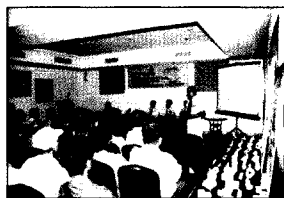
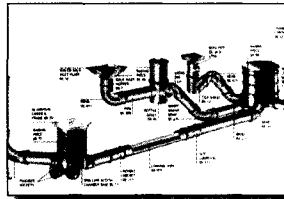
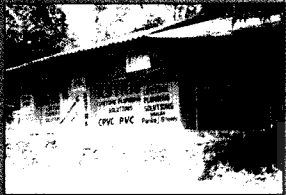
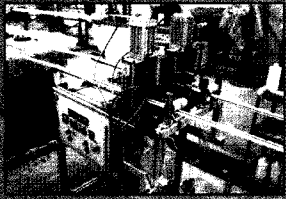


**11th ANNUAL REPORT
2006-2007**



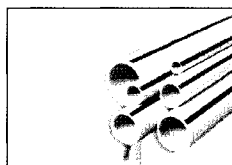
Infrastructure Solution for the life time



Brands

First to Introduce
FlowGuard CPVC Pipes in India

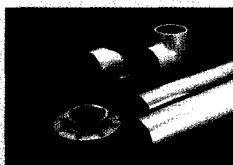
**ASTRAL
FLOWGUARD™**
CPVC PLUMBING SYSTEM FOR HOT & COLD WATER



Hot & Cold Water Plumbing Systems

Only Licence Manufacturer Of
Corzan CPVC Pipes in India

**ASTRAL
CORZAN™**
INDUSTRIAL PIPING SYSTEMS



CPVC Piping System For Industrial Applications

Global Licence To Manufacture & To Market
BlazeMaster CPVC Fire Sprinkler System

**ASTRAL
BLAZEMASTER™**
FIRE SPRINKLER SYSTEMS



Astral CPVC Fire Sprinkler System

Lead Free ASTM PVC
Solvent Weld Plumbing System

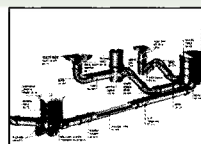
**ASTRAL
AQUARIUS™**
STANDARDS REFINED
PVC PLUMBING SYSTEM FOR OUTER LOOP LINES



PVC Plumbing System For Outer Loop Lines

Drainage System Tie-up With
Hunter Plastics U.K.

**ASTRAL
UNDER
GROUND™**
DRAINAGE SYSTEMS



Ultra Modern Drainage System

Awards & Recognitions



Mr. Sandeep Engineer - Managing Director receiving National SME Excellence Award-2006 from Shri Pawan Kumar Bansal, Hon'ble Union Minister of State for Finance. JANUARY 22, 2007 at TAJ - MUMBAI.

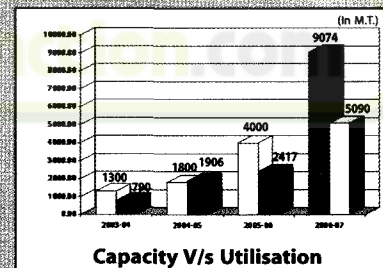
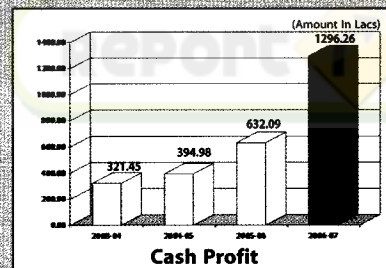
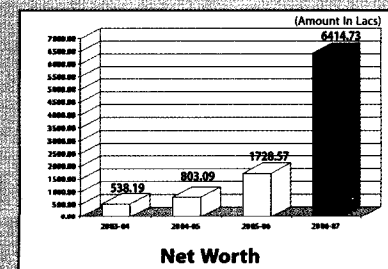
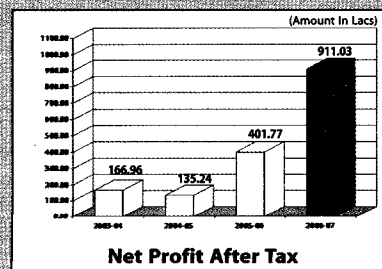
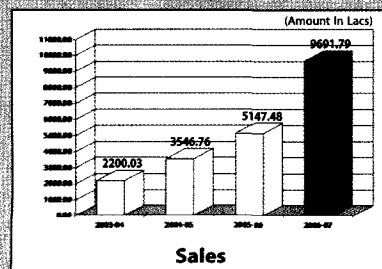


Formation of Indian Plumbing Association-Gujarat Chapter under the chairmanship of Mr. Sandeep Engineer



Mr. Peter Clough-Business Director, Noveon Inc presenting BlazeMaster licensee certificate to Mr. Sandeep Engineer at Mussoorie.

Performance Highlights, 2006-07



COMPANY INFORMATION

BOARD OF DIRECTORS	Mr. K. R. Shenoy	Chairman (Independent Director)
	Mr. Sandeep P. Engineer	Managing Director
	Mrs. Jagruti S. Engineer	Executive Director
	Mr. Nimish G. Dalal	Non Executive Director
	Mr. Kyle A. Thompson	Non Executive Director
	Mr. Pradip Desai	Independent Director

COMPANY SECRETARY Mr. Lokesh Dave

CHIEF FINANCIAL OFFICER Mr. Hiranand Savlani

AUDITORS N. Gamadia & Co.
Chartered Accountants
407, 'Shail', Opp. Navrangpura Telephone Exchange,
Off. C.G. Road,
Ahmedabad- 380 006, Gujarat, India.

BANKERS Corporation Bank
I.F. Branch, Ahmedabad.

REGISTERED OFFICE 901, Parshwa Towers, Opp. Rajpath Club,
Sarkhej- G'nagar Highway,
Ahmedabad-380 054, Gujarat, India.

FACTORY (GUJARAT UNIT) Plot No. 1253, Village: Santej, Taluka : Kalol,
Dist: Gandhinagar,
Gujarat, India.

FACTORY (HIMACHAL UNIT) Khasra No. # 67-72, Village : Bated,
P.O.: Barotiwala, Dist.: Solan,
Tehsil: Kasauli,
Himachal Pradesh, India.

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Directors' Report

Dear Shareholders,

Your Directors have pleasure in presenting the 11th Annual Report of the Company together with the audited statements of accounts for the year ended on March 31, 2007.

1. FINANCIAL HIGHLIGHTS

The financial results for the year are as follows:

(Amount In Lacs)

Particulars	Financial Year	
	2006-2007	2005-2006
Net Sales/Income from Operations	9,691.79	5,147.48
Other Income	57.43	17.52
Total Income	9,749.22	5,165.00
Total Expenditure	8,264.59	4,407.17
Profit Before Depreciation, Interest and Tax	1484.63	757.83
Interest	188.37	125.74
Depreciation	220.24	137.32
Profit Before Tax	1,076.02	494.77
Provision for Taxation	164.99	93.05
Net Profit for the year	911.03	401.72

2. INITIAL PUBLIC OFFER

During the year 2006-07 your Company has successfully completed its Initial Public Offering of Equity Shares which was over subscribed by 1.82 times and the Equity Shares were listed on the National Stock Exchange of India Limited and Bombay Stock Exchange Limited on March 20, 2007.

Your Directors are happy to report that the listing has enhanced our visibility and brand value across the country. The Initial Public Offering was of **29,71,006** equity shares of Rs.10/- each for cash at a premium of **Rs.105/-** per equity share aggregating to **Rs.3,416.66 lacs**. Thus the Initial Public Offering constituted 26.44% of the fully diluted post issue paid up capital of your Company.

3. DIVIDEND

Since there are expansion projects on hand, the Board of Directors are of the view that profits be ploughed back and used for further improving the working of your Company and posting better results in the coming years.

4. OPERATING RESULTS AND BUSINESS

We are pleased to inform that the last year was excellent year for your Company in terms of overall performance. Your Company, for the first time in its brief history, has crossed the triple digit level in gross sales at Rs.106.00 Crores. Your Company has achieved Net Sales of Rs. 9,691 Lacs compared to Rs. 5,147 Lacs in the previous year, recording a growth of 88 %. The cash profit has more than doubled during the year from Rs. 578 Lacs to Rs. 1,165 Lacs recording an increase of 101.55%. Net profit of your Company has also recorded a robust rise of 127% from Rs. 401.77 Lacs to Rs. 911.03 Lacs. Increase in volumes coupled with reduction in certain overheads due to economies of scale, have mainly contributed to the rise in profits. In spite of new players entering FlowGuard CPVC market, your Company has maintained its growth momentum and competitive edge, as could be seen from the above figures.

Following the aggressive market penetration strategy and capitalizing on the favourable market factors, your Company is continuously increasing its production capacities. During the year your Company has increased its production capacity under Phase-I of Expansion from 4,000 MT to 9,074 MT. Further, to take advantage of favorable Government Policies and strengthen its distribution network in North East and also to bring about significant improvement in the bottom line, your Company has continued its expansion activity for

ASTRAL POLY TECHNIK LIMITED

manufacturing of various sizes of fittings & pipes at its Himachal Pradesh unit. During the current year, your Company could generate a Net Revenue of Rs.5,184 Lacs from the Himachal Pradesh Unit and Rs. 4,508 Lacs from the Gujarat Unit.

To increase the awareness about CPVC & Lead Free PVC materials, your Company is continuously sponsoring workshops for Plumbers in different parts of the country and also organizing Builders 'and Architects' Meets periodically.

5. AWARDS / RECOGNITION

Your Board is pleased to inform you that during the year your Company has received a very prestigious **"National Excellence Award for SME"** Instituted by Corporation Bank. The award was presented by Shri Pawan Kumar Bansal Hon'ble Union Minister of State for Finance (Expenditure, Banking & Insurance)- Govt. of India at a glittering ceremony organized by the Bank at Mumbai.

6. LICENSE FOR MANUFACTURING OF BLAZE MASTER FIRE SPRINKLER SYSTEM

Your Board is very happy to inform you that during the year your Company has received a new license for manufacturing of CPVC Blaze Master Fire Sprinkler System. Your Company is the first in the country to receive such License and fifth in the world to have this product manufacturing license from Noveon.

Your Company has already started trial production and the products have been sent to U.S.A. for testing. The products will be launched in the Indian Market as soon as the testing process clears them.

7. DIRECTORS' RESPONSIBILITY STATEMENT

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

- (i) in the preparation of the annual accounts, the applicable accounting standards have been followed ;
- (ii) the directors have selected such accounting policies and have applied them consistently and have 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 and of the profit or loss of your Company for the period;
- (iii) the directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Act for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities;
- (iv) the annual accounts are prepared on a going concern basis.

8. DIRECTORS

During the year Mrs. Tarlika G. Dalal and Mr. Kirk Thompson have resigned as Directors due to their personal pre-occupation. The Board appreciates the services rendered by them.

During the year, to comply with the requirement of clause 49 of listing agreement, Mr. K. R. Shenoy and Mr. Pradip Desai have been appointed as Additional Directors on September 23, 2006. Both Mr. K. R. Shenoy and Mr. Pradip Desai are Independent Directors and their offices are liable to termination at the ensuing Annual General Meeting. The Board recommends their appointment as regular Directors.

Mr. Nimish G. Dalal and Mr. Kyle A. Thompson retire by rotation at the ensuing Annual General Meeting and being eligible offer themselves for reappointment. The requisite particulars in respect of directors seeking reappointment are given in Annexure 'C' to the directors report.

9. AUDITORS

M/s. N. Gamadia & Co., the Statutory Auditors of the company retire at the forthcoming Annual General Meeting and are eligible for re-appointment. The retiring Auditors have furnished a certificate of their eligibility for re-appointment under section 224(1B) of the Companies Act, 1956 and have indicated their willingness to continue.

10. PARTICULARS OF EMPLOYEES

The list of Employees covered under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 is given under Annexure A to the Directors Report.

11. DISCLOSURE WITH RESPECT TO CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO

The particulars under Section 217(1)(e) with respect to conservation of energy, technology absorption and foreign exchange earnings and outgo, pursuant to the Companies (Disclosure of Particulars in the Report of Board of Directors) Rules, 1988 are provided in the Annexure-B to the Report.

12. ACKNOWLEDGMENTS

Your Directors wish to place on record their appreciation for the devoted services of the workers, staff and the officers who have largely contributed to the smooth functioning of the Company. Your Directors wish to thank Specialty Process LLC., U.S.A for the untiring technical and financial support extended to the Company throughout the year. The management would like to express its deep appreciation of the support extended by the Corporation Bank and other agencies working with your Company.

For and on behalf of the Board of Directors,

Place : Ahmedabad

Date : 26th April, 2007.

K. R. Shenoy

Chairman

Annexures' to Directors' Report**ANNEXURE - A**

Report Junction.com

Statement under Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975 and forming part of the Directors' Report for the year ended 31st March 2007

Sr. No.	Name	Age	Qualification	Date of Commencement of Employment	Designation/ Nature of Duties	Experience in Years	Remuneration (Rs.)	Last Employment held with Designation
1	2	3	4	5	6	7	8	9
(A) Employed throughout the year and was in receipt of remuneration which in the aggregate was not less than Rs. 24,00,000/- p.a.								
1.	*Mr. Sandeep P. Engineer	46	B.E.(Chem.)	25.03.1996	Managing Director	22	30,00,000/-	N.A.
(B) Employed for a part of the year and was in receipt of remuneration which in the aggregate was not less than Rs. 2,00,000/- p.m.								
----- Nil -----								

* Promoter of the company

Notes :

1. The remuneration received included salary and other allowances.
2. Mr. Sandeep P. Engineer holds 17,37,724 equity shares, which constitutes 15.46% of the paid up capital of the Company.

ASTRAL POLY TECHNIK LIMITED**ANNEXURE - B****PARTICULARS OF CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EXCHANGE EARNINGS AND OUTGO:**

Information 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 is set out hereunder.

A. CONSERVATION OF ENERGY**(a) Energy Conservation Measure Taken :**

Energy Conservation is a high priority area for the Company. During the year under review extra care was taken by the Company to ensure optimum conservation of electricity and fuel at the plant of the Company.

(b) Additional investment and proposal for reduction of consumption of energy: NIL**(c) Impact of the above measures:**

The impact of the measures taken has been positive.

(d) Total energy consumption and energy consumption per unit of Production:

A. Power & Fuel Consumption		31.3.2007	31.3.2006
1	(a) Electricity		
	(i) Purchase Unit	36,21,817	21,14,256
	(ii) Total Amount (Rs.)	1,60,50,871	88,07,349
	(iii) Rate/ Unit (Rs.)	4.43	4.17
	(b) Own Generation		
	(i) Through Diesel Generation (KWh)-		
	Units (Ltrs.)	63,516	30,600
	Amount	22,33,811	10,27,166
	Unit per Litre of Diesel Oil		
	(Unit/Ltr.)	-	-
	Cost / (per Ltr. Of Diesel)	35.17	33.57
	(ii) Through Steam Turbine Generator		
	Unit	Nil	Nil
	Unit per Ltr. of fuel		
	Oil/Gas cost per Unit		
2	Coal and Lignite	Nil	Nil
	(i) Quantity (Tones)		
	(ii) Total cost (Rs.)		
	(iii) Average Rate (Rs./Tones)		
3.	Furnace Oil	Nil	Nil
	(i) Quantity (Ltrs.)		
	(ii) Total Cost (Rs.)		
	(iii) Average Rate (Rs./Ltr.)		
4	Other/Internal Generation	Nil	Nil