



GOTHI PLASCON (INDIA) LIMITED

Regd Office : New No. 31, (Old No.26) Wallers Road, 1st Floor,
Chennai - 600 002. Phone : 32549611

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ANNUAL REPORT
2007-2008

BOARD OF DIRECTORS

Mr. Parasmal Gothi	-	Chairman
Mr. Sanjay Gothi	-	Managing Director
Mr. Prakash Chand Bohra	-	Director
Mr. Ajit Singh Nahata	-	Director
Mr. Desikan	-	Director

THIRTEENTH ANNUAL GENERAL MEETING

Date : 18th June 2008
Day : Wednesday
Time : 10-00 a.m.
Place : C.M. Palace
273 & 274 G.S.T. Road
Chrompet
Chennai - 600 044.

Registrar & Transfer Agent

Cameo Corporate Service Limited
Subramaniam Building
1, Club House Road,
Chennai - 600 002.

Registered Office :

New No.31 (Old No.26) Wallers Road,
First Floor,
Chennai - 600 022.
Ph : 32549611

Bankers

Bank of Baroda
80, Ritherdon Road,
Puruswakkam,
Ph : 23454294

Factory :

4/4 & 5/1 Vazhudavur Road,
Kurumbapet,
Puducherry - 605 009
Ph : 2271151

Auditors

Achha Associates
Chartered Accountants
Chennai - 600 079.

NOTICE TO THE SHAREHOLDERS

Notice is hereby given that the 13th Annual General Meeting of the company will be held on 18th June 2008 at 10 a.m. at C.M.Palace, 273 & 274 GST Road, Chromepet, Chennai-44 for transacting the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt the profit & loss account of the company for the financial year ended 31-3-2008 and the balance sheet as at 31-3-2008 together with the director's report and auditor's report thereon.
2. To appoint director in the place of director who retires by rotation.
3. To appoint auditors and fix their remuneration. The retiring auditors M/s. ACCHA ASSOCIATES. Chartered Accountants, Chennai are eligible for re-appointment.

SPECIAL BUSINESS:**4. As an Ordinary Resolution:**

"RESOLVED THAT subject to the provisions of Sections 198,269,309,316 and other applicable provisions, if any, of the Companies Act, 1956 and the laws prevailing for the time being and subject to the Schedule XIII to the Act, with such alterations and modifications, if any, that may be effected by the Central Government, pursuant to any change in policies or laws, guidelines, rules and regulations relating to the managerial remuneration, consent of the company be and is hereby accorded for the appointment of Mr. K. Desikan as a whole time director of the Company for a period of five years from 01/10/2007 on following remuneration :

Salary Scale: Minimum of Rs.12000/- per month subject to the maximum as may be determined by the board subject to the schedule XIII of the companies Act, 1956 and any modification thereof.

Perquisites: Gratuity, Contribution to PF, Superannuation Fund, Encashment of leave & Annuity fund as per the rules of company.

Notwithstanding anything contained herein, where, in any financial year during the currency of tenure of the whole time Director, the Company has no profits or its profits are inadequate, the Company will pay him remuneration by way of salary and perquisites specified above.

By Order of the Board
for Gothi Plascon (India) Limited
sd/- Sanjay Gothi
Managing Director

Date 19/05/2008
Chennai

NOTES:

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND, ON A POLL, TO VOTE INSTEAD OF HIMSELF. THE PROXY NEED NOT BE A MEMBER OF THE COMPANY. A BLANK FORM OF PROXY IS ENCLOSED AND IF INTENDED TO BE USED, IT SHOULD BE RETURNED DULY COMPLETED AT THE REGISTERED OFFICE OF THE COMPANY NOT LESS THAN FORTY EIGHT HOURS BEFORE THE SCHEDULED TIME OF THE ANNUAL GENERAL MEETING.
2. The Register of Members of the Company will remain closed on 18/06/2008.
3. Shareholders / proxy holders are requested to bring their copy of the annual report with them at meeting and to produce at the entrance the attached admission slip duly completed and signed, for admission to the meeting hall.
4. Members desirous of getting any information about the accounts and operation of the company are requested to address their query to the company at the registered office of the company well in advance so that the same may reach at least seven days before the date of meeting to enable the management to keep the required information readily available at the meeting.
5. Member holding shares in physical form are requested to notify any change of address, bank mandates, if any, to the Registrar & Transfer Agent or to their respective depository participants if the shares are held in electronic form.
6. Members are requested to affix their signature at the space provided on the attendance slip annexed to the proxy form and to hand over the slip at the entrance to the meeting.
7. Profile of Mr. K. Desikan , the director retiring by rotation:

Details of Directors seeking appointment and re-appointment at the forthcoming Annual general meeting of the company.

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchange.

Name of Director	Expertise in Specific Functional Areas	Director-Ship in Other Public Companies	Chairman/ Member of Committee
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Mr. K. Desikan	Production	Graduate	NIL	NIL
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8. Explanatory Statement as required under section 173(2) of the Companies Act, 1956 is annexed.

**EXPLANATORY STATEMENT PURSUANT TO SECTION 173(2) OF THE COMPANIES ACT 1956:
ITEM NO 4.**

Mr. K. Desikan is associated with the company for last 11 years and is well versed with the operations of the company. He is having rich experience in business operations of the company and is well versed with the day to day affairs of the company .Your Directors recommend appointing him as a Whole

time Directors of the Company for Annual Reports Library Services www.sansco.net notified in the resolution. The board of directors recommends the resolution to the members for their approval. The remuneration committee had recommended his appointment for five years from 01/10/2007. None of the Directors except Mr. K. Desikan may be deemed to be interested in this resolution.

Date 19/05/2008
Chennai

By Order of the Board
for Gothi Plascon (India) Limited
sd/- Sanjay Gothi
Managing Director

DIRECTORS' REPORT FOR THE YEAR ENDED 31ST MARCH, 2008

Dear Shareholders,

We have pleasure in presenting the 13th Annual Report and Audited Statements of Accounts of the Company for the year ended 31st March, 2008.

PERFORMANCE

The financial results for the year ended 31st March 2008 are as under:

	Rs. (In Lacs)	
	31.03.2008	31.03.2007
Income	150.34	260.43
Loss before depreciation	14.69	31.60
Depreciation	16.24	18.51
Loss before Tax	30.93	50.10
Provision for taxation	0.03	0.19
Loss After Tax	30.96	50.29

Business outlook & Prospects :

The company been trying to increase the sales & income but due to gradual ban on dispesable plastic cups by all most all the state government, and due to environments problem, 90% of market has switched over t paper cups from the plastic cups.

The company was aware of the market trend couple of years back and started disposing the machinerv. The existing machinery book value is appx Rs.1.60 crores and the same could not be sold even at 10% of book value after giving advertisement in papers. plastic magazine, exhibition's by brochure etc due to prevailing situation. Till then we will have to keep the machines in runnning condition. Which only will fetch, some reasonable price, otherwise we have to sell as a scrap.

As far as the land having about 5 acre (2,18,000sq.ft) land and its book value of Rs.47 lakhs only. Since the land is situated in the industrial belt the company has already stared construction of industrial sheds for letting out. The Board of Directors have decided to sell land and sheds in future if geting good price.

This way the companies future looks optimistic only in present situation and will be able in absorb the existing loss and bring the company to profit.

Fixed Deposit:

The company has not accepted any fixed deposit during the year.

DIVIDEND

The Directors do not recommend any dividend for the financial year ended 31st March 2008.

DIRECTORS

Mr. K. Desikan retires by rotation and being eligible, offer for re-appointment.

AUDITORS

The auditors of the Company M/s. ACHHA & ASSOCIATES, Chartered Accountants retire at the conclusion of the ensuing Annual General Meeting and are eligible for re-appointment. Accordingly a resolution is being submitted to the members fo: their re-appointment and to fix their remuneration for the current year.

STATUTORY DISCLOSURES:

The company had no employee covered by the provisions of section 217(2A) of the Companies Act, 1956. The company has consumed power of Rs.5.46 lacs as compared to Rs.22.14 lacs. The company had no foreign exchange inflow or outflow during the year.

DIRECTORS' RESPONSIBILITY STATEMENT:

Directors hereby declare

- That in the preparation of the annual accounts, the applicable accounting standards had been followed along with proper explanation relating to material departures;
- That the directors had 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 and of the profit or loss of the company for that period ;

- iii) That the directors had 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 subject to the inherent limitations that should be recognized in weighing the assurance ;
- iv) That the directors had prepared the annual accounts on a going concern basis.

EMPLOYEE RELATIONS

Employee relations throughout the company were harmonious. The board wishes to place on record its sincere appreciation of the devoted efforts of all employees in advancing the company's vision and strategy to deliver another record performance.

CORPORATE GOVERNANCE:

Pursuant to clause 49 of the Listing Agreement, a report of compliance of corporate governance as on 31/03/2008 duly certified by the auditors of the company is annexed.

ACKNOWLEDGEMENTS

Your directors would like to express their grateful appreciation for the support and co operation of all stakeholders. On behalf of all the company's stakeholders who benefit from the hard work of the employees, the Board would like to express its sincere appreciation and gratitude.

Date: 19/05/2008
Chennai

For and on behalf of the Board
for Gothi Plascon (India) Ltd.
sd/-
Directors

MANAGEMENT DISCUSSION AND ANALYSIS

Annexure - A to the Directors' Report

I GOTHI is in to plastic industry and has its name for its quality products.

II. Performance Review

The company had achieved a turnover of Rs. 150 lacs and incurred a loss of Rs.30.93 lacs as compared to a loss of Rs.50.10 lacs in the previous year.

III. Risks & Concerns

The main risk to which the company is exposed is competition from the various competitors, development in various bio degradable uses of products and the number of competitors. During the course of year the company has broad based its product base which restricted the loss of the company to Rs. 30 lacs. However the company is trying its best to be strengthening its operations.

IV. Internal Control Systems

The company is planning further to strengthen its internal control systems and procedures commensurate with the size and nature of its business.

CORPORATE GOVERNANCE REPORT

Corporate Governance refers to the manner, in which a company is directed, and laws and custom affecting that direction. It includes the manner in which company operates under various laws governing it, the bye laws established by itself for its operations and the distribution of rights and responsibilities primarily among directors and managers. The fundamental concern of corporate Governance is to ensure conditions whereby a company's directors and managers act in the interest of the company.

GOTHI is committed to highest standards of corporate Governance in all its activities.

I. Board of Directors

The present company's board strength is 5 comprising of 2 executive director and 3 non-executive directors, of which 2 are independent. There were no changes in the composition of the board during 2006-07.

II. Board Meetings & Attendance of Directors

During the year 2007-2008, 8 Board Meetings were held on the following dates:

- (1) 03/05/2007 (2) 23/07/2007 (3) 10/08/2007 (4) 26/10/2007
(5) 15/11/2007 (6) 28/01/2008 (7) 10/02/2008 (8) 25/03/2008

III. COMPOSITION AND CATEGORY OF DIRECTORS:

I. Composition and Category of Directors

The board comprises 5 members – 2 executive director and 3 non-executive directors, of which 2 are independent. The chairman of the board is a non-executive director. The company is in the process of appointing another independent director as per the new amendment in the listing agreement.

Name of Director	Number of meetings held during his tenure	Number of meetings attended	AGM attendance
Mr.Parasmal Gothi	8	8	Yes
Mr.SanjayGothi	8	8	Yes
M.Director			
Mr.Prakash Bohra	8	3	Yes