

**20th
Annual Report
2011 - 2012**



fine Plast Polymers limited

FINE PLAST POLYMERS LIMITED

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FINE PLAST POLYMERS LIMITED

BOARD OF DIRECTORS:

Mr. K RATNAKARARAO : Whole Time Director
Mr. P MASTAN RAO : Non-Executive Director
Mr. J NAGABHUSHANARAO : Independent Director
Mr. B V BHASKARA KRISHNA : Independent Director

Mr. CHDVV PRASAD : Chief Financial Officer

AUDIT COMMITTEE:

Mr. B V BHASKARA KRISHNA : Chairman
Mr. J NAGABHUSHANARAO : Member
Mr. P MASTAN RAO : Member

REMUNERATION COMMITTEE:

Mr. J NAGABHUSHANARAO : Chairman
Mr. P MASTAN RAO : Member
Mr. B V BHASKARA KRISHNA : Member

INVESTOR GRIEVANCE COMMITTEE:

Mr. K RATNAKARARAO : Chairman
Mr. B V BHASKARA KRISHNA : Member
Mr. J NAGABHUSHANARAO : Member

REGISTERED OFFICE:

A-108, Sri Saidatta Apartments,
Srinivasa Nagar (East)
Ameerpet, Hyderabad - 500038

FACTORY:

324, APIIC Growth Centre, Annangi,
Prakasam Dist, AP

AUDITORS:

M/s. Sanjeeva Rao & Associates
Chartered Accountants
Besides Axis Bank, S R Nagar
Hyderabad- 500038

BANKERS:

Andhra Bank
Karur Vysya Bank

LISTED AT:

Bombay Stock Exchange Limited

REGISTRARS & SHARE TRANSFER AGENT:

Aarathi Consultants Private Limited
1-2-285, Domalguda, Hyderabad – 500029, AP

FINE PLAST POLYMERS LIMITED

NOTICE

Notice is hereby given that the 20th Annual General Meeting of the Members of **Fine Plast Polymers Limited** will be held on Saturday, **the 29th day of September 2012** at 11.00 AM at its Register Office at Flat No. A-108, Sri Saidatta Apartments, Srinivasa Nagar (East), Ameerpet, Hyderabad-500038, AP to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March, 2012 and Profit & Loss Account for the financial year ended on that date together, with the report of the Board of Directors and Auditors thereof.
2. To appoint a director in place of Mr. B V Bhaskara Krishna, who retires by rotation and being eligible offers himself for re-appointment.
3. To appoint Statutory Auditors of the Company and fix remuneration.

SPECIAL BUSINESS:

4. To consider and if thought fit, to pass, with or without modification(s) the following resolution as an Ordinary Resolution:

"RESOLVED THAT Mr. K. Ratnakara Rao, who was appointed as additional director of the Company pursuant to the provisions of section 260 of the Companies Act 1956 by the board of directors w.e.f 14-08-2012 and who holds the office up-to date of the ensuing annual general meeting and in respect of whom the Company has received a notice in writing under section 257 read with section 190 of the said Act, along with a deposit of Rs.500/- proposing him as candidate for the office of director of the Company, be and is hereby appointed as a director of the Company whose period of office is liable to be determined by retirement of directors by rotation."

5. To consider and, if thought fit, to pass with or without modification, the following resolution as an Ordinary Resolution:

"RESOLVED THAT in pursuance of the recommendations of the Remuneration Committee of the Board of the Directors and pursuant to Sections 198, 269, 309, 310, 311, 317 and other applicable provisions, if any, of the Companies Act, 1956 (the Act), read with Schedule XIII of the Act, the Company hereby approves the appointment and terms of remuneration of Mr. K Ratnakara Rao as Whole Time Director of the Company for a period of 3 years with effect from August 14, 2012, upon the terms and conditions set out in the Explanatory Statement annexed to the Notice with liberty to the Directors to alter and vary the terms and conditions of the said appointment in such manner as may be agreed to between the Directors and Mr. K Ratnakara Rao."

Hyderabad
14-08-2012

For and on behalf of the Board

Sd/-
P MASTAN RAO
Director

FINE PLAST POLYMERS LIMITED

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND TO VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL INSTEAD OF HIMSELF AND SUCH A PROXY NEED NOT BE A MEMBER OF THE COMPANY. Proxies in order to be effective must be received at the company's registered office not less than 48 hours before the meeting.
2. The relative Explanatory Statement pursuant to Section 173 of the Companies Act, 1956, in respect of the special business under Item Nos 4 & 5 set out above is annexed hereto.
3. The Register of Members and the Share Transfer Books will remain closed from **Thursday, 27th September 2012 to Saturday, 29th September 2012** (both days inclusive).
4. Members are requested to quote their Folio No. in their correspondence to avoid delay in communication.
5. Members/Proxies are requested to bring their copies of Annual Report and the attendance slip duly filed in for attending the meeting. Copies of the Annual Reports will not be provided at the Meeting.
6. The Company has designated an exclusive e-mail ID called info@fineplastpoly.com for redressal of shareholders' complaints/grievances.

ANNEXURE 1 TO THE NOTICE

Details of Directors seeking appointment / re-appointment at the forthcoming AGM
(In Pursuance of Clause 49 (IV) (G) (i) of the Listing Agreement)

Particulars	Mr. B V Bhaskara Krishna	Mr. K Ratnakara Rao
Date of Birth	October 16, 1950	June 13, 1970
Date of Appointment	January 01, 2003	August 14, 2012
Expertise in specific functional areas	29 years of experience in the areas of Accounts, Finance and Auditing	12 years of experience in the areas of accounts and finance and general administration
Qualifications	Chartered Accountant	Intermediate
No. of Shares held as on March 31, 2012	NIL	NIL
Directorships held in other companies (excluding private limited and foreign companies)	1) Venkateswara Bio Fuels Ltd	NIL
Positions held in mandatory committees in other companies	NIL	NIL

FINE PLAST POLYMERS LIMITED

ANNEXURE 2 TO THE NOTICE

EXPLANATORY STATEMENT

(Pursuant to Section 173 (2) of the Companies Act, 1956)

ITEM NO. 4

The members may note that Mr. K Ratnakara Rao, was inducted into Board as Additional Director of the Company with effect from 14-08-2012 pursuant to the provisions of Section 260 of the Companies Act, 1956 and holds the office as such up to the date of ensuing Annual General Meeting. The Company has received notice in writing from members of the Company along with a deposit of Rs.500/- under Section 257 read with section 190 of the Companies Act, 1956 proposing the candidature of Mr. K Ratnakara Rao for the Office of Director whose period of office is determinable by retirement of Directors by rotation. As per the provisions of Section 257 of the Act, any such proposal ought to be approved by the members in their General Meeting.

Hence, the Board recommends the resolution for your approval. None of Directors is interested/concerned in the above said resolution.

ITEM NO. 5

Keeping in view the vast experience and leadership qualities supported by experience of Mr. K Ratnakara Rao, the Board of Directors in their meeting held on August 14, 2012 had appointed him as Whole Time Director for a period of 3 years with effect from August 14, 2012 at the remuneration which was duly approved by the Remuneration Committee, as under:

- A) Tenure of Appointment:
3 years commencing from August 14, 2012
- B) Remuneration:
Rs.3,60,000/- per annum (including all) and the total remuneration including allowances and perquisites shall not exceed the limits specified in Section 309 of the Companies Act, 1956 read with Schedule XIII of the Act and no sitting fees shall be paid to Mr. Ratnakara Rao for attending Meetings of the Board of Directors or any committee(s) thereof.
Minimum Remuneration
Where, in any financial year during the currency of the tenure of Mr. Ratnakara Rao, the Company has no profits or its profits are inadequate, the Company will pay him remuneration by way of basic salary, allowances and incentive remuneration, as per the provisions of Schedule XIII of the Companies Act, 1956.
- C) The terms and conditions of the appointment also include clauses pertaining to adherence with the Fine Plast Code of Conduct, non-competition, conflict of interest with the Company and maintenance of confidentiality.
- D) This appointment may be terminated by either party by giving to the other party three months' notice of such termination or the Company paying three months' remuneration in lieu of notice.

The Board considers that the re-appointment of Mr. K Ratnakara Rao as aforesaid is in the best interest of the Company.

None of the Directors is concerned or interested in the resolution.

This explanatory statement together with the accompanying notice is, and may be treated as an abstract of terms of appointment and memorandum of interest in respect of appointment of K. Ratnakara Rao under Section 302 of the Companies Act, 1956.

Your Directors commend the Resolution for your approval as an Ordinary Resolution.

FINE PLAST POLYMERS LIMITED

DIRECTORS' REPORT

Your Directors have the pleasure of presenting this 20th Annual Report along with the Audited Financial Statements and the Auditor's Report thereon for the Financial Year ended 31st March 2012.

FINANCIAL PERFORMANCE:

Particulars	2011-12	2010-11
Gross Total Income	1380	2288.30
Other Income	14	137
Profit before financial expenses, depreciation and taxation	(-) 3981	(-)2830
Financial Expenses	4032	591
Depreciation	2405	3006
Profit Before Exceptional Items and Taxation	(-) 10418	(-) 6427
Exceptional Items	3860	12027
Profit Before Taxation	(-) 6558	5600
Provision of Taxes	0	0
Profit After Taxation	(-) 6558	5660.00

OPERATIONS:

The Company's operations during the year are very poor. Due to lack of sufficient working capital your Company has not performed well. The Company came out from BIFR in the FY 2010-11.

REVOCAION OF SUSPENSION IN TRADING OF EQUITY SHARES:

The Board of Directors of your Company pleasure to inform you that the BSE Limited has revoked the suspension in trading of equity shares of the Company with effect from June 21, 2012. Further, the equity shares of your Company got electronic connectivity from NSDL and CDSL.

FORFEITURE OF PARTLY PAID-UP SHARES:

The Board of Directors of your Company has forfeited 2,60,800 partly paid-up equity shares on December 31, 2011 due to non-payment of allotment/call money. Accordingly, the paid-up capital of your Company is Rs.3,01,97,000/- consisting of 30,19,700 equity shares of Rs.10/- each fully paid-up.

SCHEME OF ARRANGEMENT:

The Board of Directors of your Company inform you that due to lack of financial resources your Company is unable to perform well. Hence, the Board at its meeting held on August 14, 2012 considered and approved a Scheme of Arrangement for reduction of Capital and Restructuring. Accordingly, the Company is going to initiate the process of filing an application to the Hon'ble High Court of Andhra Pradesh for necessary directions in this regard.

DIVIDEND:

Your Directors do not recommend any dividend for the financial year due to accumulated losses.

FINE PLAST POLYMERS LIMITED

DIRECTORS:

During the year Mr. B V Bhaskara Krishna retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment. During the year under review Mr. Y Suryanarayana has resigned as Managing Director of the Company and Mr. K Ratnakara Rao has been appointed as appointed as Whole Time Director of the Company with effect from August 14, 2012.

SHIFTING OF PLANT LOCATION:

Members are aware that during the FY 2010-2011 the Company has passed a Resolution through postal ballot process with regard to sale and transfer of factory land and the sale proceeds have been used for re-payment of secured loans to IDBI Bank and Canara Bank. Accordingly, the unit has been shifted to APIIC Growth Centre, Annangi, Prakasam Dist, Andhra Pradesh.

DIRECTORS' RESPONSIBILITY STATEMENT:

The Directors of your Company hereby report:

- (i) that in the preparation of Annual Accounts for the year ended 31st March, 2012, the applicable accounting standards have been followed along with the proper explanation relating to material departures:
- (ii) that the directors have selected such accounting policies and applied them consistently and made judgments and estimates that are reasonable and prudent so as to give a true and fair view of the state of affairs of the company at the end of the financial year ended 31st March, 2012 and of the profit and loss of the company for that period.
- (iii) That the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of this Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities:
- (iv) That the directors have prepared the annual accounts on a going concern basis.

FIXED DEPOSITS:

During the Financial year, company has not accepted any deposits falling with the preview of Section 58A of the Companies Act, 1956 read with Companies (Acceptance of Deposits) Rules, 1975.

AUDITORS:

M/s. Sanjeeva Rao & Associates, Chartered Accountants, the Statutory Auditors of your Company, who retires at the conclusion of the ensuing Annual General Meeting, and being eligible, expressed their willingness for re-appointment. The board recommends their re-appointment.

EXPLANATION TO OBSERVATIONS IN THE AUDITOR'S REPORT

With reference to the audit Observation in Point No. (ix) (a) of the Annexure to the Auditor's Report for the financial statements for the financial year, the Board has noted the observation and hereby inform the Members that there are no un-disputed statutory dues as on date of this Report.

PARTICULARS OF EMPLOYEES:

There are no employees drawing remuneration exceeding the limits as specified under the provisions of Section 217 (2A) of the Companies Act, 1956, read with the Companies (Particulars of Employees) Rules, 1975.

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CONSERVATION OF ENERGY, RESEARCH AND DEVELOPMENT, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS/OUTGO:

	2011-12	2010-11
Conservation of Energy		
- Electricity		
- Purchased Units in Lakhs	0.12	0.32
- Total Rupees in Lakhs	0.81	1.56
- Rate per Unit	6.75	4.23
- Own Generation	0	0
- Consumption per Unit of Production (in Kgs)	0.56	0.38
- Power consumption per Kg (in Units)	1.784	3.07
Research and Development	NA	NA
Technology Absorption	NA	NA
Foreign Exchange Earnings and Outgo	NIL	NIL

SECRETARIAL COMPLIANCE CERTIFICATE:

Certificate from the Practicing Company Secretary as stipulated in Section 383A of the Companies Act, 1956 read with the Companies (Compliance Certificate) Rules, 2001 and attached to the Directors' Report form a part of this Annual Report.

CORPORATE GOVERNANCE:

A report on Corporate Governance, in accordance with Clause 49 of the Listing Agreement with the Stock Exchanges is set out separately for the information of the shareholders.

MANAGEMENT DISCUSSION AND ANALYSIS:

Management Discussion and Analysis is set out separately for the information of the shareholders.

ACKNOWLEDGEMENTS:

Your Directors take this opportunity to record their appreciation for the continuous support and co-operation extended by the customers and bankers. The Directors also acknowledge the confidence reposed by the investors and shareholders in the Company.

For and on behalf of the Board

Hyderabad
14-08-2012

Sd/-
P MASTAN RAO
Chairman

FINE PLAST POLYMERS LIMITED

MANAGEMENT DISCUSSION AND ANALYSIS

(Forming part of Directors' Report)

Economy, Industry Structure and Development:

The global economic environment which has been tumultuous throughout last year turned sharply adverse towards end of 2011 owing to political and economic uncertainties in the Euro zone. With international rating agencies raising doubts about the outlook on the US economy, the possibility of a global recession became more pronounced. Comparatively the Indian economy has shown a growth of around 6.9 % in 2011-12 as compared to 8.4 % in the previous year. Agricultural growth remains a priority for the Indian Government in order to achieve "inclusive growth". Though the share of agriculture in India's GDP is slowly declining, the importance of the sector to the economy continues to be very high because of its share in employment and its impact on the macro economic environment. The policy makers are still concerned that even today the agricultural growth is affected by the vagaries of nature. The Union Budget for 2012-13 has sharply increased allocation for agriculture and irrigation. The target for agricultural credit has been raised by ` 100,000 crore to ` 575,000 crore in 2012-13. Irrigation and Water Resource Finance Company is being operationalized to mobilize large resources to fund irrigation projects. All the above factors bode well for your Company's business. The demand for PVC Pipes continued to show strong growth during the year under review. PVC Pipes are mainly used in rural areas for Agriculture and Irrigation sectors. The pan India network of dealers has enabled your company to reach even the remotest villages of India.

Transparency in Sharing Information

Transparency refers to sharing information and acting in an open manner. Processes, instructions and information are directly accessible to those concerned with them, and enough information is provided to understand and monitor them. Your Company believes in total transparency in sharing information about its business operations with all its stakeholders. Your Company strives to provide maximum possible information in the Management Discussion and Analysis in the Annual Report and also through other means to keep the stakeholders informed about the business performance.

Strengths:

Strong Promoter and Management Team.
Growing Infrastructure Industry.

Opportunities:

Rapid movement in the infrastructure industry.
Massive investment in various economic activities which will boost the level of living of people.

Threats:

Competition from existing players
Delay in arranging capital to fund the additional products
Increase in interest rate and cost of material would impact our results of operations
Inherent risks of changes in government policies, laws, regulations etc.

Internal Control:

Parmatma has adequate internal control systems and procedure with regards to purchase of raw materials and other consumables. Parmatma has clearly defined roles and responsibilities for all the managerial positions and all operating parameters are monitored and controlled.

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Performance Review:

During the fiscal year 2011-12 your Company recorded total income of Rs.13.80 Lakhs and net loss of Rs.65.58 Lakhs as compared to the total income of Rs.22.88 Lakhs and a net loss of Rs.64.39 Lakhs without considering other income of Rs.121 Lakhs for the previous financial year.

Your directors are putting continuously efforts to increase the performance of Company and are hopeful that the performance in coming year will improve in faster way.

Human Resource:

Your company recognizes that the human resources are the most crucial factor for achieving sustained growth over the years. The management considers it's highly motivated and passion driven work force as it's partner in the growth of the company.

Cautionary Statement:

The statements contained above may be 'forward looking statements' within the meaning of applicable laws and regulations. Actual results may differ substantially or materially from those expressed or implied. Important developments that could affect the company's operations include changes in economic environment, rise in input costs and competitive pressures.

FINE PLAST POLYMERS LIMITED

ANNEXURE TO DIRECTORS' REPORT 2012

COMPLIANCE CERTIFICATE

{Rule 3 of the Companies (Compliance Certificate) Rules, 2001 read with Section 383A of Companies Act, 1956}

To

The Members

FINE PLAST POLYMERS LIMITED

A-108, Sri Saidatta Apartments

Srinivasa Nagar (East), Ameerpet

HYDERABAD – 500038, AP

Registration and Capital Details:

CIN	: L24134AP1992PLC014932
Authorized Capital	: 4,00,00,000/-
Paid-up Capital	: 3,01,97,000/-

We have examined the registers, records, books and papers of **FINE PLAST POLYMERS LIMITED** as required to be maintained under the Companies Act, 1956, (the Act) and the Rules made there under and also the provisions contained in the Memorandum and Articles of Association of the Company for the Financial Year (12 months) ended 31st March, 2012. In our opinion and to the best of our information and according to the examinations carried out by us and explanations furnished to us by the company and its officers, we certify that in respect of the aforesaid financial year:

1. The Company has kept and maintained all registers as stated in Annexure **A** to this certificate, for the financial year 2011-12 as per the provisions and the rules made there under and all entries therein have been recorded for the said period.
2. The Company has filed the forms and returns as stated in Annexure **B** to this certificate, with the Registrar of Companies, Andhra Pradesh.
3. The Company being a Public Limited Company has the minimum prescribed paid up capital.
4. The Board of Directors met 6 times on 30-04-2011, 31-07-2011, 01-09-2011, 14-11-2011, 31-12-2011, and 14-02-2012, in respect of which meetings proper notices were given and the proceedings were properly recorded and signed in the Minutes Book maintained for the purpose.
5. The Company has closed its Register of Members from 28th September, 2011 to 30th September 2011 (both days inclusive) during the year under review.
6. The Annual General Meeting of the Company for the financial year ended on 31st March, 2011 was held on 30-09-2011 after giving due notice to the members of the company and the resolutions passed thereat were duly recorded in the Minutes Book maintained for the purpose.
7. No Extra-ordinary General Meeting was held during the financial year under review.

FINE PLAST POLYMERS LIMITED

8. The Company has not advanced any loans to its Directors and/or the persons or firms or companies referred to under Section 295 of the Act during year under review.
9. The Company has not entered into any contracts falling within the purview of Section 297 of the Act during the financial year under scrutiny.
10. The Company has made necessary entries in the register maintained under Section 301(3) of the Act.
11. As there were no instances falling within the purview of section 314 of the Act, during the financial year under scrutiny, the company has not obtained any approval from the Board of Directors, members and previous approval of the Central Government.
12. The Company has not issued any duplicate share certificates during the financial year 2011-2012.
13. The Company has:-
 - i. delivered all the certificates on transfer of shares and there were no transmission of Securities during the financial year.
 - ii. not required to deposit any amount of dividend in a separate bank account as the Company has not declared any Dividend during the financial year.
 - iii. not required to pay/post warrants for dividends to members as the Company has not declared any Dividend during the financial year and that there is no unclaimed/unpaid dividend required to transfer to Unpaid Dividend Account of the Company.
 - iv. no amounts lying with it in unpaid dividend account or any application money due for refund, matured deposits, matured debentures and the interest accrued thereon which have remained unclaimed or unpaid for a period of seven years or more.
 - v. complied with requirements of Section 217 of the Act.
14. The Board of Directors of the Company is duly constituted and no appointment of directors, additional directors, alternate directors and directors to fill casual vacancies during the year under review.
15. The Company has appointed Mr. Y. Suryanarayana as Managing Director and there were no appointment of, Whole-time Director/Manager during the financial year under review.
16. The Company has not appointed any sole-selling agents during the financial year 2011-2012.
17. The Company was not required to obtain any approvals of the Central Government, Company Law Board, Regional Director, Registrar and/ or such authorities prescribed under the various provisions of the Act during the financial year.
18. The Directors disclosed their interest in other firms/Companies to the Board of Directors pursuant to the provisions of Section 299 of the Act and the rules made there under during the year under review.
19. The Company has not issued / allotted any shares during the financial year under review.
20. The Company has not bought back any shares during the year under review.

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21. There was no redemption of preference shares/Debentures during the year under review.
22. There were no transactions necessitating the Company to keep in abeyance the rights to dividend, rights shares and bonus shares pending registration of transfer of shares.
23. The Company has not invited / accepted any deposits including any unsecured loans falling within the purview of Section 58A of the Act, during the financial year 2011-2012.
24. The Company has not borrowed any amount from its directors, members, public, financial institutions, banks and others during the financial year, falling within the purview of section 293(1)(d) of the Act.
25. The Company has not given any guarantees or made investments in other bodies corporate falling within the purview of the Section 372A of the Companies Act, 1956 during the financial year under review.
26. The Company has not altered the provisions of the memorandum with respect to situation of the company's registered office from one state to another during the year under scrutiny.
27. The Company has not altered the provisions of the memorandum with respect to the objects of the company during the year under scrutiny.
28. The Company has not altered the provisions of the memorandum with respect to name of the Company during the year under scrutiny.
29. The Company has not altered the provisions of the memorandum with respect to share capital during the year under scrutiny.
30. The Company has not altered its Articles of Association during the year under scrutiny.
31. As per the information given by the Directors, there were no prosecutions initiated against or show cause notices received by the company during the financial year for offences under the Act.
32. The company has not received any money as security from its employees during the financial year.
33. The provisions of Section 418 of the Companies Act, 1956 are not applicable to the Company.

Hyderabad
02-05-2012

Sd/-
A N SARMA
Practicing Company Secretary
Partner, CP No.7812

FINE PLAST POLYMERS LIMITED

Annexure A to Compliance Certificate

STATUTORY REGISTERS MAINTAINED DURING THE FINANCIAL YEAR ENDED 31ST MARCH, 2012

Register of Directors' U/s 303
Register of Directors' Shareholdings U/s 307
Register of Members U/s 150
Minutes of Board Meetings U/s 193
Minutes of Annual and Extra-Ordinary General Meetings U/s 193
Register of contracts, firms and companies in which Directors are interested U/s 301
Register of Charges U/s 143.

Annexure B to Compliance Certificate

FORMS AND RETURNS FILED DURING THE FINANCIAL YEAR ENDED 31ST MARCH, 2012

Sl. No	Forms/ Returns	Section	Purpose	Remarks
1	20B	159	Annual Return For the FY 2005-2006	Additional Fee 9 Times
2	20B	159	Annual Return For the FY 2006-2007	Additional Fee 9 Times
3	20B	159	Annual Return For the FY 2007-2008	Additional Fee 9 Times
4	20B	159	Annual Return For the FY 2008-2009	Additional Fee 9 Times
5	20B	159	Annual Return For the FY 2009-2010	Additional Fee 9 Times
6	23AC, ACA	220	Annual Report for FY 2008-2009	Additional Fee 9 Times
7	23AC, ACA	220	Annual Report for FY 2009-2010	Additional Fee 9 Times
8	66	383(A)	Compliance Certificate for FY 2008-2009	Additional Fee 9 Times
9	66	383(A)	Compliance Certificate for FY 2009-2010	Additional Fee 9 Times
10	23 AC,ACA	220	Annual Report for FY 2010-2011	Additional Fee 9 Times
11	23B	224(1A)	Intimation by Auditor to ROC for FY 2010-2011	NIL
12	23B	224(1A)	Intimation by Auditor to ROC for FY 2011-2012	NIL

Hyderabad
02-05-2012

Sd/-
A N SARMA
Practicing Company Secretary
Partner, CP No.7812

FINE PLAST POLYMERS LIMITED

REPORT ON CORPORATE GOVERNANCE

(Forming part of Directors' Report)

COMPANY'S PHILOSOPHY ON CODE OF CORPORATE GOVERNANCE

The era of good Corporate Governance came into existence with the insertion of Clause 49 of the listing agreement. Your Company believes in attainment of highest levels of transparency in all facets of its operations. The Company is committed to maximize the shareholder value by adopting the principles of good corporate governance in line with the provisions stipulated in the listing agreement.

I. BOARD OF DIRECTORS:

Composition of Board:

As on March 31, 2012, Board consists of 3 Members of whom 2 are Independent Directors.

II. BOARD MEETINGS:

The Board of Directors met 6 times during the year on 30-04-2011, 31-07-2011, 01-09-2011, 14-11-2011, 31-12-2011, and 14-02-2012. The Company has held at least one Board meeting in every three months. The maximum gap between any two meetings was less than four months, as stipulated under Clause 49.

The details of directors' attendance at Board Meetings, AGM and details of other directorships, committee chairmanships/memberships held by the Directors during the year are as follows:

Name of the Director	Category	No. of meetings held during the Tenure	No. of meetings Attended	Whether Attended Last AGM	No. of other directorships *
P Mastan Rao	Promoter & Non-Executive Director	6	6	YES	-
B V Bhaskara Krishna	Independent Director	6	6	YES	1
J Nagabhushana Rao	Independent Director	6	6	YES	-
Y Suryanarayana #	Managing Director	6	6	YES	1

Resigned as Director with effect from March 01, 2012

*Excluding private, foreign and companies registered under Section 25 of the Companies Act, 1956.

III. AUDIT COMMITTEE:

► Brief description of terms of reference

The terms of reference as per Clause 49 of the Listing Agreement are as follows:

- a. To review the results announcement and the report and accounts at the end of a quarter, half year and the full year before submission to the board, focusing particularly on:
 - (i) any changes in accounting policies and practices.
 - (ii) Compliance with accepted accounting standards.
 - (iii) Major Judgmental Decisions; etc.
- b. To consider appointment of Statutory Auditors, internal auditors and to fix their remuneration and any matter of resignation and dismissal.

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- c. To discuss with the statutory Auditor before the audit commences the nature and scope of the Audit.
- d. To review the effectiveness of the system of internal financial control and discuss the same periodically with the statutory auditors.
- e. To discuss problems and reservations arising from the statutory audit, and any matters the statutory auditor may wish to discuss.
- f. To consider other topics as may be delegated by the board from time to time.

► Composition

The committee comprise of the following 2 Non Executive Independent Directors under the Chairmanship of Mr. B V Bhaskara Krishna, an Independent Director:

Mr. B V Bhaskara Krishna	-	Chairman
Mr. J Nagabhushan Rao	-	Member
Mr. P Mastan Rao	-	Member

Further, CFO was also invited for the meetings of the Audit Committee.

► Meetings during the financial year

During the Financial year, the Audit Committee met 5 times on

30-04-2011, 31-07-2011, 01-09-2011, 14-11-2011, and 14-02-2012.

IV. REMUNERATION COMMITTEE:

► Terms of Reference:

The terms of reference as per Clause 49 of the Listing Agreement are as follows

Determine and review the remuneration, performance, and related bonus of Directors.

► Composition

Remuneration Committee of the Company consists of following non-executive directors, which is as follows:

Mr. J Nagabhushan Rao	-	Chairman
Mr. P Mastan Rao	-	Member
Mr. B V Bhaskara Krishna	-	Member

► Remuneration paid to directors during the financial year

No Remuneration paid to Directors.

Further, none of the non-executive Independent Directors holds any shares in the Company.

V. INVESTORS GRIEVANCE COMMITTEE:

► Brief description of terms of reference:

To look into various affairs relating to the shareholders with regard to redressal of complaints in relation to transfer of shares, non-receipt of share certificates, balance sheets, dividends etc.,

► Composition

The said Committee comprises of the following members:

Mr. K Ratnakara Rao	-	Chairman
Mr. B V Bhaskara Krishna	-	Member
Mr. J Nagabhushan Rao	-	Member

FINE PLAST POLYMERS LIMITED

► Name and designation of Compliance officer:

Name : K. Ratnakara Rao
Designation : Whole Time Director

No. of shareholders complaints received during the financial year : Nil
No. of complaints solved to the satisfaction of the share holders : Nil
No. of pending : Nil

VI. GENERAL BODY MEETINGS:

► Location and time where the last three AGMs held:

Year	Date	Location	Time
2010-11	30-09-2011	A-108, Sri Saidatta Apartments, Srinivasa Nagar (East), Ameerpet, Hyderabad- 500038, AP	11.00 A.M
2009-10	30-09-2010	8-3-430/1/23, New No.1183, Street No.10, 430, Yellareddyguda, Hyderabad-500073, AP	11.00 A.M
2008-09	30-09-2009	8-3-430/1/23, New No.1183, Street No.10, 430, Yellareddyguda, Hyderabad-500073, AP	11.00 A.M

- No Special Resolutions were passed in the previous three Annual General Meetings.
- No Ballots papers were used for voting at above meetings.
- No Special Resolutions passed last year through postal ballot (under Section 192A).
- No special resolution is proposed to be passed through postal ballot at the ensuing AGM.

VII. DISCLOSURES:

Materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the directors or the management, their subsidiaries or relatives etc., that may have potential conflict with the interests of company at large. – **NIL** -

Details on non-compliance by the Company, penalties and strictures imposed on the company by stock Exchange or SEBI or any statutory authority, on any matter related to capital markets, during the last three years. - **NIL** -

VIII. GENERAL SHAREHOLDER INFORMATION:

AGM: The 20th Annual General Meeting of the Company will be held on **SATURDAY, 29th SEPTEMBER, 2012**, at 11.00 A.M. Register Office at A-108, Sri Saidatta Apartments, Srinivasa Nagar (East), Ameerpet, Hyderabad-500038.

Financial Year and Calendar for 2012-13:

The Company follows April to March as its Financial Year. The results of every quarter beginning from April are declared within the time specified as per the provisions of Listing Agreement.

FINE PLAST POLYMERS LIMITED

Means of Communication:

The un-audited quarterly results and audited results for the year are generally published in one English newspaper (Financial Express) and at least one vernacular newspaper (Andhra Prabha) shortly after its submission to the Stock Exchanges. The results are also displayed on the Company's web-site i.e. www.fineplastpoly.com

Book Closure:

Thursday, 27th September, 2012 to Saturday, 29th September 2012 (both days inclusive)

Listing on Stock Exchanges:

The equity shares of the Company are listed at BSE Limited and the Company has paid listing fees up-to FY 2012-2013.

Market Price Data:

The BSE Limited has revoked the suspension in trading of equity shares of the Company with effect from June 21, 2012, hence there was no market price date for the FY 2011-2012.

Stock Code: BSE: 514336

Registrar and Transfer Agents

Aarathi Consultants Private Limited
1-2-285, Domalaguda, Hyderabad- 500029
Phones: 040-27638111, 040-66611921, Fax: 040-27632184
Email: info@aarthiconsultants.com
Website: www.aarthiconsultants.com

Share Transfer System:

The Company is taking care to ensure that the Share Transfer work gets completed within the stipulated time of one month. The Board of Directors have delegated the power of approving transfer of Shares severally to Managing Director and one Director. The Board has also constituted a Share Transfer Committee which has been assigned the task of approving splitting of Shares, Issue of duplicate Share Certificates, consolidation of Share Certificates, change of status of a shareholder and other allied matters.

Shareholding Pattern as on 31st March, 2012:

Category	No. of Shares held	Percentage
Promoters	1473000	48.78
Mutual Funds & UTI	0	NA
Banks, Financial Institutions, Insurance Companies, & FIs	250000	8.28
Private Corporate Bodies	566900	18.77
Indian Public	725000	24.01
NRIs / OCBs	4800	0.16
Foreign Nationals	0	NA
Any other (please specify)	0	NA
Total	3019700	100.00

FINE PLAST POLYMERS LIMITED

Distribution of Shareholding as on 31st March, 2012:

Nominal Value of Shares in Rupees	No. of Shareholders	% of Shareholders	No. of Shares	% to Total
(1)	(2)	(3)	(4)	(5)
Up to 5000	1527	91.05	304400	10.08
5001 10000	93	5.55	73700	2.41
10001 20000	25	1.49	42200	1.40
20001 30000	10	0.59	25300	0.84
30001 40000	4	0.24	14500	0.48
40001 50000	2	0.12	9600	0.32
50001 100000	2	0.12	15500	0.51
100001 and above	14	0.83	2534500	83.93
Total	1677	100.00	3019700	100.00

Outstanding GDRs / ADRs / Warrants or any Convertible Instruments, conversion date and likely impact on equity:

The Company has not issued any GDRs / ADRs / Warrants / any convertible instruments.

Dematerialization of Equity Shares:

The Company has entered into Tripartite Agreement with NSDL and CDSL for electronic connectivity for equity shares of the Company. The said Depositories have allotted INE194N01016 as ISIN for dematerialization of equity shares of the Company and as on March 31, 2012, 1473000 equity shares representing 48.78% are in dematerialized form.

Plant Location of the Company:

324, APIIC Growth Centre, Annangi, Prakasam Dist, Andhra Pradesh.

Address for Investors Correspondence:

Shareholders may address their communications/suggestions/grievances/queries pertaining to share transfer requests and other related matters to the Company's Registrar and Share Transfer Agents and/or to the Company at the following address:

RTA:

Aarhi Consultants Private Limited
1-2-285, Domalaguda, Hyderabad- 500029
Phones: 040-27638111, 040-66611921
Fax: 040-27632184
Email: info@aarhiconsultants.com
Website: www.aarhiconsultants.com

COMPANY:

Fine Plast Polymers Limited
A-108, Sri Saidatta Apartments, Srinivasa Nagar (East)
Ameerpet, Hyderabad- 500038, AP
Phone No: 040-23750495
Email: info@fineplastpoly.com

FINE PLAST POLYMERS LIMITED

CEO/CFO Certification:

As required by the clause 49 (V) of the Listing Agreement, the certificate from CEO/CFO was placed before the Board of Directors at their meeting held on 14-08-2012.

Compliance Certificate of the Auditors:

The Statutory Auditor has certified that the company has complied with the conditions of the Corporate Governance as stipulated in clause 49 of the listing agreement and the same forms part of the Annual Report. The Certificate from the statutory auditor will be sent to the stock exchange along with the Annual Report of the Company.

Declaration on compliance with code of conduct:

As provided under Clause 49 of the Listing Agreement with the Bombay Stock Exchange Limited, all Board members and Senior Management personnel have affirmed the compliance with Fine Plast Polymers Limited Code of Conduct for the year ended 31st March, 2012.

Hyderabad
August 14, 2012

Sd/-
K Ratnakara Rao
Whole Time Director

FINE PLAST POLYMERS LIMITED

CERTIFICATE BY CEO / CFO:

We have reviewed the financial statements, read with the cash flow statement of Fine Plast Polymers Limited for the year ended March 31, 2012 and that to the best of my knowledge and belief, I state that:

- a) (i) These statements do not contain any materially untrue statement or omit any material fact or contain statements that may be misleading.
(ii) These statements present true and fair view of the company's affairs and are in compliance with current accounting standards, applicable laws and regulations.
- b) These are, to the best of our knowledge and belief, no transaction entered into by the Company during the year which are fraudulent, illegal or in violation of the Company's Code of Conduct.
- c) We accept responsibility for establishing and maintaining internal controls for financial reporting. We have evaluating the effectiveness of internal control systems of the Company and have disclosed to the auditors and audit committee deficiencies in the design or operation of internal control, if any, and steps taken or proposed to be taken for rectifying these deficiencies.
- d) We have indicated to the auditors and audit committee:
 - (i) Significant changes in accounting policies made during the year and that the same haven disclosed suitably in the notes to the financial statements; and
 - (ii) There are no instances of fraud involving the management or an employee.

Hyderabad
August 14, 2012

Sd/-
K RATNAKARA RAO
Whole Time Director

Sd/-
CHDVV PRASAD
Chief Financial Officer

AUDITOR'S CERTIFICATE ON CORPORATE GOVERNANCE:

To
The Members
Fine Plast Polymers Limited

We have examined the compliance of conditions of corporate governance by Fine Plast Polymers Limited for the year ended on 31st March 2012 as stipulated in clause 49 of the listing agreement of the said Company with concerned Stock Exchange.

The compliance of conditions of corporate governance is the responsibility of the management, our examination has been limited a review of the procedures and implementation thereof adopted by the company for ensuring the compliance the conditions of corporate governance. It is neither an audit nor expression of opinion on the financial statements of the company

In our opinion and best of our information and according to the explanation given to us and the representations made the Directors and Management, we certify that the company has complied with the conditions of corporate governance as stipulated in the aforesaid listing agreement.

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

For Sanjeeva Rao & Associates
Chartered Accountants

Hyderabad
August 14, 2012

Sd/-
K. Sanjeeva Rao
Partner
M.No.211604

FINE PLAST POLYMERS LIMITED

AUDITORS' REPORT

To,
The Members of Fine Plast Polymers Ltd

1. We have audited the attached Balance Sheet of Fine Plast Polymers Ltd, Hyderabad. As at 31st March 2012 and also the Profit and Loss Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Company's management. Our responsibility is to express an opinion on these financial statements based on our audit.
2. We have conducted our audit in accordance with auditing standards generally accepted in India. Those Standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.
3. As required by the Companies (Auditors Report) Order, 2003 and amendments thereto issued by the Central Government of India in terms of Sec 227(4A) of The Companies Act 1956, we annex hereto a statement on the matters specified in the paragraphs 4 and 5 of the said order, to the extent applicable to the Company.
4. We further report that :
 - (i) We have obtained all the information and explanations which to the best of our knowledge and belief were necessary for the purposes of our audit;
 - (ii) In our opinion, proper books of account as required by law have been kept by the Company so far as appears from our examination of those books;
 - (iii) The Balance Sheet and Profit and Loss Account dealt with by this report are in agreement with the books of account;
 - (iv) In our opinion, the Balance Sheet and Profit and Loss account dealt with by this report comply with the accounting standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956;
 - (v) 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;
5. In our opinion and to the best of our information and according to the explanations given to us, the said accounts give the information required by the Companies Act, 1956, in the manner so required and give a true and fair view in conformity with the accounting principles generally accepted in India:
 - (i) in the case of the Balance Sheet of the state of affairs of the Company as at 31st March 2012; and
 - (ii) in the case of Profit and Loss Account, of the Profit for the year ended on that date.

**For Sanjeeva Rao & Associates
Chartered Accountants**

Hyderabad
14-08-2012

Sd/-
K. Sanjeeva Rao
Partner
M No.211604

FINE PLAST POLYMERS LIMITED

Annexure to Auditor's Report

Annexure referred to in paragraph 2 of the auditors report to the members of **Fine Plast Polymers Ltd.**, for the year ended 31st March, 2012

As required by the companies (Auditor Report) Order, 2003 and amendments thereto and according to the information and explanations given to us during the course of the audit and on the basis of such checks of the books and records as were considered appropriate we report that:

- (I) a The Company has maintained proper record showing full particulars including quantitative details and situations of fixed assets.
 - b All the assets have been physically verified by the management in accordance with a phased program of verification, which in our opinion is reasonable, considering the size and the nature of business. The frequency of verification is reasonable and no material discrepancies have been noticed on such physical verification.
 - c The assets disposed during the year are not significant and therefore do not affect the on going concern assumptions.
- (ii) a The inventories have been physically verified by the management during the year at reasonable intervals.
 - b The procedure of physical verification of the inventories followed by the management is reasonable and adequate in relation to the size of the Company and the nature of its business.
 - c The Company has maintained proper records of inventories and discrepancies noticed on physical verification of inventories as compared to books records were not material.
- (iii) a The Company has not granted unsecured loan to party covered in the register maintained under section 301 of the Companies Act, 1956.
 - b In view of our comments in Para (iii) (a) above, clauses 4 (iii) (b) (c) and (d) of the said order are not applicable to the Company.
 - c The Company has taken unsecured loan from nine parties covered in the register maintained under section 301 of the Companies Act, 1956 on all basis. The Maximum amount outstanding during the year was Rs.58,85,300/- and the year ended balance was also Rs.48,79,202/-.
 - d The other terms and conditions on which the loans have been taken are prima facie, not prejudicial to the interest of the Company;
 - e In view of our comments in Para (iii) (c) and (d) above, clause (iii) (g) of the said order is not applicable to the Company
- (iv) a There are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventories, fixed assets and for the sale of goods and services. During the course of our audit no major weakness has been observed in the internal control system.

FINE PLAST POLYMERS LIMITED

- (v) a There are adequate internal control systems commensurate with the size of the Company and the nature of its business with regard to purchase of inventories, fixed assets and for the sale of goods and services. During the course of our audit no major weakness has been observed in the internal control system.
- b The transactions made in pursuance of contract or arrangements that need to be entered into the register maintained under section 301 of the Companies Act, 1956 has been recorded in the register.
- (vi) a The Company has not accepted any deposits from the public within the meaning of the sections 58A, 58AA or any other relevant provision of the Act and the rules framed there under any directives report issued by the Reserve Bank of India. No order in relation thereto has been passed by the Company Law Board or National Company Law Tribunal or Reserve Bank of India or any Court or any other Tribunal.
- (vii) a The Company has no internal audit system commensurate with its size and nature of its business.
- (viii) a The Central Government has not prescribed for maintenance of cost records under section 209 (1) (d) of the Companies Act, 1956 for the Company
- (ix) a According to the records of the Company, the Company has to pay the undisputed statutory dues of Rs. 68,619/- towards PF (Employees), PF (Employer) of Rs. 77,492/- and Sales Tax of Rs.1,50,713/-. Other than those there are no any other undisputed statutory dues including Employees State Insurance, Income Tax, Wealth Tax, Service Tax, Custom Duty and Excise Duty, Cess have regularly deposited with the appropriate authorities.
- b There are disputed amounts of Rs.14,47,271/- towards sales tax and an amount of Rs 40,32,280/- towards interest for which the company has made provision during this year based on the notice issued by the Commercial Taxes Department dated 29-2-2012.
- (x) The Company has accumulated losses of Rs.650.40 Lakhs at the end of the financial year 2011-12 and it has earned Net Loss of Rs. 65.58 lakhs in current financial year due to capital gains.
- (xi) The Company has settled its dues to banks and financial institutions under OTS scheme and presently there are no dues to the banks and financial institutions.
- (xii) The Company has not granted any loans or advances on the basis of security by way of pledge of shares, debentures or other securities.
- (xiii) The provisions of any Special Statute applicable to Chit Fund, Nidhi Fund or Mutual Benefit Fund/Societies are not applicable to the Company.
- (xiv) In our opinion and according to the information and explanations given to us, the Company is not a dealer or trader in shares, securities, debentures and other investments.
- (xv) The Company has not given any guarantee for loan taken by others from banks and financial institutions.
- (xvi) In our opinion, the term loans have been applied for the purpose for which they were raised.

FINE PLAST POLYMERS LIMITED

- (xvii) On an overall examination the Balance Sheet of the Company, we report that no fund raised on short term basis have been used for long term investment.
- (xviii) The Company has not issued any equity shares and debentures during the year.
- (xix) The Company has not raised any money by way of public issue during the year.
- (xx) During the course of our examination of the books and records of the Company, carried out in accordance with the generally accepted auditing practices in India, we have neither come across any instance of material fraud on or by the Company, noticed or reported during the year.

**For Sanjeeva Rao & Associates
Chartered Accountants**

Hyderabad
14-08-2012

**Sd/-
K. Sanjeeva Rao
Partner
M No.211604**

FINE PLAST POLYMERS LIMITED

BALANCE SHEET AS AT 31ST MARCH, 2012

(Rupees in thousands)

PARTICULARS	NOTE	As at 31-3-2012	As at 31-3-2011
I. EQUITY AND LIABILITIES			
1) Shareholders' Funds:			
a) Share Capital	A	30197	31501
b) Reserves and surplus	B	-26650	-21396
2) Non-current Liabilities:			
		Nil	Nil
3) Current Liabilities:			
a) Short-term borrowings	C	4879	10600
b) Trade payables	D	513	289
c) Other current liabilities	E	2155	-188
d) Short-term provisions	F	4976	964
TOTAL		16070	21770
ii. ASSETS			
Non-current assets:			
1) a) Fixed Assets			
i) Tangible assets	G	14868	19551
b) Other non-current assets	H	82	85
2) Current assets:			
b) Inventories	I	475	824
c) Trade receivables	J	874	915
d) Cash and cash equivalents	K	113	322
e) Short-term loans and advances	L	-342	52
f) Other current assets	M	0	21
TOTAL		16070	21770

AS PER OUR REPORT OF EVEN DATE

FOR SANJEEVA RAO & ASSOCIATES
Chartered Accountants

Sd/-
K. SANJEEVA RAO
Partner
M.No. 211604

Place: Hyderabad
Date: 14-08-2012

FOR AND ON BEHALF OF THE BOARD

Sd/-
K RATNAKARA RAO
Whole Time Director

Sd/-
P MASTAN RAO
Director

Sd/-
CHDVV PRASAD
CFO

FINE PLAST POLYMERS LIMITED

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

(Rupees in thousands)

Particulars	Note No.	Year ended 31-3-2012	Year ended 31-3-2011
I. Revenue from operations	A	1380	2288
II. Other Income	C	14	137
III. Total Revenue		1394	2425
IV. Expenses:			
Cost of materials consumed		538	577
Purchases of Stock-in-Trade		548	1953
Changes in inventories of finished goods		89	-332
Work-in-progress and Stock-in-Trade		266	Nil
Employee benefits expenses		495	717
Finance costs	B	4032	591
Depreciation and amortisation expenses		2405	3006
Other expenses		3439	2340
Total expenses		11812	8852
V. Profit before exceptional and extraordinary items and tax		-10418	-6427
VI. Exceptional items		3860	12027
VII. Profit before extraordinary items and tax		-6558	5600
VIII. Extraordinary Items		Nil	Nil
IX. Profit before tax		-6558	5600
X. Tax expenses:			
1) Current tax		Nil	Nil
2) Deferred tax		Nil	Nil
XI. Profit/(Loss) for the period from continuing operations		-6558	5600
XII. Profit/(Loss) from discontinuing operations		Nil	Nil
XIII. Tax expense of discontinuing operations		Nil	Nil
XIV. Profit/(Loss) from Discontinuing operations (after tax)		Nil	Nil
XV. Profit/(Loss) for the period		-6558	5600
XVI. Earnings per equity share:			
1) Basic		-2.17	-1.85
2) Diluted			
AS PER OUR REPORT OF EVEN DATE			
FOR SANJEEVA RAO & ASSOCIATES Chartered Accountants		FOR AND ON BEHALF OF THE BOARD	
Sd/- K. SANJEEVA RAO Partner M.No. 211604 Place: Hyderabad Date:14-08-2012	Sd/- K RATNAKARA RAO Whole Time Director Sd/- CHDVV PRASAD CFO	Sd/- P MASTAN RAO Director	

FINE PLAST POLYMERS LIMITED

CASH FLOW STATEMENT FOR THE YEAR ENDED 31-3-2012 (Rs. In lacs)

	PARTICULARS	Year ended 31-3-2012	Year ended 31-3-2011		
A.	Cash Flow from Operating Activities:				
	INFLOW:				
	Net Profit/Operating Profit		56.00		
	Capital Reserve				
	Share Capital		0.01		
	Preliminary Expenses				
	Depreciation	24.05	30.05		
	Decrease in Fixed Assets	24.65	30.05		
	Increase in Unsecured Loans				
	Inventories	3.49			
	Current Liabilities	65.79			
	Investments				
	Trade Receivables	0.41			
	Loans and Advances	3.94			
	Decrease in Misc., Assets	0.24			
		122.57	116.11		
	OUTFLOW:				
	Decrease in Share Capital	13.04			
	Reserves and Surplus	52.54			
	Secured Loans				
	Decrease in Unsecured Loans		98.89		
	Decrease in short term borrowings	57.21			
	Inventory		3.48		
	Increase in Fixed Assets	1.87			
	Decrease in Cash and Bank Balances				
	Increase in Sundry Debtors		7.86		
	Increase in Loans and Advances		0.18		
	Decrease in Current Liabilities		2.75		
	Increase in Miscellaneous Assets		0.20		
		124.66	113.36		
	Net Increase in Cash & Cash Equivalents		2.75		
	Decrease in Cash and Cash Equivalent	2.09			
	Reconciliation:		(in Rs.)		
A.	Opening Cash and Cash Equivalent				
	Cash in Hand	279794	10903		
	Cash at Bank	42238	36602		
	Opening Balance of Cash and Cash Equivalents	322032	47505		
B.	Cash & Cash Equivalents at the closing:				
	Cash in Hand	102905	279794		
	Cash at Bank	9790	42238		
	Closing Balance of Cash & Cash Equivalents	112695	322032		
	Increase/Decrease in Cash & Cash Equivalents(A-B)	-209337	274527		
<table style="width: 100%; border: none;"> <tr> <td style="width: 50%; vertical-align: top;"> <p>AS PER OUR REPORT OF EVEN DATE FOR SANJEEVA RAO & ASSOCIATES Chartered Accountants</p> <p>Sd/- K. SANJEEVA RAO Partner M.No. 211604 Place: Hyderabad Date:14-08-2012</p> </td> <td style="width: 50%; vertical-align: top;"> <p>FOR AND ON BEHALF OF THE BOARD</p> <p>Sd/- K RATNAKARA RAO Whole Time Director</p> <p>Sd/- CHDVV PRASAD CFO</p> <p style="text-align: right;">Sd/- P.MASTAN RAO Director</p> </td> </tr> </table>				<p>AS PER OUR REPORT OF EVEN DATE FOR SANJEEVA RAO & ASSOCIATES Chartered Accountants</p> <p>Sd/- K. SANJEEVA RAO Partner M.No. 211604 Place: Hyderabad Date:14-08-2012</p>	<p>FOR AND ON BEHALF OF THE BOARD</p> <p>Sd/- K RATNAKARA RAO Whole Time Director</p> <p>Sd/- CHDVV PRASAD CFO</p> <p style="text-align: right;">Sd/- P.MASTAN RAO Director</p>
<p>AS PER OUR REPORT OF EVEN DATE FOR SANJEEVA RAO & ASSOCIATES Chartered Accountants</p> <p>Sd/- K. SANJEEVA RAO Partner M.No. 211604 Place: Hyderabad Date:14-08-2012</p>	<p>FOR AND ON BEHALF OF THE BOARD</p> <p>Sd/- K RATNAKARA RAO Whole Time Director</p> <p>Sd/- CHDVV PRASAD CFO</p> <p style="text-align: right;">Sd/- P.MASTAN RAO Director</p>				

FINE PLAST POLYMERS LIMITED

Notes to accounts pertaining to Balance Sheet:

(Rupees in thousands)

Particulars	As at 31st March, 2012		As at 31st March, 2011	
A. Share Capital:				
a) Authorised Share Capital:				
40,00,000 lac shares of Rs. 10/- each		40000		40000
b) Shares issued, subscribed and fully paid:				
30,19,700 shares of Rs. 10/- each		30197		30197
c) Subscribed but not fully paid:				
2,60,800 shares are subscribed but not fully paid		Nil		1304
g) Following shareholders are having more than 5% shares as per the details given below:				
i) P. Arun Kumar	19.31%	583100	19.31%	583100
ii) P. Srikanth	16.79%	506900	16.85%	508900
iii) Spring Field Financial Services Ltd.,	10.03%	302800	10.03%	302800
iv) APIDC Ltd.	8.28%	250000	8.28%	250000
v) P. Mastan Rao	6.81%	205700	6.81%	205700
vi) P. Venkata Subbamma	5.81%	175300	5.81%	175300
vii) DSJ Finance Corp., Ltd.	5.18%	156300	5.18%	156300
k) Calls unpaid (showing aggregate value of calls unpaid by directors and officers)		Nil		1304
By Directors and officers		Nil		Nil
l) Forfeited shares (amount originally paid up)				
2,60,800 shares have been forfeited against which an Rs. 13,04,000/- was paid		1304		Nil
B). Reserves and Surplus:				
a) Capital Reserves		34100		34100
b) Reserve for Forfeited Shares		1304		Nil
c) Other Reserves		2986		2986
d) Accumulated Loss Brought Forward		-58482		-64082
e) Surplus		-6558		5600
Total		-26650		-21396
C) Short-Term borrowings (Unsecured):				
a) Loans repayable on demand				
i) From banks		Nil		Nil
ii) From other parties		4395		10562
b) Loans and advances from related parties		484		38

FINE PLAST POLYMERS LIMITED

Notes to accounts pertaining to Balance Sheet:

(Rupees in thousands)

Particulars	As at 31st March, 2012	As at 31st March, 2011
D) Trade Payables	513	289
E) Other Current Liabilites:		
a) Other payables	2155	-188
F) Short term Provisions:		
a) Provision for employee benefits	185	42
b) Others	4791	922
H) Other non-current assets:	82	85
I) Inventories:		
a) Raw materials	35	25
b) Finished goods	221	799
c) Stock-in-trade	219	Nil
J) Trade Receivables:		
a) Unsecured considered good(less than 6 months)	325	351
b) Unsecured considered good(more than 6 months)	281	296
c) Doubtful	268	268
Total	874	915
K) Cash and cash equivalents:		
a) Balances with banks	10	42
b) Cash on hand	103	280
Total	113	322
L) Short-term loans and advances:		
a) Loans and advances to related parties	Nil	Nil
b) Others		
i) Unsecured, considered good	-342	52
Total	-342	52
M) Other current assets:	0	21

FINE PLAST POLYMERS LIMITED

Notes to accounts pertaining to Statement of Profit and Loss:

(Rupees in thousands)

Particulars	Year ended 31-3-2011	Year ended 31-3-2011
A) Revenue from Operations:		
a) Sale of products	1380	2288
Less: d) Excised duty	NA	NA
B) Finance costs:		
a) Interest	4032	591
C) Other Income:		
a) Other non-operating income	3874	12164
D) Additional Information:		
a) i) Salaries and wages	495	717
b) Depreciation and amortisation expense	2405	3006
c) Item of income or expenditure which exceeds one per cent of the revenue from operations or Rs. 1,00,000/- whichever is higher		
i) Long term capital gain	3860	12164
ii) Power charges	-	224
iii) Salaries	495	717
iv) Repairs & Maintenance	272	356
v) Coolie charges	-	208
vi) Factory maintenance	-	337
vii) TA & DA expenses	205	477
viii) Packing Material	-	127
ix) Operating Charges paid to IDBI	-	110
x) BSE fees	944	Nil
xi) APGST Provisions	4742	Nil
xii) Bad Debts written off	88	Nil
xiii) Car Hire Charges	240	Nil
xiv) Directors Sitting Fees	20	Nil
xv) Factory Maintenance	16	Nil
xvi) Factory Shifting Charges	150	Nil
xvii) Listing fees	150	Nil
xviii) Lubricant Oil	102	Nil
xix) Share Transfer Agency Charges	204	Nil
xx) Telephone Charges	22	Nil
xxi) Factory Expenses	12	-

FINE PLAST POLYMERS LIMITED

Notes to accounts pertaining to Statement of Profit and Loss:

(Rupees in thousands)

Particulars	Year ended 31-3-2012	Year ended 31-3-2011
e) Interest Expense	Nil	591
i) auditor	10	1
ii) for reimbursement of expenses	1	1
j) a) Raw materials under broad heads		
i) PVC Resin	421	564
b) Goods purchased under broad heads:		
i) Trade Purchases	548	1953
c) a) Consumption of stores and spare parts	Nil	Nil
b) Power and fuel	12	224
c) Rent	0	3
d) Repairs to machinery	282	356
e) Rates and taxes, excluding, taxes on income	1094	8
d) i) Total value of all indigenous raw materials, spare parts and components consumed	421	577
ii) Percentage of each to the total consumption	100	100%
k) i) Amount of foreign currencies remitted on account of dividends	Nil	Nil
ii) Total number of non-resident share holders		
iii) Total number of shares held by them		
iv) The year to which the dividends pertains	NA	NA
l) Earnings in foreign exchange:		
i) Export of goods calculated on F.O.B. basis	Nil	Nil
ii) Royalty, know-how, professional and consultant fees	Nil	Nil
iii) Interest and dividend	Nil	Nil
iv) Other income	Nil	Nil

FINE PLAST POLYMERS LIMITED

FIXED ASSETS

COMPUTATION OF DEPRECIATION UNDER THE PROVISIONS OF COMPANIES ACT, 1956 FOR THE YEAR ENDING 31STMARCH, 2012											
PARTICULARS	Rate	GROSS BLOCK				DEPRECIATION				NET BLOCK	
		As at 01.04.11 Rs	Additions/ Deletions Rs	As at 31.03.12 Rs	Upto 01.04.11 Rs	For the Period Rs	Deletions	Upto 31.03.12 Rs	As at 31.03.12 Rs	As at 01.04.11 Rs	
Land		264	(-) 264	-		-		-	-	264	
Buildings	10%	5,699	(-) 5699	-	3,498	-	3,498		-	2,201	
Plant and Machinery	13.91%	91,667		91,667	74,627	2,371		76,998	14,669	17,039	
Furniture & Fixtures	18.10%	171		171	142	5		147	24	29	
Electricity	13.91%		(+) 186	186	-	26		26	160	-	
Office Equipment	18.10%	112		112	94	3		97	15	18	
Computers	40.00%	159		159	159			159	-	-	
TOTAL		98,072.00	-5777	92,295	78,521	2,405	3,498	77,427	14,868	19,551	
Previous Year Total		109,937	-11,865	98,072	84,374	3,006	8,859	78,521	19,552	25,562	

FINE PLAST POLYMERS LIMITED

2) Significant Accounting Policies:

1. Basis of Preparation

The Financial statements have been prepared to comply with the Accounting Standards notified by Companies (Accounting Standards) Rules, 2006(as amended) and the relevant provisions of the companies Act, 1956. The financial statements have been prepared under the historical cost convention on accrual basis.

The accounting policies have been consistently applied by the Company and are consistent with those used in the previous year.

During the year ended 30th June 2012, the revised schedule VI notified under the Companies act 1956 has become applicable to the company, for preparation and presentation of its financial statements. The adoption of revised Schedule VI does not impact recognition and measurement principles followed for preparation of financial statements. However, it has significant impact on presentation and disclosures made in the financial statements applicable for the current year.

2. Revenue Recognition

Income from sale of goods is recognized at the point of dispatch to customer except in the case of consignment agents where the revenue is recognized only after sale is effected by the consignment agent.

3. Fixed Assets

Fixed Assets are stated at cost of acquisition or construction. Cost comprises of the purchase price and other attributable expenses including cost of borrowing till the date of capitalization of the asset acquired/installed/commissioned.

All the expenditure incurred for establishing /setting up of new projects/substantial expansion of existing facilities /creation of new assets is capitalized. Such expenditure to be capitalized includes borrowing/finance costs, direct and indirect expenditure incurred on such assets up to the time they are completed. During the year company has disposed off land and building to clear IDBI and Canara Bank loans.

4. Depreciation

Depreciation on fixed assets has been provided on the written down method and at the rates and in the manner specified in Schedule XIV to the Companies Act, 1956.

5. Investments

The company has not made any investments during the year and there are no any investments as on the Balance Sheet date.

6. Borrowing Costs

The company has not borrowed any funds from bank or financial institutions. The company has not paid any interest on the borrowings from the friends and relatives. But the company has made provision for interest on Sales Tax arrears as per the notice given by the Commercial Taxes Department.

7. Inventories

Items of Inventories are measured at lower of cost or realizable value after providing for obsolescence, if any. Cost comprises of cost of purchase, cost of conversion, and other costs incurred in bringing the inventories to the present location and condition.

FINE PLAST POLYMERS LIMITED

8. Taxes on Income

a. Current Tax

The company has not made any provision for current tax provisions of the Income tax Act, 1961. since the company has incurred loss during the year and there are accumulated losses.

b. Deferred Tax

Deferred tax is recognized on timing difference between taxable income and accounting income that originate in one period and are capable of being reversed in the subsequent period/s, subject to the consideration of prudence.

9. Foreign Currency Transactions -Nil-

10. Provisions, Contingent Liabilities and Contingent Assets: The company has made provision for Sales Tax arrears of Rs. 7,09,618/- and Interest on Sales Tax arrears of Rs. 40,32,280/-.

11. Use of Estimates

The preparation of financial statements requires estimates and assumptions to be made that affect the reported amount of assets, liabilities, revenues and expenses. The estimates used in preparation and presentation of financial are prudent and reasonable. Actual results could differ from estimates. Any revision of accounting estimates is recognized prospectively in the current and future periods.

12. Impairment

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

13. Related Party Disclosures

I) Key Management Personnel

- a). K. Ratnakara Rao, Whole Time Director
- b). P. Mastan Rao, Non-Executive Director
- c). CHDVV Prasad, Chief Financial Officer

During the year under review there were no related party transactions.

14. Audited Remuneration

Audit fee : Rs. 13236

AS PER OUR REPORT OF EVEN DATE

FOR SANJEEVA RAO & ASSOCIATES
Chartered Accountants

Sd/-
K. SANJEEVA RAO
Partner
M.No. 211604

Place: Hyderabad
Date: 14-08-2012

FOR AND ON BEHALF OF THE BOARD

Sd/-
K RATNAKARA RAO
Whole Time Director

Sd/-
CHDVV PRASAD
CFO

Sd/-
P MASTAN RAO
Director

FINE PLAST POLYMERS LIMITED

BALANCE SHEET ABSTRACT AND COMPANY'S GENERAL BUSINESS PROFILE

(SUBMITTED IN FORM OF SCHEDULE VI OF THE COMPANIES ACT, 1956)

I. REGISTRATION DETAILS

Registration No.

0 1 - 1 4 9 3 2

Balance sheet Date : 31-03-2012

State Code

0 1

II. CAPITAL RAISED DURING THE YEAR (Amount in Rs. thousands)

Allotment Money

0

Rights Issue

0

Bonus Issue

0

Private Placement

0

III. POSITION OF MOBILISATION AND DEPLOYMENT OF FUNDS (Amony in Rs. Thousands)

Total Liabilities

1 6 0 7 0

Total Assets

1 6 0 7 0

SOURCES OF FUNDS

Paid up capital

3 0 1 9 7

Reserve & Surplus

- 2 6 6 5 0

Secured Loans

0

Unsecured Loans

4 8 7 9

APPLICATION OF FUNDS

Net Fixed Assets

1 4 8 6 8

Investments

0

Net Current Assets

- 6 4 4 2

Miscellaneous Expenditure

0

Accumulated Losses

6 5 0 4 0

IV. PERFORMANCE OF COMPANY (Amount in Rs. Thousands)

Turn Over

1 3 8 0

Total Expenditure

1 5 6 7 2

Profit / Loss Before Tax

- 6 5 5 8

Profit / Loss After Tax

- 6 5 5 8

Earnings per Share in Rs.

- 2 . 1 7

Dividend Rate (%)

N I L

V. GENERIC NAMES OF THREE PRINCIPAL PRODUCTS / SERVICES OF COMPANY

(as per monetary terms)

Items Code No. (IITC Code)

3 9 1 7 2 2 0 0

Product Description

P	V	C	P	I	P	E	F	I	T	T	I	N	G	S

FINE PLAST POLYMERS LIMITED

Flat No.A-108, Sri Saidatta Apartments, Srinivasa Nagar Colony (East), Ameerpet, Hyderabad-500038, AP

ATTENDANCE SLIP

Name of the Shareholder/Proxy Present: _____

DP Id No. : _____ Regd. Folio No. : _____

Client Id No. : _____ No. of Shares held : _____

I/We hereby record my presence at the 46th Annual General Meeting of the members of the Company to be held on Saturday, the 29th day of September, 2012 at 11.00 A.M at Flat No.A-108, Sri Saidatta Apartments, Srinivasa Nagar Colony, (East), Ameerpet, Hyderabad -500038, AP.

Shareholders/Proxy's Signature _____

Note:

Shareholders attending the meeting in person or by proxy are required to complete the attendance slip and hand it over at the entrance of the meeting hall and no gifts / gift coupons will be distributed at the Annual General Meeting.

FINE PLAST POLYMERS LIMITED

Flat No.A-108, Sri Saidatta Apartments, Srinivasa Nagar Colony (East), Ameerpet, Hyderabad-500038, AP

PROXY FORM

DP Id No. : _____ Regd. Folio No. : _____

Client Id No. : _____ No. of Shares held : _____

I/We _____ of _____ being a

Member(s) of above named Company, hereby appoint _____ of

_____ or failing him/her _____ of _____ as my/our

proxy to attend and vote for me/us, on my/our behalf of the 46th Annual General Meeting of the Company to be held on

Saturday, the 29th day of September 2012 at 11.00 AM at Flat No.A-108, Sri Saidatta Apartments, Srinivasa Nagar

Colony, (East), Ameerpet, Hyderabad -500038, AP and at any adjourned meeting thereof.

Signed _____ this September of 2012

Signature of the Shareholder _____

Affix
Re.1/-
Revenue
Stamp.

The proxy in order to be effective should be duly stamped, completed, signed and must be deposited at the Registered Office of the Company not less than 48 hours before the time for holding the meeting.