Chairman & Managing Director

MANAGEMENT DISCUSSION AND ANALYSIS

I. INDUSTRY STRUCTURE AND DEVELOPMENTS

Masterbatch are one of the essential ingredients used by plastic processing industry. It imparts colour and other various properties to the plastic products. Domestic masterbatch industry is expected to grow significantly as the per capita plastic consumption in India is very low.

The Indian Masterbatch Industry has a total capacity of 3,75,000 Tonnes per annum and is growing at a rate of around 15% driven by demand from packaging Industry, Plastic Products and cables & Pipes.

The demand for additive masterbatch and antifibrillation masterbatch has been increasing year after year and is expected to grow at a rate of 15-20% per annum in India

Your Company has been able to maintain its leadership position in masterbatch industry and is focussing on speciality, high-performance masterbatches. Plastiblends produces a wide variety of specialty masterbatches and has recently added bio-degradable masterbatches, antimicrobial masterbatches etc. to its portfolio.

Based on the excellent export performance for the immediately preceding three financial years, the Company was awarded the “Star Export House” status certificate by the Government of India

II. OPPORTUNITIES AND THREATS

As per Plastindia Foundation, the demand for plastics in India alone is expected to almost double over the next three years.

This poses as a significant opportunity for your company as demand for masterbatches is derived from growth in plastic consumption. There is increasing preference towards the use of plastics in different products due to convenience and cost factors. Plastics have aesthetic value, are light weight and provide same strength as wood and metal and hence a preferred choice.

The domestic and international competition, unfavorable government policies towards plastics use, wide fluctuation in foreign currency rate and rising crude oil prices are some of the risks faced by the plastic masterbatch industry. The Company has been successful in maintaining its leadership position by meeting customer requirements in terms of high quality, prompt services and performance oriented policies.

III. SEGMENT-WISE OR PRODUCT-WISE PERFORMANCE

Your Company operates in one segment only which includes wide range of masterbatches, compounds, colours, plastic products etc.

IV. BUSINESS OUTLOOK

Plastiblends believes that with increasing competition and potential of exports, suppliers offering high quality and specialty masterbatches are able to distinguish themselves in the industry.

With a dedicated R & D facility recognized by the Department of Scientific and Industrial Research (DSIR), the company continues to focus on innovation and adding value to existing product lines. The marketing activities continue with participation in various trade fairs including the Plastindia Exhibition, K-2010 etc. and this activity is going to form the core of strategic growth going forward.

Company consistently strives to maintain global quality standards, which has helped it penetrate the export markets. Plastiblends has emerged as a leading player with 60% market share in the organized segment and overall market share of 12%.

High performance masterbatches with a thrust on exports is expected to be a major growth driver for the company going forward.

V. RISK AND CONCERNS

There are a number of risks and concerns faced by the plastic masterbatch industry today. There is increasing competition from overseas manufacturers who are eager to establish their base in the growing market like India. Secondly rising crude oil prices and currency fluctuation are continuously putting pressure on the margins.

Foreseeable risks to the Company's assets are adequately covered by comprehensive insurance policies.

VI. INTERNAL CONTROL SYSTEM AND THEIR ADEQUACY

Your Company has a system of internal controls which is commensurate with the size and nature of operations. These controls ensure that all the assets are safeguarded and protected against loss from

unauthorised use or disposition and that the transactions are authorised, recorded and reported diligently. There are well established policies and procedures in place across your Company.

Internal Audit Team consists of well experienced members, which constantly review various aspects of control systems and conduct audit under well laid down audit programmes to ensure effectiveness of the controls. The said internal audit team continuously review the control system and undertakes audit of special areas in-depth.

VII. FINANCIAL HIGHLIGHTS WITH RESPECT TO OPERATIONAL PERFORMANCE

Particulars	(₹ in Lacs)		
	2011-12	2010-11	% Changes
Total Income	34,141.60	27,737.72	23.09
Profit after Tax	1,671.17	1,854.38	(9.88)

VIII. MATERIAL DEVELOPMENTS IN HUMAN RESOURCES/ INDUSTRIAL RELATIONS FRONT INCLUDING NUMBER OF PEOPLE EMPLOYED

The overall industrial relations during the year under review were peaceful. Contribution and co-operation from all levels of employees was excellent and the same has been appreciated & supported well by the management through its continuous & systematic training programmes.

IX. CAUTIONARY STATEMENT

Estimation and expectation made in the report may differ from actual performance due to various Economic Conditions, Government Policies and other related factors.

For and on behalf of the Board

Place: Mumbai

S. V. Kabra

Date: 30th May, 2012

Chairman & Managing Director

21st Annual Report 2011–12

REPORT ON CORPORATE GOVERNANCE

1. COMPANY'S PHILOSOPHY ON CODE OF GOVERNANCE

Your Company's activities are carried out in accordance with good corporate practices and the Company is constantly striving to better them and adopt best practices that would ensure efficient conduct of the affairs of the Company to achieve its goals and maximise value for all its stakeholders

2. BOARD OF DIRECTORS

A) Composition of Board of Directors

The present strength of the Board is Seven (7) Directors. The Board comprises of three (3) Executive and Four (4) Non-Executive Directors representing the optimum combination of professionalism, knowledge and business experience. The members

of the Board are acknowledged as leading industrialist and professionals in their respective fields. The Board is headed by Shri S.V.Kabra, Executive Chairman.

The Non-Executive Directors bring independent judgement in the Board's deliberations and decisions and constitute more than half of the total number of Directors

B) Board Meeting

Four (4) Board Meetings were held during the financial year 2011-12 on 30th May, 2011, 10th August, 2011, 9th November, 2011 and 14th February, 2012.

The information as required under Annexure I to Clause 49 of the Listing Agreement was made available to the Board.

Details of Composition, Status, Attendance at the Board Meetings and the last Annual General Meeting, number of other Directorship and other committee position held :

Sr. No.	Name of the Director	Position / Status	Attendance at		As on 31 st March, 2012		
			Board Meeting	Last AGM held on 30/08/11	Number of External Directorship held#	Number of Membership / Chairmanship in Board Committee across all the Company	
						Member	Chairman
1.	Shri S. V. Kabra \$	Executive Non-Independent	04	Yes	05	02	-
2.	Shri S. N. Kabra \$	Executive Non-Independent	03	Yes	05	-	-
3.	Shri A. S. Kabra €	Executive Non-Independent	04	Yes	06	-	-
4.	Shri H. S. Sanwal	Non-Executive Independent	04	Yes	07	-	04 *
5.	Shri P. R. Singhvi	Non-Executive Independent	04	Yes	03	01	-
6.	Shri Y. B. Vasudeo	Non-Executive Independent	04	Yes	02	-	-
7.	Shri S. K. Parab	Non-Executive Independent	04	Yes	01	04	-

\$ Shri S. V. Kabra and Shri S. N. Kabra are Promoters and are relatives within the meaning of Section 6 of the Companies Act, 1956 and Schedule 1-A appended to the said Act.

€ Shri A.S. Kabra is a relative of Shri S.V. Kabra within the meaning of Section 6 of the Companies Act, 1956 and Schedule 1-A appended to the said Act.

Includes directorship held in Private Limited Companies and Companies formed under Section 25 of the Companies Act, 1956.

* A Committee Member holding Chairmanship of the Audit and Shareholders Grievance Committee.

** No other Directors are related to each other within the

meaning of Section 6 of the Companies Act, 1956 and Schedule I-A appended to the said Act.

None of the Director on the Board is a Member on more than ten (10) committees and a Chairman of more than five (5) committees across all the Companies in which they are Directors and the necessary disclosures in this regards have been made by them.

3. AUDIT COMMITTEE

Terms of Reference:

The terms of reference of this Committee are wide enough covering the matters specified for Audit Committee under Clause 49 of the Listing Agreement as amended:

- Overseeing of the Company's financial reporting process and disclosure of financial information and financial/ risk management policies.
- Review of Quarterly and Annual Financial Statements ensuring compliance with regulatory guidelines before submission to the Board of Directors
- Review of the adequacy of Internal Control Systems and discussion on significant Internal Audit findings including internal control and weakness, if any.
- Recommend appointment, removal of statutory auditors, cost auditors & payment of fees to them and appointment of CFO/ Whole-Time Finance Director.
- Review Management Discussion and Analysis of financial condition and results of operation.
- Review areas of operation of internal audit team and their performance.
- Review the Statement of significant related party transaction.

Committee Composition:

The Committee comprises of three (3) Directors who are eminent professionals having expertise knowledge in the field of Finance, Accounts, Corporate Law and Business Management.

Name of Members	Qualification	Meetings Attended
Shri H. S. Sanwal, Chairman, Non-Executive Independent	M.Com, L.L.M., F.C.S., F.C.I.S. (London), F.C.C.S. (London)	04
Shri P. R. Singhvi, Member, Non-Executive Independent	B.Com , L.L.B.	04
Shri S. K. Parab, Member, Non-Executive Independent	B.Com , CAIIB.	04

Meeting and Attendance:

- The Audit Committee meetings were held four (4) times during the financial year 2011-12 on 30th May, 2011, 10th August, 2011, 9th November, 2011 and 14th February, 2012.
- The Chairman of the Audit Committee Shri H. S. Sanwal, was present at the Annual General Meeting held on 30th August, 2011 to answer the Shareholders' Queries.
- Quorum of the Committee is two (2) Independent Directors as Members.
- The internal auditor, head of finance and statutory auditors are permanent invitees at the meeting. The Company Secretary acts as a Secretary to the Committee.
- Minutes of each Audit Committee Meeting are placed before and discussed in the Board Meeting held subsequently.

4. REMUNERATION COMMITTEE, POLICY AND DETAILS OF REMUNERATION OF ALL THE DIRECTORS

Details of Remuneration to Directors

Non-Executive Directors were paid sitting fees of ₹ 20,000/- for each meeting of the Board, Audit Committee and ₹ 10,000/- for Shareholders'/Investors' Grievances Committee thereof attended by them during the financial year 2011-2012.

Non-Executive Directors were not paid any remuneration except sitting fees. The Company has no Stock Option Scheme for any of its Directors In view of above, the Board has not felt the need for a separate remuneration committee.

Details of remuneration paid to Shri S. V. Kabra and Shri S. N. Kabra, the Managing Directors and Shri Anand S. Kabra, Executive Director are as under:

(Amount in ₹)

Name of the Director	Basic Salary	Contribution to PF & FPF	Other Perks
Shri S. V. Kabra	19,80,000	1,53,000	77,671
Shri S. N. Kabra	30,37,500	2,43,000	-
Shri A. S. Kabra	36,80,000	2,88,000	3,60,000
Total	86,97,500	6,84,000	4,37,671

5. SHAREHOLDERS'/INVESTORS' GRIEVANCE COMMITTEE

Shareholders Grievance Committee specifically looks into redressing of Shareholders' and Investors' Complaints:

Chairman: Shri H. S. Sanwal

Compliance Officer: Mr. Himanshu Mhatre

Terms of Reference:

- To look into the redressing of Shareholders and Investors complaints regarding non-receipt of shares sent for transfer, non-receipt of dividend warrants and Annual Reports etc.
- To review the share transfer process and status of transfers pending registration.

Details of Investor's correspondence received and disposed during the financial year 2011-2012 are as under:

Sr. No.	Nature of Correspondence	Received	Disposed
1.	Change of address/Bank	21	21
2.	Revalidation of Dividend Warrants	143	143
3.	Loss of Share Certificates & Duplicate request	10	10
4.	Transmission of shares	05	05
	Total	179	179

Your Company is making all attempts to ensure that correspondences are expeditiously attended to the full

21st Annual Report 2011–12

satisfaction of the Shareholders. All valid share transfers have been processed in time and as on date no complaint of any of the above matter is pending.

6. GENERAL BODY MEETINGS

Particulars of last three (3) Annual General Meeting held are as follows:

Year	Date	Venue	Time
2008-09	06-08-2009	Hotel Karl Residency, Andheri (W), Mumbai-58	4:30 p.m.
2009-10	06-08-2010	-- do --	4:15 p.m.
2010-11	30-08-2011	-- do --	4:15 p.m.

Postal Ballot:

- No resolution was passed through postal ballot under the provision of Section 192A of the Companies Act, 1956 and the Companies (Passing of Resolutions by Postal Ballot) Rules, 2011.
- At the ensuing Annual General Meeting also, no resolution is proposed to be passed through postal ballot.
- The postal ballot exercise shall be conducted from time to time in terms of the provisions referred above in respect of matters where applicable.

7. DISCLOSURES

Disclosures regarding Materially Significant Related Party Transactions :

The Company has entered into contracts with concerns in which some of the Directors of the Company are deemed to be concerned / interested. However, these contracts are in the ordinary course of the Company's business. Directors have regularly made full disclosures to the Board of Directors regarding the nature of their interest in such concerns. Full particulars of the contract entered with such concerns in which Directors are directly or indirectly concerned or interested are recorded in the Register of Contracts maintained under Section 301 of the Companies Act, 1956 and the same is placed in every Meeting of Directors, for the noting and approval by the Board. Particulars of the Related Party Transactions have been disclosed in Note No. 37 of the accounts.

Disclosure regarding certain Non-Compliances related to Capital Markets

There are no penalties or strictures imposed on the company by the Stock Exchanges or SEBI or any statutory authorities relating to the above.

There were no instances of non-compliance of any matter related to the capital market during the last three (3) years

8. MEANS OF COMMUNICATION

- Half yearly results are not sent to each shareholder

as the same are published in leading English and Marathi newspapers

- Quarterly, Half Yearly and Annual Financial Results of the Company are sent to the Stock Exchange immediately after they have been approved by the Board. Quarterly and Annual Results are published in the prominent newspapers and also uploaded on company's website www.plastiblendsindia.com
- As per the requirements of Clause 52 of the Listing Agreement, all the data related to Quarterly, Annual Financial Results, Shareholding Pattern etc. are uploaded on www.corpfiling.co.in.
- Management Discussion and Analysis Report form the part of the Annual Report.

9. GENERAL SHAREHOLDERS INFORMATION

Annual General Meeting –

Day, Date & Time :

Thursday, 30th August, 2012 at 4.15 p.m.

Venue :

Hotel Karl Residency, 36, Lallubhai Park Road, Next to Lallubhai Park, Andheri (West), Mumbai-400 058

Date of Book Closure :

Thursday, 23rd August, 2012 to Thursday, 30th August, 2012 (both days inclusive)

Dividend Payment Date :

On or after 5th September, 2012, but within the statutory time limit

Reporting of Unaudited / Audited Financial Results : In respect of Financial Year 2012-2013 from 1st April, 2012 to 31st March, 2013

- First Quarter Results :
within 45 days from the end of the first quarter.
- Second Quarter Results with half Yearly results :
within 45 days from the end of the second quarter.
- Third Quarter Results :
within 45 days from the end of the Third quarter.
- Fourth Quarter Results or Audited Results for the year ended 31st March, 2013 :
within 60 days from the end of the Financial Year.
- Annual General Meeting (For the year 2012-2013) :
In accordance with Sec. 166 of Companies Act, 1956

LISTING ON STOCK EXCHANGE

Name	Address	Stock Code
BSE Ltd. (BSE)	Phiroze Jeejeebhoy Tower, Dalal Street, Mumbai – 400 001	523648
National Stock Exchange of India Ltd (NSE)	Exchange Plaza, Plot No. C/1, G- Block, Bandra-Kurla Complex, Bandra (E), Mumbai - 400 051	PLASTIBLEN

Annual Listing Fees for the Financial Year 2012-2013 have been paid to the above Stock Exchanges.

Stock Market Data: Monthly High/Low price of the Equity Shares of the Company during the financial year 2011-2012 with the volume traded on BSE & NSE.

Month	BSE Ltd			National Stock Exchange of India Ltd		
	High (₹)	Low (₹)	Volume	High (₹)	Low (₹)	Volume
April, 2011	233.00	163.50	52711	215.00	167.00	41540
May, 2011	211.00	185.50	27093	206.90	185.00	15882
June, 2011	219.90	199.25	38054	222.00	220.00	16565
July, 2011	217.75	200.00	26811	220.00	197.00	8897
August, 2011	210.00	173.30	22262	208.00	171.50	11618
September, 2011	199.95	170.00	11893	186.00	160.25	6356
October, 2011	185.20	155.10	13574	188.55	159.50	9787
November, 2011	193.65	141.55	12594	168.00	142.00	8659
December, 2011	164.95	130.00	12504	177.55	136.45	3137
January, 2012	171.95	144.00	13939	174.80	143.00	7685
February, 2012	192.20	85.00	138000	192.00	84.20	184909
March, 2012	89.90	72.00	55148	89.95	66.00	44025

Performance of share price of your Company in comparison to BSE Sensex for the Financial Year is presented in GRAPH on Inside Front Cover Page

Share Transfer Agent/ Connectivity Agent :

Sharex Dynamic (India) Pvt. Ltd.
Unit 1, Luthra Ind. Premises, Safed Pool, Andheri-Kurla
Road, Andheri (E), Mumbai -400072
Tel.:022-28515606, 28515644
Fax: 022-28512885 Email: sharexindia@vsnl.com

Share Transfer System :

All valid requests for share transfer have been processed and nothing is pending. Share Transfer Committee meets normally twice in a month or depending on volume of transfer. Share Certificates in physical mode are sent as statutorily provided.

Distribution of Shareholding as on 31st March, 2012

No. of Equity Shares	No. of Members	% of Total	Number of Shares	% of Shares
Upto- 100	1053	14.96	53748	0.41
101-200	3778	53.67	748659	5.76
201-500	927	13.17	352634	2.71
501-1000	708	10.06	563127	4.34
1001-5000	430	6.11	999319	7.69
5001-10000	68	0.97	490775	3.78
10001-100000	64	0.90	1861968	14.33
10001 & more	11	0.16	7924370	60.98
TOTAL	7039	100.00	12994600	100.00

Category of Shareholders as on 31st March, 2012

Category	Number of Shares	%	No. of Members	%
Promoters	7386342	56.84	10	00.14
Banks & FI	294370	2.27	3	0.04
PCB	504795	3.88	141	2.00
NRIs / OCBs	523304	4.03	72	1.02
Indian Public & Others	4285789	32.98	6813	96.80
TOTAL	12994600	100.00	7039	100.00

Reconciliation of Share Capital Audit Report:

Secretarial Audit is carried out every quarter and the report thereon were placed before the Board of Directors and submitted to the Stock Exchanges. The audit inter-alia confirms that the total listed and paid-up share capital of the Company is in agreement with the aggregate of the total number of shares in dematerialized form and total number of shares in physical form.

Mode of Holding	No. of Members	%	No. of Shares	%
Physical	2370	33.67	1064026	8.19
Electronic	4669	66.33	11930574	91.81
TOTAL	7039	100.00	12994600	100.00

21st Annual Report 2011–12

Share held by Non-Executive Directors as on 31st March, 2012:

Sr. No.	Name of the Non-Executive Directors	No. of Shares held
1.	Shri H. S. Sanwal	528
2.	Shri S. K. Parab (held as Joint Holder)	1000
3.	Shri P. R. Singhvi	200

Dr. Y. B. Vasudeo is not holding any Equity Shares of the Company.

- Details of use of Public Funds obtained in last three years**

No funds have been raised from public in last three years.

- Dematerialisation of Shares:**

As on 31st March, 2012 91.81% shares have been dematerialised.

- Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, its date of conversion and likely impact on Equity**

There are no outstanding instruments and hence there will be no dilution of the equity.

Plant Locations:

Daman Plant

Plot No.74/1,74/2,75/3 and 110 / 1, 3, 4, 5 & 6 Daman Industrial Estate, Kadaiya Village, Daman – 396 210

Unit at Roorkee

Khasara No. 216, Village–Raipur, Pargana : Bhagwanpur, Tehsil : Roorkee, Dist. : Haridwar, State : Uttarakhand – 247667

Address for Correspondence :

- Shareholders holding shares in physical mode are requested to lodge share transfer, transmission and intimate changes, if any, in their registered address, bank account and mandate details, residential status etc. quoting their folio number/(s) to Company's Share Transfer Agent at Sharex Dynamic (India) Pvt. Ltd., Unit 1, Luthra Ind. Premises, Safed Pool, Andheri – Kurla Road, Andheri (East), Mumbai – 400 072.

- Queries on Annual Report and Dividend be addressed to Secretarial Department, Plastiblends India Limited, 30, Shah Indl. Estate, Kolsite House, 2nd Floor, Off. Veera Desai Road, Andheri (West), Mumbai–400 053.

- Designated email id for investors :**

pbi_sd@kolsitegroup.com

- CIN :** L25200MH1991PLC059943

- ISIN :** INE083C01022

- COMPLIANCE :**

This section of the report together with the information given under Management Discussion and Analysis and brief resume of Directors to be appointed constitute a detailed Compliance Report on Corporate Governance.

The Company has complied with mandatory requirements of Corporate Governance. The Board would review implementation of non-mandatory requirements.

Auditors' Certificate regarding compliance of conditions of Corporate Governance is annexed to this report.

For and on behalf of the Board

Place: Mumbai
Date: 30th May, 2012

S. V. Kabra
Chairman & Managing Director

Declaration on Compliance of the Company's Code of Conduct:

The Company has framed a Code of Conduct for the Members of the Board of Directors and the Senior Management personnel's of the Company pursuant to Clause 49 of the Listing Agreement with Stock Exchanges to further strengthen corporate governance practice in the Company. They have affirmed compliance with the said code.

For and on behalf of the Board

Place: Mumbai
Date: 30th May, 2012

S. V. Kabra
Chairman & Managing Director

Brief Resume of Directors proposed to be re-appointed / appointed

Name	Shri Sudarshan K. Parab	Shri Haridas S. Sanwal
Age	64 Years	77 Years
Qualification	B.Com & CAIIB	M. Com, LL.M, F.C.S., F.C.I.S. (London), F.C.C.S. (London)
Experience	<ul style="list-style-type: none"> Over 30 years in Banking Industry Was associated with State Bank of India and retired as Sr. Vice-President and Head – Corporate Banking Operations of Axis Bank Ltd. 	<ul style="list-style-type: none"> Over 47 years in Management of Business, industry and corporate affairs Served in different management capacity including as an Executive Director of The West Coast Paper Mills Ltd., Mumbai
Nature of Expertise	<ul style="list-style-type: none"> Corporate Banking Operations Development of bank business and setting up of new branches and audit department Monitoring of credit portfolio and foreign exchange transactions. 	<ul style="list-style-type: none"> Management of business & industry Corporate Strategy & Affairs Corporate Laws & Taxation
Names of Other Companies in which holds Directorship	<ul style="list-style-type: none"> SRM Energy Limited 	<ul style="list-style-type: none"> Kabra Extrusiontechnik Ltd. All Purpose Consultations & Services Pvt. Ltd. Harekrishna Harerama Trading Company Pvt. Ltd. Welworth Investments & Trading Company Pvt. Ltd. Elegant Trading & Investments Company Pvt. Ltd. Ideal Consultancy Services Pvt. Ltd. See Diff Soft Solutions (India) Pvt. Ltd.
Name of the other Companies in which holds committee position	<ul style="list-style-type: none"> SRM Energy Limited 	<ul style="list-style-type: none"> Kabra Extrusiontechnik Ltd.

AUDITORS' CERTIFICATE

To,
The Members
Plastiblends India Limited

We have examined the compliance of conditions of Corporate Governance by Plastiblends India Limited, for the year ended on March 31, 2012, as stipulated in Clause 49 of the Listing Agreement of the said company with Stock Exchange.

The compliance of conditions of Corporate Governance is the responsibility of the Management. Our examination was limited to procedures and implementation thereof, adopted by the company for ensuring the compliance of conditions of the Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

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

We state that no investor grievances are pending for a period exceeding one month against the Company as per the records maintained by the Share Transfer and Shareholders / Investors Grievance Committee. We further state that such compliance is neither an assurance as to the further viability of the Company nor the efficiency or effectiveness with which the management has conducted the affairs of the Company.

FOR A. G. OGALE & CO.
Chartered Accountants

Pramod K. Gugale
(Partner)

M.No. 113775

Firm Regn. No 114115 W

Date: 30th May, 2012
Place: Mumbai

21st Annual Report 2011–12

AUDITOR'S REPORT

To,
The Members
Plastiblends India Ltd.
Mumbai,

We have audited the attached Balance Sheet of Plastiblends India Limited, Mumbai-400 053 as at 31st March, 2012 and also the Statement of Profit & Loss of the Company for the year ended on that date annexed thereto and also Cash Flow Statement for the year ended on that date. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

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

1. As required by Companies (Auditor's Report) Order 2003, issued by the Central Government in terms of section 227(4A) of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in the para 4 and 5 of the said order.
2. Further to our comments in the annexure referred to in para 1 above, we report that;
 - a) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purpose of our audit.
 - b) In our opinion, proper books of accounts as required by law have been kept by the Company so far as it appears from our examination of the Books of the Company.
 - c) The Balance Sheet, Statement of Profit & Loss and Cash Flow Statement dealt with by this report are in agreement with the Books of Accounts.
 - d) In our opinion, the Statement of Profit & Loss, Balance Sheet and Cash Flow Statement comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956.
 - e) On the basis of written representations received from the Directors as on 31st March, 2012, and taken on record by the Board of Directors, we report that none of the directors is disqualified as on 31st March, 2012 from being appointed as a director in terms of clause (g) of sub-section (1) of section 274 of the Companies Act, 1956 and
 - f) In our opinion and to the best of our information and according to explanations given to us, the said accounts read together with notes thereon give the information required under the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India :

- i) In the case of Balance Sheet, of the state of affairs of the Company as at 31st March, 2012 and
- ii) In the case of the Statement of Profit & Loss, of the profit for the year ended on that date and
- iii) In the case of Cash Flow Statement, of the cash flows for the year ended as on that date.

FOR A. G. OGALE & CO.
Chartered Accountants

Place: Mumbai
Date : 30th May, 2012

Pramod K. Gugale
Partner
M.No. 113775
Firm Regn. No. 114115 W

ANNEXURE TO THE AUDITOR'S REPORT

- (i) (a) The company has maintained proper records showing full particulars including quantitative details and situation of fixed assets.
- (b) All the assets have been physically verified by the management during the year. No material discrepancies were noticed on such verification. In our opinion the frequency of physical verification of fixed Assets is reasonable.
- (c) No substantial amount of Fixed Assets of the company has been disposed of during the year.
- (ii) (a) The inventory has been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
- (b) In our opinion and according to the information and explanations given to us the procedures of physical verification of inventory followed by the management are reasonable and adequate, considering the size of the company and the nature of its business.
- (c) The company has maintained proper records of inventories. As explained to us the discrepancies noticed on verification between physical stocks & book stocks were not material & the same have been properly dealt with in books of accounts.
- (iii) (a) The company has taken loan from twelve parties covered in the register maintained under section 301 of the Companies Act, 1956. The amount involved during the year was ₹976.58 lacs and the year-end balance was ₹1634.12 lacs. The maximum balance outstanding was ₹2345.13 lacs.
To a company covered in the register maintained under section 301 of Companies Act, 1956 the company has not granted any inter corporate deposits.
- (b) In our opinion, the rate of interest and other terms and conditions on which loans/inter corporate deposits have been taken from/granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956 are not, prima facie, prejudicial to the interest of the company.
- (c) The company is regular in repaying the principal amounts as stipulated and has been regular in the payment of interest.

- (d) There is no overdue amount of loans taken from or granted to companies, firms or other parties listed in the register maintained under section 301 of the Companies Act, 1956.
- (iv) In our opinion and according to the information and explanations given to us, there are adequate internal control procedures commensurate with the size of the company and the nature of its business with regard to purchase of inventory, fixed asset and with regard to the sale of goods. During the course of our audit, we have not observed any continuing failure to correct major weaknesses in internal controls.
- (v) (a) According to the information and explanations given to us we are of the opinion that the transactions that need to be entered into the register maintained under section 301 of the Companies Act, 1956 have been so 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 maintained under Section 301 of the Companies Act, 1956 and exceeding the value of ₹5,00,000/- in respect of each party during the year are either have been made at prices which are reasonable having regard to prevailing market prices at the relevant time or the prices at which transactions for similar goods or services have been made with other parties or as compared to the prices quoted by others, or such comparisons could not be made since there are no other suppliers of similar items.
- (vi) The Company has not accepted any deposit from the public.
- (vii) In our opinion and according to the information and explanations given to us, the company has an internal audit system commensurate with its size and nature of its business.
- (viii) The Central Government has prescribed for maintenance of cost records under section 209(1) (d) of the Companies Act, 1956 vide Notification (GSR 429(E)) issued by Ministry of Corporate Affairs dated 3rd June, 2011 and the Company has made and maintained such accounts and records.
- (ix) (a) According to the records of the company, the company is regular in depositing with appropriate authorities undisputed statutory dues including provident fund, investor education and protection fund, employees' state insurance, income tax, sales tax /VAT, wealth tax, custom duty, cess and other material statutory dues applicable to it. According to the information and explanations given to us, there are no arrears of statutory dues which have remained outstanding as at 31st March, 2012 for a period of more than six months from the date they became payable.
- (b) As set out in note no. 26, dues of service tax have not been deposited on account of various disputes.
- (x) There are no accumulated losses of the company. The Company has not incurred cash losses during the financial year covered by our audit and the immediately preceding financial year.
- (xi) In our opinion and according to the information and explanations given to us, the company has not defaulted in repayment of dues to a financial institution, bank or debenture holders
- (xii) According to the information and explanations given to us, the company has not granted loans and advances on the basis of security by way of pledge of shares, debentures and other securities.
- (xiii) In our opinion, the company is not a chit fund or a nidhi/ mutual benefit fund/society. Therefore, the provisions of clause 4(xiii) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xiv) In our opinion, the company is not dealing in or trading in shares, securities, debentures and other investments. Accordingly, the provisions of clause 4(xiv) of the Companies (Auditor's Report) Order, 2003 are not applicable to the company.
- (xv) According to the information and explanation given to us, the company has not given guarantees for loans taken by others from banks or financial institutions.
- (xvi) According to the information & explanation given to us, term loans were applied for the purpose for which loans were obtained.
- (xvii) According to the information and explanations given to us and on an overall examination of the balance sheet of the company, we report that the no funds raised on short-term basis have been used for long-term Investment.
- (xviii) According to the information and explanations given to us, the company has not made preferential allotment of shares to the parties and companies covered in the register maintained under section 301 of the Act.
- (xix) According to the information and explanations given to us during the period covered by audit report, the company had not issued debentures.
- (xx) The company has not made public issue during the year.
- (xxi) According to the information and explanations given to us, no fraud on or by the company has been noticed or reported during the course of audit.

For A. G. OGALE & CO
Chartered Accountants

Place: Mumbai
 Date: 30th May, 2012

Pramod K. Gugale
(Partner)
M.No. 113775
Firm Regn. No. 114115 W

21st Annual Report 2011–12

BALANCE SHEET AS AT 31st MARCH 2012

	Note No.	As At 31 st March, 2012	(₹ in Lacs) As At 31 st March, 2011
EQUITY AND LIABILITIES			
SHAREHOLDERS' FUNDS			
Share Capital	1	649.73	649.73
Reserves and Surplus	2	10,025.06	8,882.48
NON-CURRENT LIABILITIES			
Long Term Borrowings	3	1,634.12	1,506.85
Deferred Tax Liabilities (Net)	4	548.72	412.37
Other Long Term Liabilities	5	976.90	803.25
CURRENT LIABILITIES			
Short-Term Borrowings	6	3,293.63	3,235.98
Trade Payables	7	1,535.80	1,304.12
Other Current Liabilities	8	141.13	118.25
Short-Term Provisions	9	1,197.75	1,346.38
TOTAL		20,002.84	18,259.41
ASSETS			
NON-CURRENT ASSETS			
Fixed Assets	10		
Tangible Assets		5,923.82	5,827.88
Intangible Assets		98.48	-
Capital Work-In-Progress		124.53	3.59
Non Current Investments	11	371.40	398.74
Other Non Current Assets	12	30.14	22.27
CURRENT ASSETS			
Inventories	13	5,633.57	5,521.04
Trade Receivables	14	6,331.02	5,263.11
Cash and Cash Equivalents	15	143.72	93.79
Short Term Loans and Advances	16	1,153.95	1,061.09
Other Current Assets	17	192.21	67.90
TOTAL		20,002.84	18,259.41

Notes on Financial Statements

1 - 41

As per our report on even date

For and on behalf of the Board

For **A. G. OGALE & CO.,**
Chartered Accountants
Firm Registration No. : 114115W

S. V. KABRA
(Chairman & Mg. Director)

S. N. KABRA
(Vice Chairman & Mg. Director)

Pramod K. Gugale
(Partner)
Membership No. 113775

A. S. KABRA
(Executive Director)

H. S. SANWAL
(Director)

H. S. MHATRE
(Company Secretary)

P. R. SINGHVI
(Director)

Y. B. VASUDEO
(Director)

Place : Mumbai
Date : 30th May, 2012

Place : Mumbai
Date : 30th May, 2012

S. K. PARAB
(Director)

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

(₹ in Lacs)

	Note No.	Year Ended 31 st March, 2012	Year Ended 31 st March, 2011
Revenue from Operations	18	34,112.47	27,692.70
Other Income	19	29.13	45.02
Total Revenue		34,141.60	27,737.72
Expenses			
Cost of Material Consumed	20	24,819.34	20,104.62
Purchase of Stock-In-Trade		0.55	2.56
Changes in Inventory	21	(160.99)	(612.51)
Employee Benefits	22	976.83	831.48
Finance Cost	23	447.63	319.76
Depreciation and Amortization Expenses	10	401.26	365.29
Other Expenses	24	5,259.46	4,366.24
Total Expenses		31,744.08	25,377.44
Profit before Tax		2,397.52	2,360.28
Tax Expense			
Less: Current Tax		590.00	510.00
Deferred Tax		136.35	38.65
Add: Excess provision of earlier years written back		-	42.75
Profit / (Loss) for the year		1,671.17	1,854.38
Basic & Diluted Earning Per Share (In ₹)		12.86	14.27

Notes on Financial Statements

1 - 41

As per our report on even date

For and on behalf of the Board

For **A. G. OGALE & CO.,**
Chartered Accountants
Firm Registration No. : 114115W

Pramod K. Gugale
(Partner)
Membership No. 113775

H. S. MHATRE
(Company Secretary)

Place : Mumbai
Date : 30th May, 2012

S. V. KABRA
(Chairman & Mg. Director)

A. S. KABRA
(Executive Director)

P. R. SINGHVI
(Director)

Place : Mumbai
Date : 30th May, 2012

S. N. KABRA
(Vice Chairman & Mg. Director)

H. S. SANWAL
(Director)

Y. B. VASUDEO
(Director)

S. K. PARAB
(Director)

21st Annual Report 2011–12

CASH FLOW STATEMENT FOR THE YEAR ENDED 31st MARCH, 2012

Particulars	Year Ended 31 st March, 2012	(₹ in Lacs) Year Ended 31 st March, 2011
(A) CASH FLOW FROM OPERATING ACTIVITIES :		
Net Profit before Tax	2,397.52	2,360.28
Less Surplus on Sale of Investments	-	23.35
Dividend Received	22.75	17.47
	2,374.77	2,319.46
Add Adjustment for		
i) Depreciation	401.26	365.29
ii) Loss on Sale of Assets	1.07	0.37
iii) Interest Paid	447.63	319.76
	849.96	685.42
Net cash from Operation	3,224.73	3,004.88
Less Adjustment for Working Capital Charges		
i) Inventory	112.53	1,976.27
ii) Sundry Debtors	1,067.91	1,855.99
iii) Other Current Assets	-	-
iv) Loans and Advances	242.54	618.22
	1,422.98	4,450.48
Less Trade Payable and Provisions	273.15	957.86
	1,149.83	3,492.62
	2,074.90	(487.74)
Less Interest Paid	447.63	319.76
Income Tax Paid	568.21	506.81
TOTAL (A) :	1,059.06	(1,314.31)
(B) CASH FLOW FROM INVESTING ACTIVITIES :		
Sale of Assets	6.12	1.74
Dividend Received	22.75	17.47
Sale of Investments / Refund of Capital	2,072.90	210.16
	2,101.77	229.37
Less i) Purchase of Fixed Assets including Capital W.I.P.	723.82	328.48
ii) Investment Made	2,045.56	-
	2,769.38	328.48
TOTAL (B) :	(667.61)	(99.11)
(C) CASH FLOW FROM FINANCING ACTIVITIES		
Proceeds from :		
I C D Taken	329.50	545.50
Secured Loans	57.65	1,371.95
Fixed Deposits Received	647.08	324.70
	1,034.23	2,242.15
Less I C D Repaid	151.00	40.00
Repayment of Fixed Deposits	698.30	362.75
Dividend Paid	526.45	454.15
	1,375.75	856.90
TOTAL (C) :	(341.52)	1,385.25
(D) NET INCREASE / (DECREASE) IN CASH AND CASH EQUIVALENTS :	49.93	(28.17)
(E) CASH AND CASH EQUIVALENTS		
Opening Balance as on 01.04.2011	93.79	121.96
Closing Balance as on 31.03.2012	143.72	93.79

As per our report on even date

For and on behalf of the Board

For **A. G. OGALE & CO.,**
Chartered Accountants
Firm Registration No. : 114115W

Pramod K. Gugale
(Partner)
Membership No. 113775

H. S. MHATRE
(Company Secretary)

Place : Mumbai
Date : 30th May, 2012

S. V. KABRA
(Chairman & Mg. Director)

A. S. KABRA
(Executive Director)

P. R. SINGHVI
(Director)

Place : Mumbai
Date : 30th May, 2012

S. N. KABRA
(Vice Chairman & Mg. Director)

H. S. SANWAL
(Director)

Y. B. VASUDEO
(Director)

S. K. PARAB
(Director)

Notes to Accounts forming part of the Balance Sheet as at 31st March, 2012 and Statement of Profit and Loss for the year ended 31st March, 2012

Significant Accounting Policies

A Basis of Accounting

The financial statements are prepared on an accrual basis in accordance with generally accepted accounting principles under the historical cost convention.

B Fixed Assets, Depreciation

Fixed assets are stated at cost less accumulated depreciation and impairment losses, if any. Cost includes all expenditure necessary to bring the asset to its working condition for its intended use. Borrowing cost attributable to acquisition and installation of fixed assets are capitalised and included in cost of fixed assets.

Depreciation on fixed assets is computed on the straight-line method at rates prescribed under Schedule XIV of the Companies Act, 1956.

From the financial year 2010-11, Individual assets valuing for less than ₹ 5,000/- are entirely depreciated in the year of acquisition.

Intangible Fixed Assets and Amortization

Intangible assets, have finite useful life and are amortized over expected useful economic life.

C Investments (Non-current)

Investments are Long term and are carried at cost. There is no permanent diminution in value.

D Current Assets:

a. Inventories

Raw Material, Finished Goods and Work in progress are valued on FIFO basis, at cost or market value, whichever is less and is net of CENVAT and VAT (Finished goods are valued at cost or market value, whichever is less and is inclusive of central excise duty thereon.) Cost includes cost of conversion and other costs incurred in bringing the inventories at their present location and condition. Cost of conversion for the purpose of valuation of WIP and finished goods includes fixed and variable production overheads incurred in converting the material into their present condition and location. Stock-in-Trade is valued at cost.

b. Sundry Debtors, Loans and Advances are stated after making adequate provisions for doubtful debts, if any.

E. Revenue Recognition

Revenue comprises sale of Masterbatches, DEPB License, Labour Charges, Traded items, interest and dividend. Revenue in respect of sale of goods is recognised at the time of despatch of goods from factory. Revenue is disclosed exclusive of sales tax, service tax, VAT or other taxes, as applicable.

Income from Investment

- i) Dividend income is recognized when the Company's right to receive dividend is established.
- ii) Interest is accrued over the period of investment.

F Foreign Currency Transactions

Transactions in foreign currencies are normally recorded at the exchange rate prevailing on the date on which transaction occurred. Outstanding balances of foreign currency monetary items are reported using the period end rates. Exchange differences arising as a result of the above are recognised as income or expense in the Statement of Profit and Loss except the following.

In pursuance to Notification No. G.S.R. 225 (E) 31.03.2009 issued by the Ministry of Corporate Affairs for amending Accounting Standard 11 "The Effect of Changes in Foreign Exchange Rates", the Company has opted the option of capitalising Foreign Exchange gain/loss on long term foreign currency monetary assets.

G Payments and Benefits to Employees

- (a) Short term employee benefits are recognized as an expense in the Statement of Profit and Loss of the year in which the employee has rendered services.
- (b) Post employment and other long term benefits are recognised as an expense in the Statement of Profit & Loss of the year in which the employee has rendered services. The expense is recognised at the present value of the amounts payable determined using actuarial valuation. Actuarial gains and losses in respect of post employment and other long term benefits are charged to the Statement of Profit & Loss.

H Operating Lease

Assets acquired on lease where a significant portion of the risks and rewards of ownership are retained by the lessor are classified as operating lease. Lease rentals are charged off to the Statement of Profit & Loss as incurred.

I Tax Expense

Current tax is measured after taking into consideration, the deductions and exemptions admissible under the provisions of the Income Tax Act, 1961.

Deferred tax is accounted for by computing the tax effect of timing differences which arise between book profits and tax profits and is accounted for at current rates of tax. Deferred tax assets are recognised only to the extent that there is reasonable certainty that sufficient future taxable income will be available against which such deferred tax assets can be realised.

J Provisions and Contingent Liabilities

The Company creates a provision when there is present obligation as a result of a past event that probably requires an outflow of resources and a reliable estimate can be made of the amount of the obligation. A disclosure for a contingent liability is made when there is a possible obligation that may, but probably will not, require an outflow of resources. When there is a possible obligation or a present obligation in respect of which the likelihood of outflow of resources is remote, no provision or disclosure is made.

21st Annual Report 2011–12

	(₹ in Lacs)	
	As At 31 st March, 2012	As At 31 st March, 2011
1. SHARE CAPITAL		
Authorised Capital		
2,00,00,000 Equity Shares of ₹ 5/- Each (Previous year 1,00,00,000 Equity Shares of ₹10/- each)	1,000.00	1,000.00
Issued, Subscribed and Paid-up		
1,29,94,600 Equity Shares of ₹ 5/- each (upon sub-division) (previous year 64,97,300 Equity Shares of ₹10/-each)	649.73	649.73
	649.73	649.73
Reconciliation of number of Equity Shares outstanding at the beginning and at the end of the year		
Number of Shares Outstanding at the beginning of the year	6497300	6497300
Add : Number of Shares allotted during the year upon Sub-division	6497300	-
Less : Number of Shares Outstanding at the end of the year	-	-
	12994600	6497300
Shares in the company held by each shareholder holding more than 5 % Shares	2011-12	2010-11
	No. of Share	No. of Share
1. Kabra Extrusiontechnik Ltd.	1992200	996100
2. Varun Satyanarayan Kabra	1105204	552602
3. Anand Shreevallabh Kabra	1063924	531962
4. Kolsite Maschine Fabrik Pvt. Ltd.	1019146	509573
5. Shreevallabh Gopilal Kabra	679836	329918
	5.23	5.08
2. RESERVES AND SURPLUS		
Capital Reserves	0.23	0.23
General Reserves		
Opening Balance	2,205.62	1,205.62
Transferred from Statement of Profit & Loss	170.00	1,000.00
	2,375.62	2,205.62
Statement of Profit & Loss	6,676.63	6,350.84
Add : Profit for the year	1,671.17	1,854.38
Less : Transfer to General Reserve	170.00	1,000.00
Proposed Dividend on Equity Shares	454.81	454.81
Tax on Dividend	73.78	73.78
	7,649.21	6,676.63
	10,025.06	8,882.48
3. LONG - TERM BORROWINGS		
(Unsecured)		
Inter Corporate Deposit	960.75	782.25
Fixed Deposits	673.37	724.60
	1,634.12	1,506.85
Note : There is no default, continuing or otherwise as at the Balance Sheet date, in repayment of any of the above loans.		
4. DEFERRED TAX LIABILITIES (NET)		
Deferred Tax Liability (Previous Year)	412.37	373.71
Deferred Tax Liability (Current Year)	136.35	38.66
	548.72	412.37

(₹ in Lacs)

5. OTHER LONG - TERM LIABILITIES

Security Deposits From Dealers
Others

As At
31st March, 2012
As At
31st March, 2011
970.45

790.16

6.45

13.09

976.90
803.25
6. SHORT - TERM BORROWINGS

Working Capital Facility from Banks (Secured)

3,293.63

3,235.98

3,293.63
3,235.98

Note : Secured by hypothecation of Stock and Book Debts both present and future of the Company and collaterally secured by charges on fixed assets of the Company ranking pari-passu in favour of State Bank of India, HDFC Bank Ltd. and DBS Bank Ltd.

7. TRADE PAYABLES

Creditors for Raw Material
Creditors for Others

610.77

862.24

925.03

441.88

1,535.80
1,304.12
8. OTHER CURRENT LIABILITIES

Other liabilities
Unclaimed Dividend

100.28

79.53

40.85

38.72

141.13
118.25
9. SHORT - TERM PROVISIONS

Provisions for Expenses
Provisions for Leave Encashments
Provisions for Gratuity
Proposed Dividend
Distribution Tax on Dividend
Provision for Income Tax (Net of Tax Paid)

552.62

689.91

82.18

51.98

30.06

75.90

454.81

454.81

73.78

73.78

4.30

-

1,197.75
1,346.38
10. FIXED ASSETS

FIXED ASSETS	GROSS BLOCK				DEPRECIATION/AMORTISATION				NET BLOCK	
	As At 01.04.2011	Additions	Disposals	As At 31.03.2012	Up To 01.04.2011	For the year	On disposal	As At 31.03.2012	As At 31.03.2012	As At 31.03.2011
Tangible Assets										
Land	259.01	18.14	-	277.15	-	-	-	-	277.15	259.01
Building	1,972.74	67.79	-	2,040.53	319.99	65.64	-	385.63	1,654.90	1,652.75
Plant and Machinery	5,311.72	301.38	1.10	5,612.00	1,842.31	285.05	0.35	2,127.01	3,484.99	3,469.41
R & D Equipments	131.67	49.89	-	181.56	35.21	7.33	-	42.54	139.02	96.46
Furniture and Fixture	150.53	5.96	-	156.49	80.87	5.91	-	86.78	69.71	69.66
Vehicles	105.96	35.01	27.76	113.21	49.96	10.02	21.94	38.04	75.17	56.00
Electrical Fittings	178.94	0.58	-	179.52	51.51	8.52	-	60.03	119.49	127.43
Office Equipments	195.45	21.48	0.97	215.96	98.29	14.63	0.35	112.57	103.39	97.16
Sub Total	8,306.02	500.23	29.83	8,776.42	2,478.14	397.10	22.64	2,852.60	5,923.82	5,827.88
Intangible Assets										
Software	-	102.64	-	102.64	-	4.16	-	4.16	98.48	-
Sub Total	-	102.64	-	102.64	-	4.16	-	4.16	98.48	-
Capital WIP	3.59	723.82	602.87	124.53	-	-	-	-	124.53	3.59
Grand Total	8,309.61	1,326.69	632.70	9,003.59	2,478.14	401.26	22.64	2,856.76	6,146.83	5,831.47
Total Previous Year	7,984.13	1,277.41	904.36	8,357.18	2,113.75	365.29	0.89	2,478.15	5,879.03	5,870.38

There are no impairment losses/reversals during the year.

21st Annual Report 2011–12

	(₹ in Lacs)	
	As At 31 st March, 2012	As At 31 st March, 2011
11. NON - CURRENT INVESTMENTS : (Valued at Cost)		
NON TRADE INVESTMENT		
Investments in Shares		
a) 8,27,372 Equity Shares of ₹ 5/-each of M/s Kabra Extrusiontechnik Ltd.	46.91	46.91
b) 12,450 Equity Shares of ₹ 10/-each of State Bank of Travancore	23.23	23.23
Unquoted Investments fully paid up		
a) Urban Infrastructure Opportunity Fund - Growth Plan 300 Units @ ₹ 91,500 each (P.Y. ₹ 0.99 Lacs)	274.50	299.80
b) Urban Infrastructure Opportunity Fund - Growth Plan 24 Units @ ₹ 1,11,500 each (P.Y. ₹ 1.20 Lacs)	26.76	28.80
	371.40	398.74
Notes :		
Aggregate Value of Quoted Investments	70.14	70.14
Market Value of Quoted Investments	349.52	585.00
Aggregate Value of Unquoted Investments	301.26	328.60
Aggregate provision made for diminution in value	Nil	Nil
12. OTHER NON - CURRENT ASSETS		
Deposits	30.14	22.27
	30.14	22.27
13. INVENTORIES		
Raw Materials	2,984.78	3,068.46
Packing Materials	53.30	31.24
Work-in-Process	308.77	457.80
Finished Goods	2,258.16	1,948.15
Stock-In-Trade	28.56	15.39
	5,633.57	5,521.04
14. TRADE RECEIVABLES		
Trade Receivable		
Outstanding for the period more than six months	223.75	384.21
Outstanding for the period less than six months	6,107.27	4,878.90
	6,331.02	5,263.11
Directors	-	-
Other officer of the Company	-	-
Firm in which Director is a partner	8.72	3.57
Private Company in which Director is a member	1.10	2.20
	9.82	5.77
15. CASH AND CASH EQUIVALENTS		
Balance with Banks	32.58	33.08
Earmarked Balances		
Margin Money	66.22	20.27
Unclaimed Dividend Account	40.85	38.72
Cash in Hand	4.07	1.72
	143.72	93.79

	(₹ in Lacs)	
	As At 31 st March, 2012	As At 31 st March, 2011
16. SHORT - TERM LOANS AND ADVANCES		
(Unsecured and considered good)		
A. Loans and advances to related parties	-	-
B. Others		
Advances recoverable in cash or kind	44.51	17.15
Advance Tax and TDS (Net of provision)	-	17.50
Advances to suppliers	566.64	505.05
Capital advances to suppliers	29.27	47.57
Balance with Government Authorities	469.64	433.27
Prepaid expenses	43.89	40.55
	1,153.95	1,061.09
17. OTHER CURRENT ASSETS		
Others	192.21	67.90
	192.21	67.90
	Year Ended 31 st March, 2012	Year Ended 31 st March, 2011
18. REVENUE FROM OPERATIONS		
Sales of Products	36,790.90	29,926.64
Less : Excise Duty	2,748.90	2,300.00
	34,042.00	27,626.64
Other Operating Revenues	17.67	8.70
Sales of Services	52.80	57.36
	34,112.47	27,692.70
19. OTHER INCOME		
Dividend Income	22.75	17.47
Net Gain / (Loss) on Sale of Investments	-	23.34
Rent Received	3.60	3.60
Other	2.78	0.61
	29.13	45.02
20. COST OF MATERIAL CONSUMED		
Raw Material Consumed	24,491.52	19,819.37
Packing Material Consumed	327.82	285.25
	24,819.34	20,104.62
21. CHANGES IN INVENTORIES OF FG AND WIP		
STOCK AT CLOSE		
Finished Goods	2,258.16	1,948.14
Work-in-Progress	308.77	457.80
	2,566.93	2,405.94
STOCK AT BEGINNING		
Finished Goods	1,948.14	1,543.20
Work-in-Progress	457.80	250.23
	2,405.94	1,793.43
	(160.99)	(612.51)
22. EMPLOYEE BENEFITS EXPENSES		
Salaries and Wages	754.18	589.02
Contribution to Provident and Other Funds	129.11	163.42
Welfare Expenses	93.54	79.04
	976.83	831.48

21st Annual Report 2011–12

	(₹ in Lacs)
	As At
	31 st March, 2012
23. FINANCE COST	
Interest Cost	156.22
Other Borrowing Cost	291.41
	<u>447.63</u>
24. OTHER EXPENSES	
Stores and Spares Consumed	339.27
Power and Fuel Consumed	853.31
Repairs to Plant and Machinery	40.81
Repairs to Building	15.65
Repairs to Others	27.00
Insurance	37.29
Rent	127.47
Travelling Expenses	
Directors	17.68
Others	102.12
Postage, Telephone	32.53
Commission on Sales	1,649.22
Discount on Sales	722.97
Carraige Outward	474.21
SAP Training Expenses	59.38
Advertisements	8.35
Legal and Professional Charges	157.56
Exchange Fluctuation Received	(1.75)
Factory Expenses	46.50
Clearing Charges on Export	112.77
R & D Expenses	43.42
Miscellaneous Expenses	393.70
	<u>5,259.46</u>
	<u>4,366.24</u>

25 Capital Commitments

Estimated amount of contracts remaining to be executed on capital account and not provided for is ₹ 70.47 Lacs (Previous year ₹ 45.61 Lacs)

	(₹ in Lacs)
	As At
	31 st March, 2012
26 Contingent Liabilities not provided for:	
Bank Guarantees	106.80
Letter of Credit	425.88
Fixed deposits shown under the head cash and cash equivalents include deposits pledged with the banks as margins to secure letters of credit and guarantees issued by banks	6.00
Net amount	<u>526.68</u>
Disputed income tax demand	24.95
Service tax matter under dispute	<u>402.97</u>
	<u>394.23</u>

27 Amount Due to Small, Medium and Micro Enterprises:

Company is in process of inviting information from its vendors for their status under "The Small, Medium and Micro Enterprises Development Act, 2006", however in absence of any information, no disclosures have been made in this regards.

(₹ in Lacs)

28 Value of imported and indigenous raw materials consumed

Imported (Including custom duty)
Indigenous
TOTAL

Year Ended 31 st March, 2012		Year Ended 31 st March, 2011	
Value	%	Value	%
11,809.82	48.22	9,763.99	49.26
12,681.70	51.78	10,055.38	50.74
24,491.52	100.00	19,819.37	100.00

29 Details of raw materials consumed

Polymer
Titanium Dioxide
Pigment
Others
TOTAL

11,942.01	10,043.80
4,536.26	3,420.37
3,716.52	2,797.66
4,296.73	3,557.54
24,491.52	19,819.37

30 CIF value of imports:

Purchase of Raw Material
Purchase of Capital Goods
Purchase of Stores and Spares
TOTAL

11,407.14	9,693.46
75.62	-
42.06	-
11,524.82	9,693.46

31 Earnings in foreign currency:

FOB Value of Exports

9,991.81	5,528.14
----------	----------

32 Expenditure in foreign currency:

Travelling Expenses
Commission
Sales Promotion
Bank charges on export
TOTAL

16.22	17.99
71.70	143.15
0.53	-
1.43	8.58
89.88	169.72

33 Remittance in foreign currency on account of dividend to non-resident shareholders

No. of shareholders
No. of shares on which dividend is paid
Year to which dividend relates
Amount of Dividend

1.00	1.00
114900	114900
31.03.2011	31.03.2010
8.04	6.89

34 Auditor's remuneration (Net of Service Tax):

Audit Fees
Tax Audit Fees
Other Services
Reimbursement of out-of-pocket expenses
TOTAL

0.80	0.80
0.20	0.20
1.25	0.50
0.47	0.24
2.72	1.74

35 Disclosure in pursuance of Accounting Standard – 15 (Revised) on "Employee Benefits"
a) Compensated Leave:

Privilege leave entitlements are recognised as liability in the calendar year of rendering of service as per rules of the Company. As accumulated leave can be availed and / or encashed at any time during the tenure of employment, the liability is recognised at the higher of the actual accumulated obligation or actuarially determined value.

b) Gratuity is administered through group gratuity scheme with Kotak Life Insurance under Kotak Gratuity Group Plan.

21st Annual Report 2011–12

36 Information about Business Segments

The company is operating in only one segment i.e. manufacturing of masterbatches.

37 Related Party Disclosures

(a) List of related parties and relationships:

A. Associate Concern and Promoter Companies

Kabra Extrusiontechnik Ltd.

B. Enterprise over which key management personnel exercise significant influence.

Ganges Urethane LLP, Kabra Gloucester Engineering Ltd., Kolsite Industries, Kolsite Maschine Fabrik Pvt. Ltd., Kolsite Packaging Systems Pvt. Ltd., Maharshree Plastic Industries Pvt. Ltd., Maharastra Plastic Industries, Maharashtra Plastic & Industries, Rambalab Ramnaran, Smartech Global Solutions Ltd., Wonderworld Resorts Ltd.,

C. Key Management Personnel and Relatives

Shri S. V. Kabra-Chairman and Managing Director, Shri S. N. Kabra-Vice Chairman and Managing Director, Shri A. S. Kabra-Executive Director, Shri Varun S. Kabra, Smt Veenadevi S. Kabra, Smt Saritadevi S. Kabra, Smt Ekta A. Kabra, Miss Khushi A. Kabra

(b) Related party transactions:

(₹ in Lacs)

Particulars	Associate concerns		Enterprises over which KMP exercise significant influence		Key Management Personnel and Relatives of KMP		Total	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
1. Sales and other Income	148.81	152.36	-	-	-	-	148.81	152.36
2. Purchases and services	238.76	241.04	120.80	81.36	-	-	359.56	322.40
3. Purchase of assets	254.51	129.72	2.97	-	-	-	257.48	129.72
4. Directors sitting charges	-	-	-	-	5.30	3.20	5.30	3.20
5. Interest paid during the year	95.68	45.10	0.86	1.48	99.62	71.37	196.16	117.95
6. Deposits received	329.50	545.50	30.00	-	617.08	324.70	976.58	870.20
7. Deposits repaid	151.00	40.00	30.00	110.00	668.31	252.75	849.31	402.75
8. Rent paid	129.73	120.80	-	-	6.36	6.36	136.09	127.16
9. Salaries paid	-	-	-	-	98.19	76.33	98.19	76.33

(c) Balance outstanding at the end of financial year:

(₹ in Lacs)

Particulars	Subsidiaries, Associate Companies & Promoter Companies		Enterprises over which KMP exercise significant influence		Key Management Personnel and Relatives of KMP		Total	
	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11	2011-12	2010-11
Debit Balances outstanding								
Debtors	1.10	2.20	8.72	3.57	-	-	9.82	5.77
Credit Balances outstanding								
Loans Taken	960.75	782.25	-	-	673.37	724.60	1,634.12	1,506.85
Creditors	3.67	13.82	-	38.62	-	-	3.67	52.44

	(₹ in Lacs)	
	Year Ended 31 st March, 2012	Year Ended 31 st March, 2011
38 Disclosure for operating leases:		
The Company has taken on lease factory at Daman & residential flats for employees under operating leases. The lease payments to be made in respect of non cancellable lease in future are as follows:		
Lease payment debited to Statement of Profit & Loss (Net of Service Tax)	90.65	118.61
Lease obligation		
Up to 1 year	95.19	124.54
Greater than 1 year but less than 5 years	-	84.99
TOTAL	95.19	209.53
39 Statement of computation of Deferred Tax Liabilities /Assets (Net)		
A) Deferred Tax Liability		
a. Depreciation	725.16	584.86
TOTAL(A)	725.16	584.86
B) Deferred Tax Assets	-	-
a. Difference in valuation of closing stock	149.78	155.63
b. Provision for Employee Benefit	26.66	16.86
TOTAL (B)	176.44	172.49
Deferred Tax (Assets) / Liability (A-B) as on 31.03.2012	548.72	412.37
Net Deferred Tax (Assets) / Liability as on 1.04.2011	412.37	373.71
Deferred Tax Expense / (benefit) recognised in Statement of Profit & Loss	136.35	38.65
40 Earnings Per Share		
The earnings per share have been computed in accordance with the "AS 20".		
Profit / (Loss) after Tax	1,671.17	1,854.38
Profit / (Loss) attributable to Equity Shareholders	1,671.17	1,854.38
Adjusted number of ordinary shares, (face value ₹ 5/-)	12994600	12994600
Basic & Diluted Earning Per Share - (in ₹)	12.86	14.27
Note :- During the year the shares of the Company are sub-divided from the face value of ₹ 10/- each to the face value of ₹ 5/- each. As per AS 20 : (Earning Per Share) Share split is considered as event occurred at the beginning of the reporting period accordingly EPS for last year has been restated		

41 Previous year's figures have been regrouped/recast wherever necessary

As per our report on even date

For **A. G. OGALE & CO.,**
Chartered Accountants
Firm Registration No. : 114115W

Pramod K. Gugale
(Partner)
Membership No. 113775

H. S. MHATRE
(Company Secretary)

Place : Mumbai
Date : 30th May, 2012

For and on behalf of the Board

S. V. KABRA
(Chairman & Mg. Director)

A. S. KABRA
(Executive Director)

P. R. SINGHVI
(Director)

Place : Mumbai
Date : 30th May, 2012

S. N. KABRA
(Vice Chairman & Mg. Director)

H. S. SANWAL
(Director)

Y. B. VASUDEO
(Director)

S. K. PARAB
(Director)

21st Annual Report 2011–12

Notes

[illegible]



PROXY FORM

Folio No.: DP ID No. : Client A/c No:

I/Weof.....

being a member/(s) of Plastiblends India Limited, hereby appoint.....

of or failing him/her

ofas my/our proxy to attend and vote for me/us on my/our behalf at the Twentyfirst Annual General Meeting of the Company to be held at Hotel Karl Residency, 36, Lallubhai Park Road, Next to Lallubhai Park, Andheri (West), Mumbai-400 058 on Thursday, the 30th day of August, 2012 at 4.15 p.m. and/or at any adjournment thereof.

Signed this day of2012

Revenue
stamp of
Re. 1

(Signature)

- Notes :**
1. The form should be signed across the stamp as per specimen signature recorded with the Company.
 2. The Proxy form duly completed must reach the Registered Office of the Company not less than forty-eight hours before the aforesaid Meeting.
 3. A Proxy need not be a Member of the Company.



ATTENDANCE SLIP

Folio No.: DP ID No. : Client A/c No:

I hereby record my presence at the Twentyfirst Annual General Meeting of Plastiblends India Limited held at Hotel Karl Residency, 36, Lallubhai Park Road, Next to Lallubhai Park, Andheri (West), Mumbai-400 058 on Thursday, the 30th day of August, 2012 at 4.15 p.m. and/or at any adjournment thereof.

1. Name of the Shareholder/Proxy.....

2. Signature of the Shareholder/Proxy attending the Meeting

Note : Shareholder/Proxy attending the Meeting must fill-in this Attendance Slip and hand it over at the entrance of the venue of the Meeting.

This page is intentionally left blank



PLEXCONCIL award ceremony



PLEXCONCIL Top Exporter of Masterbatch award for the year 2009-10 and 2010-11



Star Export House Status Certificate



Corporate Office

Plastiblends India Ltd, Kolsite House, 30 Shah Industrial Estate, Dattaji Salvi Marg, Off. Veera Desai Road, Andheri (W), Mumbai - 400 053. India
Tel.: +91 22 67205200, +91 22 26736468 / 9 **Fax:** +91 22 26736808 **Email:** pbi@kolsitegroup.com **Web:** www.plastiblendsindia.com

Works

Khasara No.216, Village Raipur, Pargana : Bhagwanpur, Tehsil : Roorkee, Distt. Haridwar, Uttarakhand - 247 667. India
Tel.: +91 1332 235046 / 7 **Fax:** +91 1332 235045

Kadaiya Village, Daman - 396 210
Tel.: +91 260 222 1772 / 1774 **Fax:** +91 260 222 1771

