

NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

20th ANNUAL REPORT 2011-12

BOARD OF DIRECTORS	:	MR. VRAJLAL VAGHASIA MR. JITENKUMAR VAGHASIA MR. KETANBHAI BALDHA MR. VINESH BABARIA MR. KANTIBHAI DEVANI (Add. Director)
AUDIT COMMITTEE	:	MR. KETANBHAI BALDHA MR. JITENKUMAR VAGHASIA MR. VINESH BABARIA
REMUNERATION COMMITTEE	:	MR. VINESH BABARIA MR. JITENKUMAR VAGHASIA MR. KETANBHAI BALDHA
SHAREHOLDER'S / INVESTOR'S GRIEVANCE COMMITTEE	:	MR. JITEN VAGHASIA MR. KETANBHAI BALDHA MR. VINESH BABARIA
AUDITORS	:	M/S. S.D. MEHTA & CO., CHARTERED ACCOUNTANTS AHMEDABAD
REGISTERED OFFICE	:	PLOT NO. 119-120, SANTEJ-VADSAR RD, AT & POST SANTEJ, TALUKA: KALOL, DISTRICT: GANDHINAGAR – 382 721

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NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LTD

NOTICE

NOTICE is hereby given that the 20th Annual General Meeting of M/s. Narmada Macplast Drip Irrigation Systems Limited will be held on Saturday, the 29th day of September, 2012 at 4:00 P.M. at the Registered Office of the Company at Plot No. 119-120, Santej-Vadsar Road, At & Post Santej, Taluka: Kalol, District Gandhinagar – 382 721 to transact the following business:

ORDINARY BUSINESS:

1. To receive, consider and adopt Audited Balance Sheet as at 31st March, 2012, the Profit & Loss Account as on that date and the reports of the Auditors' and Directors' thereon.
2. To appoint a director in place of Mr. Ketanbhai Baldha, who retires by rotation and being eligible, offers himself for re-appointment.
3. To appoint a Director in place of Mr. Vineshbhai Babaria, who retires by rotation and being eligible, offers himself for re-appointment.
4. To re-appoint Auditors and fix their remuneration.

SPECIAL BUSINESS:

5. To pass the following resolution by way of Ordinary Resolution:
"RESOLVED THAT pursuant to the provisions of Section 260 and other applicable provisions, if any, of the Companies Act, 1956 Mr. Kantibhai Devani who was appointed as an Additional Director on the Board of the company be and is hereby appointed as a Director on the board of the Company liable to retire by rotation."
6. To pass the following resolution by way of Ordinary Resolution:
"RESOLVED THAT pursuant to Section 383A and other applicable provisions of the Act, M/s. Sagar R. Sharma & Co. be and is hereby appointed as the Practicing Company Secretary Firm to issue the Compliance Certificate for the year 2012-13 and that Board of Directors may in consultation with them fix their remuneration."

BY ORDER OF THE BOARD

Sd/-

MR. VRAJLAL VAGHASIA
Chairman &
Managing Director

Date: 21st August, 2012
Place: Ahmedabad

NOTES:

1. A member entitled to attend and vote at the meeting is entitled to appoint a proxy to attend and vote instead of himself and such proxy need not be a member of the company. The proxy form should be lodged with the company at its registered office not less than 48 hours before the time of the commencement of the meeting.
2. The Explanatory Statement as required under section 173(2) of the Companies Act, 1956 in respect of the Special Business mentioned in the above notice is annexed hereto.

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3. Members/ Proxies should bring the attendance slip sent herewith duly filled in for attending the meeting.
4. The Register of members and share transfer books of the company will remain closed from 26th September, 2012 to 29th September, 2012 (Both days inclusive).
5. Pursuant to clause 49 of the Listing Agreement, the particulars of the Director seeking re-appointment is given below:

Name	Mr. Ketanbhai Baldha	Mr. Vinesh Babaria
Date of Birth	22.12.1982	24.12.1972
Date of Appointment	16.08.2011	16.08.2011
Qualification	BCom	BCom
Experience	10 years in accounts department of drip irrigation companies.	15 years in drip irrigation related business activities.
Directorships in other companies	NIL	NIL

The explanatory statement to the special business as per notice

5) Regularization of Mr. Kantibhai Devani as a Director on the Board:

Mr. Kantibhai Devani was appointed as the Additional Director on the Board of the company, with effect from 15.05.2012. He has got a very good practical knowledge and experience in the field of Drip Irrigation. He has served the company for more than 15 years and has worked in the best interest of the Company.

Looking at the hard work he has put in for several years, the Board appointed him as the Additional Director on the board of the company. Your Directors recommend passing of this resolution.

None of the Directors apart from Mr. Kantibhai Devani may be deemed to be interested in this resolution.

6) Appointment of M/s. Sagar R. Sharma & Co. as Company Secretaries to issue Compliance Certificate:

The Board wishes to appoint M/s. Sagar R. Sharma & Co., Company Secretaries, Ahmedabad to issue the Compliance Certificate to the company for the year 2012-13.

The said firm is practicing since more than 3 years and has been satisfactorily handling Stock Exchange Compliances for the company for more than a year now. Your directors recommend passing of the resolution.

None of the directors on the board deem to be interested in this resolution.

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DIRECTORS' REPORT

To
The Members
Narmada Macplast Drip Irrigation Systems Limited
Ahmedabad

Your Directors have pleasure in submitting herewith the 20th Annual Report of the Company with the audited statements of accounts for the year ended 31st March, 2012.

FINANCIAL RESULTS:

(Rs. In Lacs)

Particulars	For the Year 2011-2012	For the Year 2010-2011
Turnover & Other Income	19.50	20.63
Net Profit before Depreciation & Write Offs	5.00	6.50
Less: Depreciation	5.57	6.92
Net Loss Before Extra Ordinary Item	(0.57)	(0.42)
Add: Extra Ordinary Item	Nil	Nil
Net Profit for the year	(0.57)	(0.42)
Less: Past Losses B/F	(231.59)	(231.17)
Loss to be carried forward to Balance Sheet	(232.16)	(231.59)

OPERATIONS:

During the year, your Company has achieved a turnover and earned other income of Rs. 19.50 Lacs in comparison to the turnover of Rs. 20.63 Lacs of the previous year.

DIVIDEND:

Due to past accumulated losses still suffered by the Company, your directors do not recommend any dividend for the current year.

DIRECTORS:

In accordance with the provisions of the Companies Act, 1956 and the Articles of the Association of the Company, Mr. Vinesh Babaria and Mr. Ketanbhai Baldha, Directors of the Company, retire by rotation at the ensuing Annual General Meeting and being eligible offer himself for re-appointment. Also Mr. Kantibhai devani who was appointed as an additional Director on the Board of the company is hereby regularized.

DIRECTORS' RESPONSIBILITY STATEMENT:

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

- (i) In the preparation of the annual accounts, the applicable accounting standards had been followed along with the proper explanation relating to material departures if any;
- (ii) 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) The directors have taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956 for

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safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities;

(iv) The directors had prepared the annual accounts on a going concern basis.

PARTICULARS OF EMPLOYEES:

There are no employees falling under the purview of Section 217(2A) of the Companies Act, 1956 read with the Companies (Particulars of Employees) Rules, 1975.

CONSERVATION OF ENERGY AND TECHNOLOGY ABSORPTION:

The Manufacturing Activities of the Company have been stopped due to lack of funds and hence there is no expenditure for power in factory. Electrical Expenditures however have been incurred for running the Corresponding administrating office of the company.

MANAGEMENT DISCUSSION AND ANALYSIS:

Pursuant to Clause 49 of the Listing Agreement with the Stock Exchanges, Management Discussion and Analysis Report are annexed herewith and form part of this Report.

AUDITORS:

M/s S. D. Mehta & Co., Chartered Accountants, Statutory Auditors of the Company is recommended for re-appointment. The Company has received a certificate from them that their appointment, if made would be within the prescribed limits u/s 224(1)(B) of the Companies Act, 1956.

APPRECIATION:

Your Director wish to place on record their appreciation for the cooperation and continued support extended to the Company by all Government Authorities, Banks and Shareholders. Your Directors express their appreciation for the dedicated and science service rendered by the employees of the Company.

FOR AND ON BEHALF OF BOARD OF DIRECTORS

Sd/-

VRAJLAL VAGHASIA
Chairman &
Managing Director

Date: 21st August, 2012

Place: Ahmedabad

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REPORT ON CORPORATE GOVERNANCE

Philosophy:

The Company is committed to good corporate governance and taking steps for implementing corporate governance norms as prescribed by SEBI. The Company respects the rights of its shareholders to incorporation on the performance of the company and considers itself a trustee of its shareholders.

Board of Directors:

Composition, Category of Directors and their other Directorships and Committee Memberships:

At present, the Board consists of three members. The composition of Board of Directors, the number of other directorship or board committees of which he is a member / Chairman is as under:

Name of Director	Category	Other Directorships/Board Committees	
		Directorships	Board Committee
Mr. Vrajlal Vaghasia	Promoter Exe. Director	NIL	NIL
Mr. Jiten Vaghasia	Promoter Director	NIL	NIL
Mr. Arjanbhai Vaghasia	Independent Non-Exe. Director	NIL	NIL
Mr. Lalitbhai Vaghasia	Independent Non-Exe. Director	NIL	NIL

7 Meetings of the Board of Directors were held during the Financial Year 2011-2012 as under:

5th April, 2011, 31st May, 2011, 8th August, 2011, 16th August, 2011, 30th September, 2011, 14th November, 2011 and 11th February, 2012.

Attendance of Directors at the Board Meetings and Last Annual General Meeting:

Name of Director	Board Meetings Attended	Attendance in GM (Yes/No)
Mr. Vrajlal Vaghasia	7	YES
Mr. Jiten Vaghasia	7	YES
Mr. Ketanbhai Baldha	6	YES
Mr. Vinesh Babaria	6	YES

One Extra Ordinary General Meeting was held during the year under review on 7th May, 2011.

3. COMMITTEE OF BOARD:

(A). AUDIT COMMITTEE:

The terms of reference of this committee cover the matters specified for Audit Committee under clause 49 of the Listing Agreement. During the year ended 31st March, 2012 and up to this report the committee met four times. The attendance of each member of the Committee is given below;

Name of Director	Designation	No. of Meetings Attended
Mr. Ketanbhai Baldha	Chairman	4
Mr. Vinesh Babaria	Member	4
Mr. Jiten Vaghasia	Member	4

(B). REMUNERATION COMMITTEE:

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The Company has constituted a remuneration committee. The Company has also paid salary to its MD and WTD in the Financial Year 2011-12.

(C). SHAREHOLDERS/ INVESTORS GRIEVANCE COMMITTEE:

The Company has constituted a shareholders / investors grievances committee in accordance with Clause 49 of the Listing Agreement. The Committee looks into redressal of investors' complaints and requests like delay in transfer of shares, non-receipt of dividend, non-receipt of annual report etc.

The committee comprises of three directors. Mr. Jiten Vaghasia is the Chairman of the Committee and Mr. Ketanbhai Baldha and Mr. Vinesh Babaria are members of the Committee. During the year ended 31st March, 2012 Committee met four times.

(D). SHARE TRANSFER COMMITTEE:

The Company has Share Transfer committee since 1994. At present members of the Committee are Mr. Jiten Vaghasia, Chairman of the Committee and Mr. Ketanbhai Baldha and Mr. Vinesh Babaria are members of the Committee.

The Company has appointed M/s. Purva Sharegistry Private Limited as the Registrar and Share Transfer Agent of the Company in the month of November, 2011. They have taken full charge of their responsibilities and started with their services.

4. Details of Annual General Meeting:

The last three Annual General Meeting of the Company were held within the Statutory time period and the details of the same are as under:

Financial Year	Location	Date	Time
2008-2009	Plot No. 119-120, Santej-Vadsar Road, At & Post Santej, Taluka : Kalol, Dist. : Gandhinagar	30/09/2009	3.00 P.M.
2009-2010	Plot No. 119-120, Santej-Vadsar Road, At & Post Santej, Taluka : Kalol, Dist. : Gandhinagar	30/09/2010	3.00 P.M.
2010-2011	Plot No. 119-120, Santej-Vadsar Road, At & Post Santej, Taluka : Kalol, Dist. : Gandhinagar	30/09/2011	3.00 P.M.

All the resolutions set out in the respective notice were passed by the shareholders. There were no resolutions put through postal ballot last year. There is no business at the ensuing AGM requiring implementation of the postal ballot under the applicable rule.

5. Disclosures:

(a) Disclosures on 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 interest of Company at large. There are no materially significant related party transactions during the Financial Year 2011-12 that may have potential conflict with the interest of the Company at large.

(b) Details of non-compliance by the Company, penalties, and strictures imposed on the Company by Stock Exchange or SEBI or any statutory, on any matter related to capital markets, during the last three years. Due to non-compliance with the provisions of the listing agreement, trading is suspended. However the Company has hired professional services for assistance in the compliance of Listing Agreement and intends to finish off the pending Stock Exchange Compliance before the AGM.

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6. Means of Communication:

- a) Half -Yearly result is not sent to each shareholder.
- b) Quarterly results are taken on record by the Board of Directors and submitted to the Stock Exchanges in terms of the requirement of Clause 41 of the Listing Agreement.
- c) The Quarterly results are published in Western Times (Ahmedabad) in English and Gujarati edition.
- d) No presentation has been made to Institutional Investors or to analysts.
- e) Quarterly results have been displayed on company's website.
- f) The Management Discussion and Analysis Report is attached with the Director's report in this Annual Report.

7. General Shareholder Information:

I. Annual General Meeting

Date and Time : 29/09/2012 at 4.00 P.M.
Venue : Plot No. 119-120, Santej-Vadsar Road,
At & Post Santej, Taluka: Kalol,
Dist.: Gandhinagar

II. Financial Calendar (Tentative):

Financial Year : 1st April - 31st March
First Quarter Results : End of July 2012
Second Quarter Results : End of October 2012
Third Quarter Results : End of January 2013
Results for the year ending
31st March 31, 2013 : End of April 2013

III. Book Closure Date : 26th September, 2012 to 29th September, 2012
(Both days inclusive)

IV. Registered Office : Plot No. 119-120, Santej-Vadsar Road,
At & Post Santej, Taluka: Kalol,
Dist.: Gandhinagar

V. Dividend Payment Date : No dividend is recommended for the financial year 2011-12

VI. Listing of Equity Shares on Stock Exchange:

Your Company's equity shares are listed on

Sr. No.	Name of Stock Exchange	Address of Stock Exchange
1	The Ahmedabad Stock Exchange Ltd.	Kamdhenu Complex, Opp. Sahajanand College, Ambawadi, Ahmedabad – 380 015
2	The Bombay Stock Exchange Ltd.	Phiroze Jeejeebhoy Towers, Dalal Street, Fort, Mumbai – 400 001
3	The Saurashtra Kutch Stock Exchange Ltd	Popatbhai Sorathiya bhawan, Sardar Bazar, Rajkot – 360 001
4	Madras Stock Exchange Ltd	No. 30, Second Line Beach, Chennai – 600 001

Annual Listing Fees for the year 2012-13 have been paid to the Bombay Stock Exchange only.

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VII. Stock Code:

- a) The Ahmedabad Stock Exchange Limited, Ahmedabad :
- b) The Bombay Stock Exchange Limited, Mumbai : 517431
- c) The Saurashtra Kutch Stock Exc. Ltd.
- d) The Madras Stock Exchange Ltd.

VIII. Distribution of Shareholding:

No. of Equity Shares	As on 31 st March, 2012			
	No. of Shareholders	% of Shareholders	Total Nos. of Shares held	% of Shareholding
1-500	2277	81.76	788800	19.84
501-1000	278	9.98	249400	6.27
1001-2000	133	4.78	222800	5.60
2001-3000	45	1.62	119400	3.00
3001-4000	4	0.14	13100	0.33
4001-5000	19	0.68	90700	2.28
5001-10000	13	0.47	95700	2.41
10001 & Above	16	0.57	2396500	60.27
TOTAL	2785	100.00	3976400	100.00

IX. Categories of Shareholding (as on 31st March, 2012):

Category of Holder	No. of Shares	% of Equity
Promoters / Persons Acting In Concert	1574300	39.59
Government Companies	48700	1.22
Private Corporate Bodies	84400	2.12
Indian Public	2266500	57.00
NRI's	1500	0.04
HUF	1000	0.03
Total	3976400	100.00

X. Details on use of public funds obtained in the last three years:

No funds have been raised from the public during the last three years.

XI. Outstanding GDR / ADRs / Warrants and Convertible bonds, conversion date and likely impact on the equity: No GDRs / ADRs / Warrants issued by the company.

XII. Investors' correspondence may be addressed to:

Company: NARMADA MACPLAST DRIP IRRIGATION SYSTEMS LIMITED

A-16 Parulnagar Society, 1st floor, Bhuyangdev Char Rasta, Sola Road
Ghatlodia, Ahmedabad – 380 061

RTA: PURVA SHAREGISTRY PVT LTD

Unit no. 9, Shiv Shakti Ind. Estate,
J.R. Boricha marg, Opp. Kasturba Hospital Lane
Lower Parel (E) Mumbai 400 011

Tel: 91-22-2301 6761 / 8261

Fax: 91-22-2301 2517

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CERTIFICATE ON COMPLIANCE WITH THE CONDITIONS OF CORPORATE GOVERNANCE UNDER CLAUSE 49 OF THE LISTING AGREEMENT(S)

To
The Members of
Narmada Macplast Drip Irrigation Systems Limited

1. We have reviewed the compliance of conditions of Corporate Governance by **Narmada Macplast Drip Irrigation Systems Limited** (the Company) during the year ended **31st March, 2012** with the relevant records and documents maintained by the Company and furnished to us.

2. The Compliance of conditions of corporate governance is the responsibility of the management. Our examination has been limited review of the procedures and implementation thereof, adopted by the Company for ensuring the compliance of the conditions of Corporate Governance. It is neither an audit nor an express of opinion on the financial statements of the Company.

3. On the basis of our review and according to the information and explanations given to us, we certify that the Company has, for the year ended March 31, 2012, complied in all material respects with the conditions of Corporate Governance as stipulated in Clause 49 of the listing agreement(s) with the Stock Exchange(s).

4. We state that no investor grievance is pending for a period exceeding one month against the Company as per the records maintained by the Shareholders/Investors' grievances Committee.

5. 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, S. D. Mehta & Co.
Chartered Accountants

Sd/-
Shaishav Mehta
Proprietor

Date: 21st August, 2012
Place: Ahmedabad