

**FIFTY THIRD ANNUAL REPORT
2007-2008**



THE PLASTICS EXPORT PROMOTION COUNCIL

(Sponsored by the Department of Commerce, Government of India)

Crystal Tower, Gundivali Road No 3, Off Sir M V Road, Andheri (East), Mumbai – 400069

Phone: (022) 26833951 / 52 Fax: (022) 26833953 / 26834057

Email: plexconcil@vsnl.com Website: www.plexconcil.com

दि प्लास्टिक एक्सपोर्ट प्रमोशन कौन्सिल

(भारत सरकार, वाणिज्य एवं उद्योग मंत्रालय, वाणिज्य विभाग द्वारा प्रायोजित)
क्रिस्टल टावर, गुंदिवली रोड क्र. 3, ऑफ सर एम व्ही रोड, अंधेरी (पूर्व), मुंबई ४०० ०६९, भारत
दूरध्वनी : ९१-२२-२६८३ ३९९१/९२ फ़ैक्स : ९१-२२-२६८३ ३९९३
ई-मेल : plexconcil@vsnl.com वेबसाईट : http://www.plexconcil.org

THE PLASTICS EXPORT PROMOTION COUNCIL

(Sponsored by the Ministry of Commerce & Industry, Department of Commerce, Government of India)
Crystal Tower, Gundivali Road No 3, Off Sir M V Road, Andheri (E), Mumbai 400069 - India
Ph: (+91 - 22) 26833951, Fax: (+91 - 22) 26833953 / 26834057
Email: plexconcil@vsnl.com Website: http://www.plexconcil.org

ALL MEMBERS

Notice is hereby given that the 53rd Annual General Meeting of the Council will be held on **Friday the 26th September 2008 at 11:00 a.m. at Concord-II, Hotel Ramada Plaza Palmgrove, Juhu Tara Road, Juhu Beach, Mumbai - 400049 (Phone: 022-26112323)** to transact the following business:

1. To confirm the minutes of the 52nd Annual General Meeting of the Council held on 24th November 2007 in Mumbai.
2. To receive and pass the Balance Sheet and Income & Expenditure Account of the Council for the year ended 31st March 2008, the report of the Auditors & Committee of Administration thereon.
3. To appoint Auditors of the Council for the year 2008-2009 and fix their remuneration.
4. To place on record the names of the Members of the Committee of Administration for the year 2008-2009.

By Order of the Committee of Administration



R P Kalyanpur – Executive Director

Place : Mumbai

Date : 1st September 2008

COMMITTEE OF ADMINISTRATION

Mr Nemish Sayani, Chairman
Mr G Sudhakar, Regional Chairman (South)

Mr Manoj Agarwal, Vice Chairman
Mr Ashok Basak, Regional Chairman (East)

Western Region

Mr B S Batra
 Mr Ashish Desai
 Mr Kailash Morarka
 Mr Sachin Shah

Mr Rajiv Chitalia
 Mr Saurabh Kalani
 Mr Paresh V. Parekh
 Mr Pradip Thakkar

Mr Rajendra Chopra
 Mr Mukesh A. Motasha
 Mr Vimalchand Rathod

Eastern Region

Mr C L Bhandari
 Mr Gaurav Swarup

Mr Madan Mohan Singi

Mr R C Lohia

Southern Region

Mr Atul Bhayani
 Mr D R S P Raju

Mr M.M. Gupta
 Mr R Panchapakesan

Mr Ravish B. Kamath
 Mr N. Srinivasan

Northern Region

Mr Sandeep Bafna
 Mr Dapinder Paul Singh

Mr Arvind Goenka

Mr D K Jain

Co-opted Members

Mr Vikram Bhadauria
 Mr C S Gokhale
 Mr Jayesh Rambhia

Mr K V Chitalia
 Mr S S Rajpathak
 Mr Manoj Sinha

Mr Ujjal De
 Mr S Ramakrishnan

Government Nominees

1. **Mr Rajiv Kher**, Joint Secretary to the Govt of India, Department of Commerce
2. **Mrs Mridul Jain**, Director, Govt of India, Deptt of Commerce (Alternate to (1) above)
3. **Mr B.P. Pandey**, Joint Secretary to the Govt of India, Deptt of Chemicals & Petrochemicals
4. **Mr Surjit Bhujabal**, Director, Government of India, Department of Chemicals & Petrochemicals (Alternate to (3) above)
5. **Export Commissioner**, Govt of India, Deptt of Commerce, Directorate General of Foreign Trade

Secretariat

1. **Mr. R P Kalyanpur**, Executive Director
2. **Mr. Sanjiv Dewan**, Regional Director, New Delhi
3. **Mr. Jaswanth Soundarapandian**, Regional Director, Chennai
4. **Mr. Nilotpal Biswas**, Regional Director, Kolkata
5. **Mr. Mukesh Patani**, Deputy Director, Mumbai
6. **Mr. M V Ramesh**, Deputy Director, Chennai
7. **Mr. V G Mahajan**, Deputy Director, Mumbai

Bankers

State Bank Of India
 Andheri (East)
 Mumbai-400 069

ICICI Bank Limited

Udyog Sarathi Building, MIDC
 Mahakali Caves Road, Marol, Andheri (E), Mumbai – 400 093

Auditors

M/s N P Patwa & Co
 Chartered Accountants
 102, Sudaive, Plot No 97
 Hindu Colony Road No. 3
 Dadar (Cr.), Mumbai – 400 014
 Mumbai – 400 001

Membership position as on 31st March 2008

All India Membership details				
	Manufacturer Category	Merchant Exporter	Honorary	TOTAL
Western Region	743	195	6	944
	585	210	6	801
Eastern Region	83	38		121
	94	35		129
Southern Region	289	55	1	345
	250	41	1	292
Northern Region	190	58	1	249
	149	49	1	199
TOTAL (as on 31.03.2008)	1305	346	8	1659
TOTAL (as on 31.03.2007)	1078	335	8	1421

Western Region Break-up				
	Manufacturer Category	Merchant Exporter	Honorary	TOTAL
Maharashtra	510	160	6	676
	407	173	6	586
Gujarat	188	31		219
	133	30		163
Madhya Pradesh	22	3		25
	20	5		25
Daman & Diu (U.T.)	14	1		15
	11	2		13
Goa	9			9
	13			13
Chattisgarh				
	1			1
TOTAL (as on 31.03.2008)	743	195	6	944
TOTAL (as on 31.03.2007)	585	210	6	801

Eastern Region Break-up				
	Manufacturer Category	Merchant Exporter	Honorary	TOTAL
West Bengal	79	38		117
	89	35		124
Jharkhand	3			3
	3			3
Assam	1			1
	1			1
TOTAL (as on 31.03.2008)	83	38	0	121
TOTAL (as on 31.03.2007)	93	35	0	128

Southern Region Break-up				
	Manufacturer Category	Merchant Exporter	Honorary	TOTAL
Andhra Pradesh	56	6		62
	51	4		55
Karnataka	84	8		92
	67	8		75
Kerala	16	5		21
	16	2		18
Pondicherry	7	2		9
	4	1		5
Tamil Nadu	126	34	1	161
	112	26	1	139
TOTAL (as on 31.03.2008)	289	55	1	345
TOTAL (as on 31.03.2007)	250	41	1	292

Northern Region Break-up				
	Manufacturer Category	Merchant Exporter	Honorary	TOTAL
Delhi	109	44	1	154
	83	37	1	121
Rajasthan	19	1		20
	14	1		15
Haryana	16	5		21
	11	4		15
Punjab	8	2		10
	9	1		10
Himachal Pradesh	2			2
	3	1		4
Uttaranchal		1		1
Uttar Pradesh	36	6		42
	29	4		33
TOTAL (as on 31.03.2008)	190	58	1	249
TOTAL (as on 31.03.2007)	149	49	1	199

Attendance of Committee of Administration Membrs at COA Meetings – total number of meetings

Mr. Manoj Agarwal	4
Mr. A K Basak	4
Mr. Sandeep Bafna	0
Mr. B S Batra	1
Mr. C L Bhandari	4
Mr. Atul P Bhayani	4
Mr. Vikram Bhadauria (Co.Opted)	1
Mr. K V Chitalia(Co.opted)	2
Mr. R C Chitalia	3
Mr. Rajendra Chopra	2
Mr. Ashish Desai	3
Mr. Ujjal De (Co.Opted)	2
Mr. Arvind Goenka	2
Mr. C S Gokhale (Co.Opted)	0
Mr. Laxman Gujarati (Co.Opted)	0
Mr. M M Gupta	0
Mr. Saurabh Kalani	1
Mr. Ravesh Kamat	2
Mr. R.C. Lohia	3
Mr. Mukesh Motasha	2

Mr. Kailash Murarka	3
Mr. Paresh V Parekh	0
Mr. R. Panchpakesan	0
Mr. D R S P Raju	2
Mr. S. Ramakrishnan (Co-Opted)	1
Mr. S.S. Rajpathak (Co-Opted)	1
Mr. Jayesh Rambhia (Co-opted)	4
Mr. Vimalchand Rathod	2
Mr. Gaurav Swarup	0
Mr. Nemish Sayani	4
Mr. Sachin Shah	2
Mr. Dapinder Paul Singh	2
Mr. Madan Mohan Singh	1
Mr. N Srinivasan	2
Mr. G Sudhakar	4
Mr. Pradip Thakkar	3
Government Nominee – Deptt of Commerce	4
Government Nominee – Deptt of Chemicals & Petrochemicals	2
Export Commissioner	0

COA Meetings were held on 24/11/2007 in Mumbai; 22/02/2008 in Kolkata; 09/05/2008 in New Delhi; 08/08/2008 in Chennai.



BALANCE SHEET

&

INCOME & EXPENDITURE ACCOUNT

2007 - 2008

THE PLASTICS EXPORT PROMOTION COUNCIL

(LIMITED BY GUARANTEE)

THE PLASTICS EXPORT PROMOTION COUNCIL
(LIMITED BY GUARANTEE)

FINANCIAL HIGHLIGHTS**(RUPEES IN ' 000)**

PARTICULARS	2007-08	2006-07
Income from Activities	22352	21975
Investment & Other Income	2711	3556
Expenditure on the Objects	14053	16349
Expenditure – Establishment & Miscellaneous	12411	10877
(Deficit) / Surplus during the year	(1400)	(1695)

RESPONSIBILITY STATEMENT AS PER SEC.217 (2AA) OF COMPANIES ACT 1956

The Members of the Committee of Administration confirm:

- 1) That in preparation of annual accounts, the applicable accounting standards have been followed.
- 2) That the Committee of Administration has 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 state of affairs of the Council at the end of the Financial Year ended 31st March, 2008.
- 3) That the Committee of Administration had taken proper and sufficient care for the maintenance of adequate accounting records in accordance with the provisions of Companies Act 1956 for safeguarding the assets of the company and for preventing and detecting fraud and other irregularities,
- 4) That the Committee of Administration has prepared the annual accounts on going concern basis.

AUDITORS

N.P.Patwa & Co. Chartered Accountant are the statutory auditor, who retire at the ensuing general meeting of members, offers themselves for reappointment.

For The Plastics Export Promotion Council

Sd/-
Nemish Sayani - CHAIRMAN

Sd/-
Manoj Agrawal - VICE CHAIRMAN

Chennai,
Date: 8th August 2008

Sd/-
R P Kalyanpur - EXECUTIVE DIRECTOR

102, Sudaive, Plot No. 97
Hindu Colony Road No. 3
Dadar(Cr.), Mumbai - 400 014

N. P. PATWA & CO.
CHARTERED ACCOUNTANTS

Phone : 2411 8146 • Telefax : 2604 0943

AUDITOR'S REPORT

TO
THE MEMBERS OF
THE PLASTICS EXPORT PROMOTION
COUNCIL (LIMITED BY GUARANTEE)

We have audited the attached Balance Sheet of THE PLASTICS EXPORT PROMOTION COUNCIL, Mumbai (Limited by Guarantee) as at 31st March, 2008 and also the Income and Expenditure Account for the year ended on that date annexed thereto. These financial statements are the responsibility of the Committee of Administration of the Council. Our responsibility is to express an opinion on these financial statements based on our audit.

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

As the Council is registered under section 25 of the Act, the clauses under the Companies (Auditor Report) order, 2003 are not applicable and hence, not reported.

We report that: -

- a) We have obtained all the information and explanations, which to the best of our knowledge and belief were necessary for the purposes of our audit.
- b) In our opinion, proper Books of Account as required by law have been kept by the Council so far as it appears from our examination of those books and proper returns adequate for the purposes of our audit have been received from the regional offices not visited by us.
- c) The Balance Sheet and Income and Expenditure Account dealt with in this report are in agreement with the Books of Account and returns.
- d) The Balance Sheet and Income and Expenditure Account have been prepared in compliance with the Accounting Standards referred to in Section 211(3C) of the Companies Act, 1956 (hereinafter referred to as the 'Act'), to the extent applicable.
- e) Reference is invited to Note No.2.3 in Schedule '16' regarding misappropriation of Rs.2,79,414 by a senior executive (under suspension) which presently has been shown as recoverable from the concerned executive. We are unable to express an opinion with regard to its recoverability.
- f) In our opinion, Section 227(3)(f) of the Act, in respect of reporting on disqualification of Directors as provided under Section 274(1)(g) of the Act, is not applicable to the Council, there

being no Directors and the Council is registered under Section 25 of the Act and managed by the Committee of Administration.

g) In our opinion and to the best of our information and according to the explanations given to us, the said accounts and our comments at paragraphs (a) and (f) above having consequential impact (presently not determinable) on the deficit for the year, reserves and surplus, assets and liabilities of the Council and read together with the significant accounting policies and other notes appearing in Schedule '16' and those elsewhere in the financial statements, give the information required by the "Act", 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 Council as at 31st March, 2008.

And

(ii) In the case of Income and Expenditure Account, of the deficit of the Council for the year ended on that date.

For N P PATWA & COMPANY
Chartered Accountants

Sd/-
(Jitendra C Shah)
Partner

CHENNAI,
DATED : 8th August 2008

THE PLASTICS EXPORT PROMOTION COUNCIL (LIMITED BY LIABILITY)
BALANCE SHEET AS AT 31st MARCH 2008

(Amount in Rs.)

CORPUS/CAPITAL FUND AND LIABILITIES	Schedule	As at 31.3.2008	As at 31.3.2007
CORPUS/CAPITAL FUND ETC.	1	31,718,935	28,971,598
RESERVES AND SURPLUS	2	7,743,863	7,184,451
EARMARKED FUNDS	3	2,823,350	4,782,997
CURRENT LIABILITIES AND PROVISIONS	4	21,732,824	20,572,371
TOTAL		64,018,972	61,511,417
ASSETS			
FIXED ASSETS	5	13,033,225	14,078,205
CURRENT ASSETS, LOANS, ADVANCES ETC.	6	50,985,747	47,433,212
TOTAL		64,018,972	61,511,417
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	16		

SCHEDULES REFERRED TO ABOVE FORM AN INTEGRAL PART OF THE FINANCIAL STATEMENTS
AS PER OUR ATTACHED REPORT OF EVEN DATE

For N.P.Patwa & Company
Chartered Accountants

For The Plastics Export Promotion Council

Sd/-
 (Jitendra C Shah)
 Partner

Sd/-
 (Nemish Sayani)
 Chairman

Sd/-
 (Manoj Agarwal)
 Vice Chairman

Sd/-
 (R P Kalyanpur)
 Executive Director

Chennai

Dated: 8th August 2008

THE PLASTICS EXPORT PROMOTION COUNCIL (LIMITED BY LIABILITY)
INCOME & EXPENDITURE AS AT 31st MARCH 2008

(Amount in Rs.)

INCOME	Schedule	FOR THE YEAR ENDED 31ST MARCH, 2008	FOR THE YEAR ENDED 31ST MARCH, 2007
Programme Participation Charges	7	5,575,553	6,339,096
Grants	8	5,869,326	4,351,225
Fees	9	10,830,250	11,127,930
Income from Publication	10	77,195	156,377
Interest Earned	11	715,488	269,130
Other Income	12	1,995,962	3,286,860
TOTAL (A)		25,063,774	25,530,618
EXPENDITURE			
Code Activity Expenses	13	11,168,810	12,373,180
Establishment Expenses	14	6,128,683	5,843,288
Other Administrative Expenses etc.	15	5,033,082	3,883,233
Expenses on objects of the council	15 A	2,884,227	3,976,385
Write off of the Fixed Assets		194,707	-
Provision for Diminution in the Value of Fixed Assets		106,240	-
Depreciation		948,260	1,149,970
TOTAL (B)		26,464,009	27,226,056
SURPLUS/(DEFICIT) FOR THE YEAR CARRIED TO CORPUS/CAPITAL FUND (A-B)		(1,400,235)	(1,695,438)
SIGNIFICANT ACCOUNTING POLICIES AND NOTES ON ACCOUNTS	16		

SCHEDULES REFERRED TO ABOVE FORM AN INTEGRAL PART OF THE
FINANCIAL STATEMENTS

For N.P.Patwa & Company
Chartered Accountants

For The Plastics Export Promotion Council

Sd/-
(Jitendra C Shah)
Partner

Sd/-
(Nemish Sayani)
Chairman

Sd/-
(Manoj Agarwal)
Vice Chairman

Sd/-
(R P Kalyanpur)
Executive Director

Chennai,
Dated: 8th August 2008

THE PLASTICS EXPORT PROMOTION COUNCIL (LIMITED BY LIABILITY)
SCHEDULES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2008

SCHEDULES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2008
(Amount in Rs.)

	As at 31.3.2008		As at 31.3.2007	
	<u>SCHEDULE 1- CORPUS/CAPITAL FUND ETC.</u>			
Balance as at the beginning of the year	28,971,598		26,613,021	
Add:(i) Entrance Fees				
Received during the year	1,073,750		1,093,250	
(ii) Interest on Fixed Deposits	1,673,587	31,718,935	1,265,327	28,971,598
TOTAL		31,718,935		28,971,598
<u>SCHEDULE 2- RESERVES AND SURPLUS</u>				
General Reserve :				
As per last Account	7,184,451		8,879,889	
Add :Transfer from Export Mkt Reserch, Development & Publicity Fund	1,959,647			
Add :Surplus/(Deficit) for the year transferred from Income & Expenditure Account	(1,400,235)	7,743,863	(1,695,438)	7,184,451
TOTAL		7,743,863		7,184,451

THE PLASTICS EXPORT PROMOTION COUNCIL (LIMITED BY LIABILITY)

SCHEDULES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2008

SCHEDULES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31ST MARCH, 2008

(Amount in Rs.)		
	As at 31.03.2008	As at 31.03.2007
SCHEDULE 3 - EARMARKED FUNDS		
Export Market Research, Development and Publicity Fund		
Opening balance	4,782,997	4,630,747
Less : Transferred To General Reserve	(1,959,647)	
Interest on Fixed Deposits (Refer Note 2.6 of Schedule 16)	-	152,250
TOTAL	2,823,350	4,782,997
SCHEDULE 4-CURRENT LIABILITIES AND PROVISIONS		
CURRENT LIABILITIES		
Sundry Creditors for expenses	1,239,303	830,055
Advance Membership Fees Received	2,169,000	1,948,250
Advance Entrance Fees Received	-	34,500
Advance received from Members and Grant-in-Aid for Antidumping matters	318,586	318,586
Amount due to Members (Refer Note 2.8 of Schedule 16)	7,457,724	9,335,545
Unspent Grant for Code Activities	5,979,472	5,707,775
Advance from members for Export Directory 2008	109,000	-
Advance from members for Exhibitions to be held	2,346,225	1,277,416
Grant from DOCP for Plastics Park to Promote Cluster	928,800	
Less: Utilised during the year	(22,455)	
	906,345	
TOTAL	20,525,655	19,452,127
PROVISIONS		
Accumulated Leave Encashment	1,100,929	1,120,244
Provisions for Diminution in the Value of Fixed Assets	106,240	-
	1,207,169	1,120,244
TOTAL	21,732,824	20,572,371

THE PLASTICS EXPORT PROMOTION COUNCIL (LIMITED BY LIABILITY)
SCHEDULES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2008

(Amount in Rs.)											
SCHEDULE 5- FIXED ASSETS	GROSS BLOCK (AT COST)				DEPRECIATION				NET BLOCK		
	DESCRIPTION	As on 1.4.2007	Additions during the year	Adjustment/ (Deduction)	As on 31.3.2008	Upto 31.3.2007	For the Year	Adjustment /Deduction	Upto 31.3.2008	As at 31.3.2008	As at 31.3.2007
BUILDINGS ON FREEHOLD LAND :											
- At Mumbai	13,693,257	-	-	13,693,257	2,903,432	539,491	-	3,442,923	10,250,334	10,789,825	
- At Kolkatta *	2,080,927	-	-	2,080,927	407,186	83,687	-	490,873	1,590,054	1,673,741	
PLANT, MACHINERY & EQUIPMENT	318,595	902,219	(126,475)	1,094,339	199,703	21,165	724,131	944,999	149,340	118,892	
FURNITURE, FIXTURES & OFFICE EQUIPMENT **	6,493,034	137,905	(3,578,551)	3,052,388	5,735,474	112,800	(3,292,314)	2,555,960	496,428	757,561	
VEHICLES	1,280,510	-	-	1,280,510	542,323	191,117	-	733,440	547,070	738,187	
B. CAPITAL WORK-IN-PROGRESS											
TOTAL	23,866,323	1,040,124	(3,705,026)	21,201,421	9,788,118	948,260	(2,568,183)	8,168,196	13,033,225	14,078,205	
PREVIOUS YEAR	18,168,978	5,697,345	-	23,866,323	8,638,148	1,149,970	-	9,788,118	14,078,205		

* Registration in the name of the Council is pending.

* Represents 2.23% share jointly owned with six other parties (4 Other Councils, a Bank and a Trade Promotion Council) and is net of specific Government Grant of Rs.14,49,500 (P.Y. Rs.14,49,500)

** Net of specific Government Grant of Rs.37,61,121 (previous year Rs.37,61,121)

THE PLASTICS EXPORT PROMOTION COUNCIL (LIMITED BY LIABILITY)

SCHEDULES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2008

	As at 31.3.2008		As at 31.3.2007	
<u>SCHEDULE 6 -CURRENT ASSETS, LOANS, ADVANCES ETC</u>				
<u>A. CURRENT ASSETS:</u>				
Income Receivable (Unsecured, considered good) :				
- Outstanding for less than six months		210,655		454,179
Cash balance in hand (As verified & certified by the mangement) (Refer Note 2.3 of Schedule 16)		27,797		4,715
Bank Balances:				
With Scheduled Banks:				
- In Current Accounts		3,536,963		3,396,475
- Cheque in Transit		-		13,734,000
TOTAL (A)		3,775,415		17,589,369

	As at 31.3.2008		As at 31.3.2007	
<u>B. LOANS, ADVANCES AND OTHER ASSETS</u>				
(Unsecured, considered good) :				
1. Staff Loans		141,245		42,285
2. Advances and other amounts recoverable in cash or in kind or for value to be received :				
a) Prepayments and Advances	3,181,106		1,906,776	
b) From employees/retainers	296,467		345,160	
c) From Engineering Export Promotion Council (On - account payment for registration of Kolkatta Building)	40,000	3,517,573	40,000	2,291,936
d) Recoverable from a senior executive (Refer Note 2.3 of Schedule 16)		279,414		283,098
3. Fixed Deposits - with HDFC Limited	2,854,500		16,799,500	
- with State Bank of India	38,830,860	41,685,360	9,556,771	26,356,271
4. Deposits		234,459		165,516
5. Income accrued but not due :				
On Deposits with HDFC Ltd		155,838		361,024
On Deposits with State Bank of India		996,548		18,358
6. Advance to Interior Decorator		-		50,000
7. Income Tax		199,895		275,357
TOTAL (B)		47,210,332		29,843,845
TOTAL (A + B)		50,985,747		47,433,213

THE PLASTICS EXPORT PROMOTION COUNCIL (LIMITED BY LIABILITY)
SCHEDULES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2008

(Amount in Rs.)

	FOR THE YEAR ENDED 31 ST MARCH, 2008	FOR THE YEAR ENDED 31 ST MARCH, 2007
<u>SCHEDULE 7 - PROGRAMME PARTICIPATION CHARGES</u>		
Participation Charges for Exhibition/Trade Fairs/Programmes	5,575,553	6,339,096
TOTAL	5,575,553	6,339,096

	FOR THE YEAR ENDED 31 ST MARCH, 2008		FOR THE YEAR ENDED 31 ST MARCH, 2007	
<u>SCHEDULE 8 - GRANTS (Central Government)</u>				
Grant-in-Aid for the year	10,000,000		10,000,000	
Add :Unspent grant for Code Activities 2006-07	48,798		(1,741,000)	
Less :Unspent grant for Code Activities 2007-08	(4,179,472)	5,869,326	(3,907,775)	4,351,225
TOTAL		5,869,326		4,351,225

THE PLASTICS EXPORT PROMOTION COUNCIL (LIMITED BY LIABILITY)
SCHEDULES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2008

(Amount in Rs.)

	FOR THE YEAR ENDED 31ST MARCH, 2008	FOR THE YEAR ENDED 31ST MARCH, 2007
<u>SCHEDULE 9- FEES</u>		
1) Annual Subscription Fees	10,830,250	11,064,250
2) Seminar Participation Fees	-	48,680
3) Contribution for Golden Jubilee	-	15,000
TOTAL	10,830,250	11,127,930
<u>SCHEDULE 10 - INCOME FROM PUBLICATION</u>		
1) Income from sale of publications and advertisements	77,195	153,470
2) Advertisements on Website	-	2,907
TOTAL	77,195	156,377
<u>SCHEDULE 11 - INTEREST EARNED</u>		
1) Interest on Fixed Deposits	2,382,458	1,683,057
Less : Transfer to Corpus/Capital Fund	(1,673,587)	(1,265,327)
: Transfer to Export Market Research, Development & Publicity Fund	-	(152,250)
2) On Loans:		
Employees/Staff	6,617	3,650
TOTAL	715,488	269,130
<u>SCHEDULE 12 - OTHER INCOME</u>		
Contribution for Export Award	439,000	492,000
Contribution for Advertisement for Export Award	1,492,750	2,620,800
Sundry Balances Written Back - net	5,388	-
Miscellaneous Receipts	50,733	49,768
Interest on Income Tax Refund	8,091	-
Vat Refund	-	124,292
TOTAL	1,995,962	3,286,860

THE PLASTICS EXPORT PROMOTION COUNCIL (LIMITED BY LIABILITY)
SCHEDULES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2008

(Amount in Rs.)

SCHEDULE 13 - EXPENSES FOR CODE ACTIVITIES	FOR THE YEAR ENDED 31ST MARCH, 2008		FOR THE YEAR ENDED 31ST MARCH, 2007	
Membership with other Organisation		29,600		25,200
Expenses on Publications		902,407		868,255
Advertisement and Publicity		52,449		29,063
Expenses on Exhibition/Trade Fair/Functions outside India		8,082,259		9,855,171
Expenses on Delegation		1,565,877		837,074
Expenses on Seminar		369,068		692,577
Subscription Expenses		145,707		45,747
Foreign Exchange Difference Account		21,443		20,093
TOTAL		11,168,810		12,373,180
SCHEDULE 14 - ESTABLISHMENT EXPENSES	FOR THE YEAR ENDED 31ST MARCH, 2008		FOR THE YEAR ENDED 31ST MARCH, 2007	
Salaries		4,934,565		4,516,699
Ex-Gratia		358,540		250,242
Contribution to Provident Fund		495,121		356,919
Staff Welfare Expenses		39,640		61,449
Staff Gratuity Annual Premium		118,042		222,664
Leave Travel Concession		25,353		73,773
Medical Benefit to Staff		156,132		139,871
Liveries		11,020		11,030
Provision for Leave Encashment/(Excess Provision)		(9,729)		210,641
TOTAL		6,128,683		5,843,288

THE PLASTICS EXPORT PROMOTION COUNCIL (LIMITED BY LIABILITY)
SCHEDULES ANNEXED TO AND FORMING PART OF THE FINANCIAL STATEMENTS AS AT AND FOR THE YEAR ENDED 31st MARCH 2008

(Amount in Rs.)

	FOR THE YEAR ENDED 31ST MARCH, 2008		FOR THE YEAR ENDED 31ST MARCH, 2007	
SCHEDULE 15 - OTHER ADMINISTRATIVE EXPENSES ETC				
Travelling and Conveyance		1,238,932		852,955
Vehicles Expenses		168,578		195,242
Rent		640,200		363,081
Rates and Taxes		111,514		96,233
Postage, Telephone and Communication		674,610		823,955
Electricity and power		235,295		200,741
Printing and Stationery		191,615		202,335
Bank charges		9,098		9,023
Repairs and maintenance of office equipment		246,506		274,808
Repairs and maintenance of office premises		542,985		337,712
Hospitality Expenses		177,803		96,843
Auditors' Remuneration :				
i) Audit Fees	20,000		20,000	
ii) In other capacities in respect of :				
a) Income Tax matters	15,000		15,000	
b) Other Services	37,090		1,500	
b) Out of pocket expenses	8,480	80,570	14,221	50,721
Legal and Professional		132,285		132,897
Expenses of COA/AGM/QGM Meetings		364,075		228,659
Advertisement Expenses		7,685		25,256
Miscellaneous Expenses		211,331		(7,229)
TOTAL		5,033,082		3,883,233
SCHEDULE 15 A - EXPENSES ON OBJECTS OF THE COUNCIL				
Expenses Award Function		1,376,062		856,058
Advertisement Expenses for Award Function		1,505,486		2,780,925
6th China Plastics Exhibitions & Conference		-		136,309
Chineses Delegation from Taizhou		-		13,620
Travelling Expenses		-		170,400
Training Programe of officer/staff		-		19,073
Expenses of Plastivision - 2007		2,679		-
TOTAL		2,884,227		3,976,385

THE PLASTICS EXPORT PROMOTION COUNCIL
(LIMITED BY GUARANTEE)
Schedule '16'

1. SIGNIFICANT ACCOUNTING POLICIES

a) **ACCOUNTING CONCEPT:**

The financial statements are prepared on the basis of historical cost convention, in accordance with applicable accounting standards and on the basis of a going concern.

All income and expenses to the extent considered receivable and payable, respectively with reasonable certainty are accounted for on accrual basis, unless otherwise stated.

Membership subscription, which remains unpaid as at the close of the year is not accounted for except the amount actually received out of such unpaid subscriptions close to the adoption of financial statements by the Committee of Administration.

Entrance Fees receipts are credited to Corpus and Capital Fund.

b) **FIXED ASSETS:**

Fixed Assets are stated at cost of acquisition less accumulated depreciation.

c) **DEPRECIATION:**

Depreciation on Fixed Assets is provided on written down value method at the rates and in the manner prescribed in Schedule XIV to the Companies Act, 1956.

In respect of additions to fixed assets during the year, depreciation is considered on pro-rata basis.

Assets costing Rs.5,000 or less each are fully provided in the year of addition.

d) **REVENUE RECOGNITION:**

- I. The cost of Publications of the Council is charged to the Income and Expenditure Account in the year of incurrence of such expenses. However, the Income in respect of the same is taken into account as and when their sales are affected. The movement of Publications is controlled under the overall supervision of the Executive Director.
- II. Individual items of Prepaid expenses over Rs.5,000 only are accounted for.

e) **GOVERNMENT GRANT:**

- I. Grants received from Government in respect of code activities is credited to Income and Expenditure Account to the extent and on the bases of fair estimate for the same as provided by the management that is based on the applicable criteria prescribed the Government for the same.
- II. Grants received for acquiring the specific fixed assets, are reduced there from and such assets are stated net of such grants and or at a nominal value as the case may be.
- III. Grant under MDA initiative is received from Ministry of Commerce is based on the claims from the exporters as per the guidelines prescribed on this behalf and to be distributed as such to the claimant exporters. Pending disbursal to individual exports the same is reflected as current liability.

f) RETIREMENT BENEFITS:

- I. Council's Contribution to Employee's Provident Fund maintained under the Employee's Provident Fund Scheme run by the Government is charged to Income and Expenditure Account.
- II. Liability in respect of employees' gratuity is covered under the Group Gratuity (cash accumulation) scheme of the Life Insurance Corporation of India and yearly premium paid is appropriated towards accrued liability. Shortfall in premium, if any, is charged to expenditure in the year of claim.
- III. Leave Encashment Benefits as applicable to permanent employees are provided for on accrual basis as at the year-end as per the Council's rules.

g) TRANSACTIONS IN FOREIGN CURRENCY:

Transactions in Foreign Currency are recorded at the rates of exchange in force at the time of occurrence of the transactions. The difference arising out of foreign currency fluctuations is accounted as a part of revenue or expenditure as the case may be as has occurred during the course of the year.

Current Assets and Current Liabilities in Foreign Currency at the year-end are stated at the rate of exchange in force as on that date and the resultant Gain/(Loss) is recognized in the Income and Expenditure Account.

h) PROVISION FOR TAXATION

The company is licensed to pursue charitable objects and is registered under section 25 of Company's Act, 1956 and registered under section 12A of Income Tax Act, 1961 and as such income is not taxable in view of exemption under section 11 of Income Tax Act, 1961.

2. NOTES ON ACCOUNTS:

2.1 Contingent Liability not provided for:

- a) In respect of interest / penalty for non-compliance of certain fiscal statutes, amount unascertainable.
- b) In respect of disputed VRS claim by an employee, not acknowledged as debt, amount unascertainable.

2.2 The expenses in respect of Code-activities are subject to sanction/confirmation of the Government of India and Grant-in-aid received from the Ministry of Commerce is subject to adjustments in the light of Government Audit objections, non/partial fulfillment of certain conditions for eligibility of such Grant-in-aid, clarifications by the Council and final decision of the Ministry.

2.3 There has been misappropriation of cash to the tune of Rs 2,79,414/- (P.Y. Rs.2,83,098) (amount presently identified) by a senior executive (under suspension) handling cash/bank transactions, which has been shown as recoverable from such executive. The matter is under further investigation. The management, however, does not expect to find misappropriation of any material amount hereafter.

2.4 The Council has carried out the physical verification and updated the fixed asset records. On such updation, the cost of items of fixed assets that have been retired from active use are written off or provision for the diminution in value is accounted for in the Income and Expenditure account. The expenses on write-off debited to Income and Expenditure account on account of diminution of Council's fixed assets is Rs 27,62,890/- (w.d.v. Rs.1,94,707/-) with corresponding reduction in the value of fixed assets in the Balance Sheet. Similarly, provision for the diminution in the value of fixed assets acquired out of grant in aid received from Government amounting to

Rs 6,97,863/-(w.d.v. Rs.1,06,240/-) is made in the Income and Expenditure account with corresponding effect under head provisions in the Balance Sheet for the year.

- 2.5 There are no dues to Small Scale and / or Ancillary Industrial Suppliers as at the year-end.
- 2.6 "Export Market Research, Development and Publicity Fund" under the head "Earmarked Fund" was created to finance the acquisition of secretariat for the council in terms of resolution of the 158th meeting of the committee of Administration in the year 1979-80. The said funds along with interest accrued amounting to Rs 28,23,350/- till the date of its utilization in the year 2000-2001 for the purpose for which it was set up is continued to be reflected as "Earmarked Fund" . The balance amount Rs 19,59,647/- subsequent to the utilization representing the interest earned on deposits is transferred and regrouped to General Reserve.
- 2.7 As per the consistent accounting policy followed, the Council has not accounted for the Stock of Publications / CD's as the said publications / CD's are generally meant for distribution at the Exhibitions/ Seminars, and those remaining unsold for a period of two years or more have negligible realizable value.
- 2.8 Pursuant to the approval by the Finance Division of the Department of Commerce, Government of India for grant of Marketing Development Assistance (MDA) to individual exporters under certain eligible schemes, the Council has received from the Ministry of Commerce Rs. 1,00,00,000/- (Previous Year Rs. .91,75,000/-) and Rs. 52,43,844/- (Previous Year Rs.2,25,74,470/-) is reimbursed to the members during the year. Total liabilities to be reimbursed to members as on 31st March, 2008 amounting to Rs. 74,57,724/- (Previous Year Rs. . 93,35,545) is being disclosed as 'Amount due to Members' under Current Liabilities.

2.9 Expenditure in Foreign Currency (On payment basis):

	<u>Particulars</u>	<u>2007-2008</u> <u>(Rs.)</u>	<u>2006-2007</u> <u>(Rs.)</u>
a)	Delegation expenses	7,44,915	5,14,524
b)	Exhibition expenses	70,36,159	92,09,773
c)	Expenses on Objects of the Council	-	81,436
d)	Web Hosting Expenses	31,113	18,817
e)	Subscription o Books & Periodicals	69,131	-

- 2.10 a) Previous year's figures have been re grouped/re arranged, wherever considered necessary.
- b) Figures in the Accounts are regrouped to conform to the heads under the Budget sanctioned by the Government of India.

For N P PATWA & COMPANY
CHARTERED ACCOUNTANTS

For THE PLASTICS EXPORT PROMOTION COUNCIL

Sd/-
(Jitendra C Shah)
PARTNER

Sd/-
Nemish Sayani - CHAIRMAN

Sd/-
Manoj Agrawal - VICE CHAIRMAN

Sd/-
R P Kalyanpur - EXECUTIVE DIRECTOR

CHENNAI,
DATED : 8th August 2008

THE PLASTICS EXPORT PROMOTION COUNCIL
(LIMITED BY GUARANTEE)

ADDITIONAL INFORMATION PURSUANT TO PART IV TO THE COMPANIES ACT, 1956
BALANCE SHEET ABSTRACT AND GENERAL BUSINESS PROFILE

I. Registration Details	
Registration No. :	9601 State Code: 11
Balance Sheet Date :	31.3.2008
II. Capital Raised during the year (Amount in Rs. Thousand)	
Public Issue	Right Issue
Nil	Nil
Bonus Issue	Private Placement
Nil	Nil
Entrance Fees from Members	
1074	
III. Position of Mobilisation and Deployment of Funds (Amount in Rs. Thousands)	
Total Liabilities	Total Assets
64019	64019
Sources of Funds	
Paid-up Capital	Reserves & Surplus
Nil	42286
Secured Loans	Unsecured Loans
Nil	Nil
Application of Funds	
Net Fixed Assets	Investment
13033	Nil
Net Current Assets	Miscellaneous Expenditure
29253	Nil
Accumulated Losses	
Nil	
IV. Performance of Company (Amount in Rs. Thousands)	
Turnover (Total Income)	Total Expenditure
25064	26464
Deficit of Expenditure over Income before Tax	Deficit of Expenditure over Income after Tax
1400	1400
Earning per share in Rs.	Not Applicable
Dividend Rate %	Not Applicable

V. Generic Names of Three Principal Services of the Company

Item Code No.
(ITC Code)

Not Applicable

Description of Activity

Export Promotion activities.

For N P PATWA & COMPANY
CHARTERED ACCOUNTANTS

FOR THE PLASTICS EXPORT PROMOTION COUNCIL

Sd/-
(Jitendra C Shah)
PARTNERSd/-
Nemish Sayani - CHAIRMANSd/-
Manoj Agrawal - VICE CHAIRMANSd/-
R P Kalyanpur - EXECUTIVE DIRECTORCHENNAI,
DATED : 8th AUGUST 2008