



TOKYO PLAST **International Ltd.**

ANNUAL REPORT 2005 - 2006



TOKYO PLAST INTERNATIONAL LIMITED

BOARD OF DIRECTORS

Shri. Velji L. Shah
Chairman

Shri. Haresh V. Shah

Shri. Malshi L. Shah

Shri Paresh R. Chheda

Shri Tassadduq A. Khan

Shri Chimanlal A. Kachhi

AUDITORS
Swamy & Chhabra
Chartered Accountants

BANKERS
The Cosmos Co-Op. Bank Ltd.

REGISTERED OFFICE
102, Thosar House, Hanuman Cross Road No.1
Vile Parle (East), Mumbai - 400 057

REGISTRAR AND TRANSFER AGENT
Choksh Infotech Ltd.
106, Link Road, Oshiwara,
Jogeshwari (West)
Mumbai - 400 102.

THIRTEENTH ANNUAL GENERAL MEETING	CONTENTS
Date : 29th September, 2006	Notice..... 1
Time : 2.30 P.M.	Directors' Report..... 3
Venue : Gomantak Sevasangh Hall, 1st Floor, Malviya Road, Vile Parle (East), Mumbai - 400 057.	Auditors Report..... 11
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NOTICE

Notice is hereby given that the Thirteenth Annual General Meeting of the shareholders of Tokyo Plast International Limited will be held at Gomantak Seva sangh Hall, 1st floor, Malviya Road, Vileparle (East) Mumbai – 400 057 on 29th September, 2006 at 2.30 P.M. to transact the following business :

Ordinary Business :

1. To receive, consider and adopt the Audited Balance Sheet as at 31st March 2006, Profit & Loss Account for the year ended on that date and the Report of the Directors and Auditors thereon.
2. To appoint a Director in place of Mr. Hareesh V. Shah who retires by rotation and being eligible, offers himself for re-appointment.
3. To Place on record the appreciation of the valuable services rendered by Shri. Paresh R. Chheda, who retires by rotation and does not offer himself for reappointment.
4. To Place on record the appreciation of the valuable services rendered by Shri. Malshi L. Shah, who retires by rotation and does not offer himself for reappointment.
5. To appoint Auditors M/s. Swamy & Chhabra, Chartered Accountants to hold office from the conclusion of this Annual General Meeting until the conclusion of the next Annual General Meeting and to authorize the Board of Directors to fix their remuneration.

Special Business :

6. To Consider and if thought fit to pass with or without modifications the following resolution as an Ordinary resolution.
"RESOLVED THAT Shri. Tassadduq Ali Khan who was appointed as an Additional director of the company by the Board of Directors of the Company with effect from December 27, 2005 who hold office upto the date of this Annual General Meeting of the Company in terms of section 260 of the Companies Act, 1956 and in respect of whom the company has received a notice in writing from a Member under Section 257 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed a Director of the company liable to retirement by rotation.
7. To Consider and if thought fit to pass with or without modifications the following resolution as an Ordinary resolution.
"RESOLVED THAT Shri. Chimanlal Andarji Kachhi who was appointed as an Additional director of the company by the Board of Directors of the Company with effect from December 27, 2005 who hold office upto the date of this Annual General Meeting of the Company in terms of section 260 of the Companies Act, 1956 and in respect of whom the company has received a notice in writing from a Member under Section 257 of the Act proposing his candidature for the office of Director of the Company, be and is hereby appointed a Director of the company liable to retirement by rotation.

NOTES :

1. A MEMBER ENTITLED TO ATTEND AND VOTE AT THE ANNUAL GENERAL MEETING IS ENTITLED TO APPOINT A PROXY TO ATTEND AND VOTE ON A POLL ONLY INSTEAD OF HIMSELF AND THE PROXY NEED NOT BE A MEMBER.
A proxy form duly completed and stamped must reach the Registered office of the Company not less than 48 hours before the commencement of the aforesaid meeting.
2. The Register of members and the share transfer books of the company will remain closed from Sept 27, 2006 to Sept 29, 2006 (both days inclusive) in connection with the Annual General Meeting.
3. Members are requested to notify the change of address, if any, to the company's Registrar and Share Transfer Agent, Choksh Infotech Ltd., 106, Mhada Shopping Complex, New Link Road, Oshiwara, Jogeshwari (west), Mumbai 400 102.
4. Members desiring any information on the accounts are requested to write to the Company, which should reach the Company at least one week before the meeting so as to enable the management to keep the information ready. Replies will be provided only at the meeting.
5. Members/proxies are requested to kindly bring duly filled in attendance slip at the meeting.

By Order of the Board of Directors

Place : Mumbai
Date : 30th June 2006.

VELJI L. SHAH
CHAIRMAN

Registered Office:
102, Thosar House,
Hanuman Cross Road No.1,
Vile Parle (East),
Mumbai- 400 057.



EXPLANATORY STATEMENT

As required by Section 173 of the Companies Act, 1956, the following Explanatory statement set out all material facts relating to the business mentioned under item No. 6 and 7 of the accompanying Notice dated 30th June 2006.

i) **Item No.6**

Mr. Tassadduq Ali Khan, 58, is a graduate in commerce and he has more than 2 decades of long experience in banking Industry. He is a Chairman of the Audit Committee, a member of Remuneration Committee of the Company. He is having directorship of Tokyo Finance Ltd., and also he is a chairman of Audit committee and a member of Remuneration Committee of the Company.

ii) **Item No.7**

Mr. Chimanlal Andarji Kachhi, 55, is an under graduate. He, however, has vast experience in business and Industry. He is the Manufacturer of Spices under Brand PRABHAT. He is not having Chairmanship of any committee and he is a member of the Audit Committee and Investor Relations Committee. He is having directorship of Tokyo Finance Ltd., and also he is a member of Audit committee of the Company.

By Order of the Board

Velji L. Shah
Chairman

Place : Mumbai
Date : 30th June 2006.

Registered Office:
102, Thosar House
Hanuman Cross Road No.1,
Vile Parle (East),
Mumbai - 400 057.

DIRECTORS' REPORT

To
The Members,
Tokyo Plast International Limited

The Directors have pleasure in presenting the Thirteenth Annual Report together with the Audited Accounts for the year ended 31st March, 2006.

FINANCIAL RESULTS:

	31.03.2006 (Rs. in Lakhs)	31.03.2005 (Rs. in Lakhs)
Sales	1442.64	1176.58
Profit after Tax	6.83	2.76
Surplus carried over to Balance Sheet	8.63	2.76

DIVIDEND :

In view of the meager profits, your Directors do not recommend dividend for the year under review.

DIRECTORS :

In accordance with the provisions of the Companies Act, 1956 and the company's Articles of Association, Mr. Haresh V. Shah, Director of the Company retires by rotation, and being eligible offers himself for re-appointment.

Mr. Pares R. Chheda Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting. He expressed his willingness to discontinue his Directorship from the ensuing AGM. The Board wishes to place on record his sincere appreciation of the valuable services rendered by Mr. Pares R. Chheda during his tenure.

Mr. Malshi L. Shah Director of the Company is liable to retire by rotation at the ensuing Annual General Meeting. He is not reappointed to make way for more independent representation in the Board. The Board wishes to place on record his sincere appreciation of the valuable services rendered by Mr. Malshi L. Shah from the inception of the Company.

Mr. Tassadduq Ali Khan and Mr. Chimanlal Andarji Kachhi who were appointed as Independent directors hold office upto the date of the AGM. The Board recommends their reappointment.

DEPOSITS:

The company has not accepted any fixed deposits from the public during the year under review.

DIRECTORS' RESPONSIBILITY STATEMENT :

As required under the provisions of Section 217 (2AA) of the Companies Act, 1956, the Directors hereby confirm that :

1. in the preparation of the Annual Accounts for the year ended 31st March 2006, the applicable accounting standards have been followed along with proper explanation relating to material departures, if any;
2. they have selected such accounting policies in consultation with statutory auditors and have applied them consistently and made judgments and estimates that were 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, 2006 and of the profit of the Company for the year under review.
3. proper and sufficient care has been taken for the maintenance of adequate accounting records in accordance with the provisions of the Companies Act, 1956, for safeguarding the assets of the Company and for preventing and detecting fraud and other irregularities.
4. the annual accounts for the year ended 31st March, 2006 have been prepared on a 'going concern basis'.

AUDITORS :

The Auditors M/s. Swamy & Chhabra, Chartered Accountants, retire at the end of this Annual General Meeting and, being eligible, offer themselves for reappointment.

PARTICULARS REGARDING CONSERVATION OF ENERGY, TECHNOLOGY ABSORPTION AND FOREIGN EARNINGS AND OUTGO IN TERMS OF SECTION 217 (1) (E) OF THE COMPANIES ACT, 1956.**A. CONSERVATION OF ENERGY**

Measures of energy conservation have been continuing systematically. Conscious efforts are made to bring awareness amongst users for energy conservation. Routine measures of energy conservation include careful monitoring and optimization of fuel and electrical energy consumption.

B. RESEARCH & DEVELOPMENT:

1. **Specific area where R&D is being carried out by the Company.**
Development of new moulds and product designs.
2. **Benefits derived as results of the above R&D:**
Sustenance of market share in the stiff competitive global market and increase in orders by creation of new and innovative products with attractive variations.



3. Future Plan of Action :

Continuous efforts in improving product quality, reliability and cost reduction .

Focus in improving design efficiency and productivity. Strengthening the design and development processes to address the global market and new opportunities.

4. Expenditure on R & D :

The Company has not incurred any expenditure on R & D.

C. TECHNOLOGY ABSORPTION , ADAPTATION AND INNOVATION :

1. Efforts :The Company is constantly taking steps which will result in reduction in the idle time of production process.
2. Benefits : Significant improvement in product quality and reliability has been achieved.
3. Imported Technology : Nil

D. FOREIGN EXCHANGE EARNINGS / OUTGO :

During the year under review, the company's foreign exchange earnings were Rs.1069.10 lacs (Previous Year Rs.863.00 lacs). The expenditure in foreign currency including imports during the year amounted to Rs.86.96 lacs (Previous Year Rs. 48.75 lacs).

AUDITORS REPORT:

The Auditors qualifications are noted and the company is taking effective steps to remedy the situations.

PARTICULARS OF EMPLOYEES:

There are no employees falling within the preview of Section 217(2A) of the Companies Act, 1956.

CORPORATE GOVERNANCE:

Pursuant to Clause 49 of the Listing Agreement, a report on Corporate Governance along with a certificate on compliance of conditions of Corporate Governance form part of this report.

DISCLOSURE UNDER SECTION 274(1)(g):

None of the Directors of the Company have been disqualified under Section 274(1)(g) of the Companies Act, 1956.

ACKNOWLEDGEMENT:

Your Directors take this opportunity of thanking the Shareholders, Bankers, Auditors, Registrars, Business Associates, and Employees of the Company for their co-operation received during the year under review.

ON BEHALF OF THE DIRECTORS

Place : Mumbai

Date : 30th June 2006

**VELJI L. SHAH
CHAIRMAN**

DISCLOSURE REQUIRED UNDER CLAUSE 31 OF THE LISTING AGREEMENT

The shares of the company are listed at the following Stock Exchanges:

- | | |
|---|--|
| 1. The Stock Exchange, Mumbai,
Phiroze Jeejeebhoy Towers,
Dalal Street,
Mumbai - 400001. | 2. National Stock Exchange of India Ltd.
Exchange Plaza
Bandra - Kurla Complex
Bandra (East)
Mumbai - 400 051. |
|---|--|

There are no arrears of listing fees payable to any of the above Stock Exchanges. The Company has applied for de-listing of the equity shares from the following stock exchanges as approved by the shareholders in the Annual General Meeting held on 29th September 1999.

The Stock Exchange, Ahmedabad
The Calcutta Stock Exchange Association Ltd
Madras Stock Exchange Ltd
Vadodara Stock Exchange Ltd
The Delhi Stock Exchange Association Ltd.

MANAGEMENT DISCUSSION AND ANALYSIS

a) Industrial Structure and Development :

The plastic household industry continues to be expanding with a number of unorganized players. The competition is therefore immense and one has to be always on toes to be ahead of others. Your company continues research for the development of new range of products and a strict adherence to quality keeps it ahead of its competitors.

b) Opportunity and threats :

The opportunity for your company is in the form of ever expanding global market. With the addition of new products, the existing market can also be widened.

The competition from the Global Players particularly China is a matter of concern. Your company counters this threat through innovation in products and quality.

Your company, however, continued its focus on developing high Value added products which in the long run would ensure a stable market share.

c) Segment wise performance :

Manufacturing Exports	:	Rs. 1381.53 Lacs
Trading Exports	:	Rs. 0.53 Lacs
Export Benefits	:	Rs. 60.58 Lacs

d) Outlook :

Despite the competition from Global Players, your company continues to be cautiously optimistic about the future.

e) Risk and Concerns:

Since majority of the sales are exports, your company faces the risk of drop in rupees revenues due to the strengthening of rupee vis-à-vis dollar. This is an era where prediction of the movement of the currency is difficult and your company has to keep this in mind while fixing prices.

The continuous dumping by the Chinese players continues to be a concern putting pressure on margins.

f) Internal Control System and their adequacy :

There is scope for improvement in the internal control system and your company is taking efforts in this direction.

g) Discussion on Financial Performances :

During the year, the company has been able to achieve an increase in its exports in spite of stiff competition in the International Market. The total turnover increased by 22.61% from 1176.58 Lacs to 1442.64 Lacs. The company has made a net profit of 6.83 Lacs as against 2.76 Lacs for the previous year.

h) Human Resources :

Relation with the employees and workers were cordial.



REPORT ON CORPORATE GOVERNANCE
(Pursuant to Clause 49 of the Listing Agreement)

1. Company's Philosophy :

The Company believes in adopting and adhering to all recognized corporate governance practices and continuously bench marking itself against each such practice. The Company understands and respects its fiduciary role and responsibility to the shareholders and strives to meet their expectations.

2. Board of Directors :

The Board is headed by the Chairman, Mr. Velji L. Shah, and is composed of Executive, Non Executive and Independent Directors. The details are as given below :

Name of Directors	Category	No. of Board Meetings Attended	Whether attended AGM held on 29.09.2005	Directorships in other Public companies Chairman / Member	positions held in other public companies. Member / Chairman
Mr. Velji L. Shah	Executive, Non-Independent	10	Yes	3 / -	- / -
Mr. Haresh V. Shah	Executive, Non-Independent	11	Yes	- / 3	- / -
Mr. Malshi L. Shah	Non-Executive, Non-Independent	11	Yes	- / -	- / -
Mr. Paresh R. Chheda	Non-Executive, Independent	7	Yes	- / 2	2 / 1
Mr. Tassadduq Ali Khan *	Non-Executive, Independent	3	N/A **	- / 1	1 / 1
Mr. Chimanlal Andarji Kachhi *	Non-Executive, Independent	3	N/A **	- / 1	1 / -

* Appointed as additional Directors on 27th December, 2005 and details provided from the date of appointment.

** Appointed after the AGM.

The Board of Directors had held 11 meetings during the year on 02.04.2005, 01.06.2005, 30.06.2005, 08.07.2005, 30.7.2005, 19.09.2005, 31.10.2005, 27.12.2005, 09.01.2006, 31.01.2006 and 15.03.2006

3. Audit Committee :

The Audit Committee of the Company is constituted in line with the provisions of Clause 49 of the Listing Agreements with the Stock Exchange. Mr. Tassadduq Ali Khan was appointed as a Chairman of the Committee on 27th December 2005 in place of Mr. Paresh R. Chheda, who stepped down from Chairmanship of the committee. Mr. Chimanlal Andarji Kachhi was appointed as a member of the Audit Committee on 27th December 2005 and Mr. Haresh V. Shah and Mr. Kamlesh Khirani were stepped down as member of the Audit Committee on December 27, 2005.

The Audit Committee reviews Internal control systems and their compliance thereof, oversight of the company's financial reporting process and the disclosure of its financial information to ensure that the financial statements are correct, sufficient and credible. The Committee also monitors the Annual Audit Plan and recommends appointment and fixes remuneration of external auditors.

During the year under review, the Audit committee met 5 times on 30.06.2005, 30.07.2005, 31.10.2005, 27.12.2005 and 31.01.2006. The composition, names of the members, chairperson, particulars of the meetings of the members during the year are as follows:

Name of Directors	Category	No. of Meeting Held During the F.Y. ended 31st March, 2006.	No. of Meeting Attended during the F.Y. ended 31st March, 2006.
Mr. Tassadduq Ali Khan (Chairman)	Independent, Non-executive	2	2*
Mr. Chimanlal Andarji Kachhi	Independent, Non-executive	2	2*
Mr. Paresh R. Chheda	Independent, Non-executive	5	5
Mr. Haresh V. Shah	Executive, Non-Independent	3	3**
Mr. Malshi L. Shah	Non-Executive, Non-Independent	3	3**

* Details provided from the date of appointment

** Details provided up to the date of discontinue from committee

4. Remuneration Committee :

It reviews and approves the annual remunerations, service agreements and other employment conditions.

During the year, the Remuneration Committee held its Meeting on 22nd February, 2006. The Composition, names of the members, chairperson, particulars of the Meeting and attendance of the members during the year are as follows.

Name of Directors	Category	No. of Meeting Held During the F.Y. ended 31st March, 2006.	No. of Meeting Attended during the F.Y. ended 31st March, 2006.
Mr. Paresh R. Chheda (Chairman)	Independent, Non-Executive	1	1
Mr. Tassadduq Ali Khan	Independent, Non-executive	1	1
Mr. Malshi L. Shah	Non-Executive, Non-Independent	1	1

5. Investor Relations Committee:

This Committee specifically look into the transfer/transmission of shares, issue of duplicate share certificate, review of shares dematerialized, all other matters related to shares and to redress shareholders and investors complaints like transfer of shares, non-receipt of dividends, non-receipt of Annual Report, etc. The composition, name of the members, chairperson, particulars of the meetings and attendance of the members during the year are as follows:

Name of Directors	Category	No. of Meeting Held During the F.Y. ended 31st March, 2006.	No. of Meeting Attended during the F.Y. ended 31st March, 2006.
Mr. Malshi L. Shah (Chairman)	Non-Executive, Non-Independent	1	1
Mr. Chimanlal Andarji Kachhi	Non-Executive, Independent	1	1

During the year the committee met on February 22, 2006.

Name and designation of the compliance officer – Mrs. Beena Desai.

Number of Shareholder complaints received – 14.

Number of complaints not solved to the satisfaction of Shareholders -1.

The required details have been submitted to Stock Exchange and the concerned Investor and has been solved thereafter .



TOKYO PLAST INTERNATIONAL LIMITED

6. General Body Meeting :

i. Location and time where last three AGMs held :

Financial Year	Location	Date	Time
2002-03	Gomantak Seva Sangh Hall 1st floor, Malviya Road, Vile Parle (East) Mumbai - 400 057.	29th September, 2003	11:00 AM
2003-04	Gomantak Seva Sangh Hall 1st floor, Malviya Road, Vile Parle (East) Mumbai - 400 057.	28th September, 2004	2.30 PM
2004-05	Gomantak Seva Sangh Hall 1st floor, Malviya Road, Vile Parle (East) Mumbai - 400 057.	29th September, 2005	2.30 PM

Other than the Annual General Meeting, there was no General Meeting of the shareholders of the Company held during the year ended on 31st March 2006.

- ii. Postal Ballot : No Postal Ballot was conducted during the year.
- iii. Special resolution: No special resolution has been passed in the previous 3 Annual General Meeting .
- iv. No special resolution is proposed to be conducted through postal ballot.

7. Disclosures :

- i) Disclosures on materially significant related party transactions i.e. transactions of the company of material nature, with its promoters, the directors or the management or their relatives etc. that may have potential conflict with the interest of company at large – Note 18.2 forming part of notes to accounts contains the list of related party relationships and the transactions as required by the accounting standard 18 on "Related party Disclosures" issued by Institute of Chartered Accountants of India.
- ii) Details of non-compliance by the Company, penalties, 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

8. Means of Communication :

The Company quarterly and annual results are normally published in Newspapers which includes Free Press Journal (English) & Navshakti (Marati) and also uploaded on the EDIFAR website maintained by National Informatics Center (NIC). Management Discussion & Analysis Report is a part of annual report.

9. General Shareholder Information :

- i. AGM: Date, time and Venue : 13th Annual General Meeting, Date : 29th September, 2006 at 2.30 p.m., Gomantak Seva Sangh Hall, 1st floor, Malviya Road, Vileparle (East) Mumbai – 400057.
- ii. Financial Year ending : March, 31.
- iii. Date of Book Closure : 27th September, 2006 to 29th September, 2006.
- iv. Dividend Payment Date : No dividend declared during the year.
- v. Listing on Stock Exchanges : The Stock Exchange, Mumbai .National Stock Exchange.
- vi. Stock Code : BSE – 418 , NSE - Tokyo Plast .

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vii. Market price data : High/Low during each month in the last financial.

Month	BSE		NSE	
	High (Rs)	Low(Rs.)	High (Rs)	Low(Rs.)
April, 2005	5.95	4.80	5.00	4.80
May, 2005	6.37	4.80	5.10	4.90
June, 2005	9.40	5.85	6.05	5.95
July, 2005	11.69	6.00	6.60	6.10
August, 2005	15.00	10.60	11.30	11.10
September, 2005	12.75	8.11	8.25	8.10
October, 2005	8.09	5.26	6.70	6.20
November, 2005	7.41	5.71	6.50	6.15
December, 2005	6.00	4.96	5.35	5.20
January, 2006	8.63	5.06	5.15	5.10
February, 2006	7.00	5.55	5.90	5.60
March, 2006	5.82	4.63	5.35	5.20

viii. Registrar and Share Transfer Agents: Choksh Infotech Ltd., 106, Mhada Shopping Complex, New Link Road, Oshiwara, Jogeshwari (west), Mumbai 400 102. Tel. 022 26303348 / 2.

ix. Share Transfer System : Shares lodged for transfer at the Company's Registered Office address or the share Transfer Agent's address are processed within 21 days from the date of lodgment, if the documents are clear in all respects. All requests for dematerialization of Shares are processed and the confirmation is given to the depositories within 15 days.

x. Shareholding as on 31st March, 2006.

a. Distribution of Shareholding as on March 31, 2006 :

Range of Shares	No. of Shareholders	% of Shareholders	No. of Shares Held	% of Shareholding
1-500	8117	85.17	1314211	13.83
501-1000	610	6.40	544797	5.74
1001-2000	532	5.58	853136	8.98
2001-3000	98	1.03	252179	2.65
3001-4000	47	0.49	169150	1.78
4001-5000	31	0.33	147489	1.55
5001-10000	46	0.48	319971	3.37
Above 10000	49	0.52	5900467	62.10
Total	9530	100.00	9501400	100.00

b. Categories of shareholders as on 31st March, 2006:

Sr. No.	Category	No. of Shares Held	Percentage of Shareholding
1	Promoters	4501240	47.37
2	Private Corporate Bodies	210746	2.22
3	Indian Public	4437307	46.70
4	NRI/OCBs	352107	3.71
Total :		9501400	100.00



TOKYO PLAST INTERNATIONAL LIMITED

- xi. Dematerialisation of shares and liquidity : The Company's equity shares are under compulsory demat trading. As on March 31, 2006 electronic holding by Members comprising 32.04% of the total equity of the Company through the National Securities Depository Limited (29.57%) and Central Depository Services (India) Limited (2.47%).
- xii. Outstanding GDRs / ADRs / Warrants or any Convertible instruments, conversion date and likely impact on equity : Nil
- xiii. Plant Location : 363/1 [1,2,3], Shree Ganesh Industrial Estate, Kachigam Road, Daman – 396 210 (U.T.)
- xiv. Address for correspondence : 102, Thosar House, Hanuman Cross Road No.1, Vile Parle (East), Mumbai – 400 057, Tel : 66952301, Fax : 6691 4499, Email : tpil@bom2.vsnl.net.in.

10. Auditors compliance certificate :

To the Members of
Tokyo Plast International Limited

We have examined the compliance of the conditions of Corporate Governance by TOKYO PLAST INTERNATIONAL LIMITED for the year ended 31st March, 2006, as stipulated in Clause 49 of the Listing Agreement of the said Company with the stock exchanges

The compliance of the conditions of Corporate Governance is the responsibility of the management. Our examination has been limited to a review of the procedures and implementations thereof, adopted by the Company for ensuring compliance with the conditions of Corporate Governance. It is neither an audit nor an expression of opinion on the financial statements of the Company.

In our opinion and to the best of our information and according to the explanations given to us, and the representations made by the Directors and the management, we certify that the Company has complied with the conditions of Corporate Governance as stipulated in Clause 49 of the above mentioned Listing Agreement.

As required by the Guidance Note issued by the Institute of Chartered Accountants of India, we state that based on the report given by the Registrar and Share Transfer Agent of the Company to the Investor's Relation Committee as on 31st March 2006, only one Investor complaint against the Company remain pending for more than 30 days. The required details have been submitted to Stock Exchange and the complaint has been solved thereafter.

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 SWAMY & CHHABRA
Chartered Accountants**

**C. Ayyaswamy
(Partner)**

Membership No.21754

Date: 30th June 2006.

AUDITORS' REPORT

To
The Shareholders of Tokyo Plast International Limited

1. We have audited the attached Balance Sheet of Tokyo Plast International Limited, as at 31st March 2006, the Profit and Loss Account and also the Cash Flow Statement 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 conducted our audit in accordance with auditing standards generally accepted in India. These 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 (as amended) issued by the Central Government of India in terms of Section 227 (4A) of the Companies Act, 1956, we enclose in the annexure a statement on the matters specified in paragraphs 4 and 5 of the said order.
4. Further to our comments in the annexure referred to in paragraph (3) above, 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 purpose of our audit ;
 - (b) 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 such books ;
 - (c) The Balance Sheet, Profit and Loss Account and Cash Flow Statement dealt with by this report are in agreement with the books of account;
 - (d) In our opinion, the Balance Sheet, Profit & Loss Account and Cash Flow Statement dealt with by this report comply with the Accounting Standards referred to in sub-section (3C) of section 211 of the Companies Act, 1956 ;
 - (e) On the basis of the written representations received from the Directors as on 31st March 2006, and taken on record by the Board of Directors, we report that none of the Directors are disqualified as on March 31, 2006 from being appointed as a Director in terms of section 274(1)(g) of the Companies Act, 1956 ;
 - (f) **Attention is invited to Note No. 16 to notes on accounts regarding non- provision for doubtful debts amounting to Rs.155.11 Lacs. The reserves of the Company at the year end have been overstated by Rs. 155.11 Lacs on account of this non-provision. Subject to this,** in our opinion and to the best of our information and according to the explanations given to us, the said accounts together with the notes thereon and attached thereto give in the prescribed manner the information required by the Act 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 March 31, 2006;
 - (ii) in the case of the Profit and Loss Account, of the profit for the year ended on that date; and
 - (iii) in the case of the Cash Flow Statement, of the cash flows for the year ended on that date.

For Swamy & Chhabra
Chartered Accountants

C. Ayyaswamy
Partner
Membership No : 21754

Mumbai, Dated : 30th June, 2006.



ANNEXURE TO AUDITORS' REPORT

Referred to in Paragraph 3 of our Report of even date.

1. (a) The Company has maintained proper records to show full particulars including quantitative details and situation of Fixed Assets.
(b) As explained to us, these Fixed Assets have been physically verified by the Management during the year and no material discrepancies have been noticed on such verification.
(v) The company has disposed of two vehicles during the year. Based on the information and explanation given by the management and on the basis of audit procedures performed by us, we are of the opinion that the sale of the said vehicles have not affected the going concern.
2. (a) The stocks of finished goods, stores, spare parts, semi finished goods and raw materials have been physically verified during the year by the management. In our opinion, the frequency of verification is reasonable.
(b) As per the information given to us, the procedure of physical verification of the stocks followed by the management is generally reasonable and adequate in relation to the size of the company and the nature of its business.
(c) No material discrepancies have been noticed on physical verification of stocks as compared to book records. The discrepancies noticed have been properly dealt with in the books of accounts.
3. (a) The Company has granted unsecured loans to two parties listed in the register maintained under section 301 of the companies Act, 1956. These loans are in the nature of running accounts and the maximum amount outstanding during the year was Rs.838.14 lakhs .The balance outstanding at the year end is Rs.833.97 lakhs.
(b) The rate of interest and other terms and conditions of such loans granted are prima facie not prejudicial to the interest of the company.
(c) **In respect of loans and advances in the nature of loans given by the company, no stipulations have been made regarding repayment of the principal amount.**
(d) Since there is no stipulation made regarding receipt of principal amount, the question of there being an overdue amount of more than one lakh does not arise. **However based on the information available to us, we are unable to comment on any reasonable steps taken by the company for recovery of interest .**
(e) The Company has taken unsecured loans from one party listed in the register maintained under section 301 of the Companies Act, 1956 amounting to Rs.5 lakhs. The balance outstanding at the year end is Rs.5 lakhs.
(f) The rate of interest and other terms and conditions of such loans taken are prima facie not prejudicial to the interest of the company.
(g) The loans taken are interest free and are repayable on demand .
4. In our opinion , the company has an adequate internal control system commensurate with the size of the company and the nature of its business for purchase of inventory, fixed assets and also for the sale of goods and services.
5. (a) We are of the opinion that the transactions made in pursuance of contracts or arrangements, that needed to be entered in the register maintained under section 301 of the Companies Act, 1956 have been so entered.
(b) **We have been explained that the prices for the products of the company keep changing very frequently and also from party to party depending on the volumes, market and the need of the company to penetrate a particular segment of the market. The prices are therefore very subjective and hence comparison is not possible, particularly since cases of sales to parties of similar items on the same day and to the same market is very rare. In view of this we are unable to comment on the reasonableness or otherwise of the prices relating to sale of goods, materials and services made in pursuance of contracts or arrangements entered in the register maintained under section 301 of the Companies Act, 1956 and aggregating during the year to Rs.5 lakhs or more. The transactions of purchase of goods, materials and services made in pursuance of contracts or arrangements entered in the register maintained under Section 301 of the Companies Act, 1956 and aggregating during the year to Rs. 5 lakhs or more have been generally made at prices which are reasonable having regard to prevailing market prices of such goods, materials and services, where such market prices are available with the company or the prices at which transactions for similar goods or services have been made with other parties.**

6. The Company has not accepted any deposits from the public within the meaning of Section 58A and 58AA or any other relevant provisions of the Act and the Companies (Acceptance of Deposits) Rules, 1975 with regard to the deposits accepted from the public.
7. **The company does not have a separate internal audit system.**
8. As per the information given to us, the Central Government has not prescribed the maintenance of the cost records under section 209(1)(d) of the Companies Act, 1956.
9. (a) The Company has been generally regular in depositing with appropriate authorities undisputed statutory dues including Provident Fund, Employees State Insurance, Income Tax, Wealth Tax, Sales Tax, Custom duty, Excise Duty, Service Tax, Cess and any other material statutory dues applicable to it.
- (b) According to the records of the company, there are no dues outstanding of sales tax, income tax, wealth tax service tax, customs duty, excise duty, cess on account of any dispute as on March 31, 2006 other than the following:

Nature of Statute	Assessment Year	Forum where the dispute is pending	Amount Involved
Income Tax Act, 1961	2001-02	Income Tax Appellate Tribunal	8613780
---do---	2002-03	CIT (Appeals)	15185118
---do---	2003-04	CIT (Appeals)	4775050
			28570918

10. The Company has no accumulated losses and has not incurred any cash losses during the financial year covered by our audit, and in the immediately preceding financial year.
11. The Company has been generally regular in repayment of dues to financial institutions and banks during the current financial year.
12. According to the information and explanations given to us and based on the documents and records produced to us the company has not granted loans and advances on the basis of security by way of pledge of shares or debentures or any other securities.
13. The provisions of any special statute applicable to chit funds, nidhi or mutual benefit society, do not apply to the Company.
14. During the year, the Company did not deal or trade in shares, securities, debentures and other investments.
15. According to the information and explanations given to us, the Company has not given any guarantee for loans taken by others from banks or financial institutions.
16. Term Loans taken during the year were applied for the purpose for which they were obtained.
17. Based on the information and explanations given to us and on an overall examination of the Balance sheet of the Company in our opinion, there are no funds raised on a short term basis which have been used for long term investment.
18. The Company has not made any preferential allotment of shares to parties or companies covered in the register maintained under section 301 of the Companies Act, 1956 during the year.
19. The Company has not issued any debentures during the year.
20. The Company has not raised any money through public issue during the year.
21. Based upon the audit procedures performed and information and explanations given by the management, we report that no fraud on or by the company has been noticed or reported during the course of our audit.

For Swamy & Chhabra
Chartered Accountants

C. Ayyaswamy
Partner

Membership No: 21754

Mumbai, Dated 30th June 2006.

**BALANCE SHEET**

SOURCES OF FUNDS	Schedule	AS AT 31ST MARCH 2006		AS AT 31ST MARCH 2005	
	No.	Rs.	Rs.	Rs.	Rs.
SHAREHOLDERS' FUNDS					
(a) Share Capital	1	95014000		95014000	
(b) Reserves & Surplus	2	151587917	246601917	150904423	245918423
LOAN FUNDS					
(a) Secured Loans	3	50017613		52730403	
(b) Unsecured Loan		500000	50517613	1000000	53730403
DEFERRED TAX LIABILITY (NET)			4115416		5053091
TOTAL FUNDS EMPLOYED			<u>301234946</u>		<u>304701917</u>
APPLICATION OF FUNDS					
FIXED ASSETS	4				
(a) Gross Block		133435637		126570801	
(b) Less: Depreciation		80248888		72412499	
(c) Net Block		53186749		54158302	
(d) Capital work in Progress		-	53186749	491450	54649752
INVESTMENTS	5		11400000		11400000
CURRENT ASSETS, LOANS AND ADVANCES					
(a) Inventories	6	53903011		59016571	
(b) Sundry Debtors	7	113404154		126103353	
(c) Cash & Bank Balances	8	7022309		5212029	
(d) Loans & Advances	9	100960082		97234991	
(e) Other Current Assets	10	13556557		4252481	
(f) Advances to Suppliers		13275628		22971917	
		302121741		314791342	
Less : CURRENT LIABILITIES AND PROVISIONS					
(a) Current Liabilities	11	50407894		62689177	
(b) Provision for Taxation		15065650		13450000	
		65473544		76139177	
NET CURRENT ASSETS			236648197		238652165
TOTAL ASSETS (NET)			<u>301234946</u>		<u>304701917</u>

Notes on accounts
As per our report of even date

18

For and on behalf of the Board of Directors

FOR SWAMY & CHHABRA
Chartered Accountants

VELJI L. SHAH, - CHAIRMAN

MALSHI L. SHAH - DIRECTOR

C. AYYASWAMY
(Partner)

HARESH V. SHAH - DIRECTOR

Mumbai, Dated 30th June 2006

Mumbai, Dated 30th June 2006

PROFIT AND LOSS ACCOUNT

		YEAR ENDED 31ST MARCH 2006 Rs.	YEAR ENDED 31ST MARCH 2005 Rs.
	Schedule No.		
INCOME			
Sales	12	144264327	117657768
Miscellaneous Income	13	7679594	7823890
Increase/Decrease in Stock	14	-3200719	9361230
TOTAL :		148743202	134842888
EXPENDITURE			
Raw Material Consumed	15	97962097	84008238
Manufacturing & Other Expenses	16	31401556	30801902
Interest & Financial Charges	17	9576159	12340573
Depreciation		8033212	7261910
TOTAL :		146973024	134412623
Profit For The Year		1770178	430265
Provision For Taxation		1580000	2750000
Provision For deferred taxation		-937675	-2595963
Provision for Fringe Benefit Tax		444359	-
Profit After Tax		683494	276228
Earnings Per Share - Basic/Diluted (Rs)		0.07	0.03
Nominal value of share		10	10
Notes on accounts	18		

As per our report of even date

FOR SWAMY & CHHABRA
Chartered AccountantsC. AYYASWAMY
(Partner)

Mumbai, Dated 30th June 2006

For and on behalf of the Board of Directors

VELJI L SHAH - CHAIRMAN

MALSHI L SHAH - DIRECTOR

HARESH V. SHAH - DIRECTOR

Mumbai, Dated 30th June 2006



TOKYO PLAST INTERNATIONAL LIMITED

SCHEDULES FORMING PART OF THE BALANCE SHEET

SCHEDULE - 1

	As At 31-Mar-06	As At 31-Mar-05
SHARE CAPITAL		
A. AUTHORISED CAPITAL		
1,10,00,000 Equity Shares Of Rs.10 each	110000000	110000000
14,00,000 Preference Shares of Rs.100 each	140000000	140000000
TOTAL :	250000000	250000000
B. ISSUED, SUBSCRIBED & FULLY PAID UP		
95,01,400 Equity Shares of Rs.10 each fully paid up	95014000	95014000
TOTAL :	95014000	95014000

Notes :

1. Out of the above 16,50,000 Equity Shares have been issued as fully paid up for consideration other than cash

SCHEDULE - 2

RESERVES & SURPLUS

CAPITAL RESERVE

Balance As Per Last Balance Sheet 5125038 5125038

CAPITAL REDEMPTION RESERVE

21200000 21200000

GENERAL RESERVE

Balance As Per Last Balance Sheet 10353112 10353112

PROFIT & LOSS RESERVE ACCOUNT

Balance As Per Last Balance Sheet 114226273 113950045

Add : Profit During The Year 683494 114909767 276228 114226273

TOTAL : 151587917 150904423

SCHEDULE - 3

SECURED LOANS

I. a) Overdraft with Cosmos Co.Op. Bank Ltd	20416770	22284473
(Secured by Hypothecation of stock and/ Debtors)		
b) Packing Credit Loan with Cosmos Co.Op. Bank Ltd	28739613	30286852
(Secured by Hypothecation of Stock)		
II. Vehicle Loan (Secured by mortgage of Vehicles)		
a) ICICI Bank	861230	-
b) Citi Bank	-	97458
c) HDFC Bank Ltd	-	61620
TOTAL :	50017613	52730403

Notes :

1. All loans from Cosmos Co.op. Bank are secured by Stock and Debtors and Collateral security of factory premises, Plant & Machinery and other Fixed Assets at Andheri & Daman.
2. All the Secured Loans from Cosmos Co. Op. Bank are also guaranteed by Mr. Velji L. Shah , Mr. Malshi L. Shah & Mr. Haresh V.Shah, Directors, in their personal capacity.
- 3.Vehicle loan from ICICI Bank is secured by mortgage of Motor Cars.*

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SCHEDULE - 4

FIXED ASSETS

Particulars	Gross Block				Depreciation			Net Block		
	Cost as on	Additions	Deletions	Cost as on	Upto	Current Year	On deletions	As on	As on	As on
	1-Apr-2005			31-Mar-2006	31-Mar-2005			31-Mar-2006	31-Mar-2006	31-Mar-2005
Land at Daman	318068			318068				318068		318068
Factory Premises At Andheri	13500000			13500000	5410800	450900		5861700	7638300	8089200
Factory Building - At Daman	28623410			28623410	8424565	955339		9379904	19243506	20198845
Plant & Machinery	38031971	2665674		40697645	26243740	2822963		29066703	11630942	11788231
Electrical Installations	937743			937743	924509	4024		928533	9210	13234
Mould & Dies	37886976	3493600		41380576	27432543	3244115		30676658	10703918	10454433
Furniture	2948679	145812		3094491	1603953	192291		1796244	1298247	1344726
Computers	892443	97110		989553	630331	85220		715551	274002	262112
Office Equipments	792065	49565		841630	615563	17861		633424	208206	176502
Motor Vehicles	2639446	933526	520450	3052522	1126495	260498	196823	1190170	1862352	1512951
TOTAL	126570801	7385286	520450	133435637	72412499	8033212	196823	80248888	53186749	54158302
Capital WIP										
- Moulds & Dies	491450		491450	-						491450
Building Material										
TOTAL	127062251	7385286	1011900	133435637	72412499	8033212	196823	80248888	53186749	54649752

SCHEDULE - 5

INVESTMENT (At Cost)

LONG TERM INVESTMENTS

Quoted :

11,20,000 Equity Shares of Rs.10 each
of Tokyo Finance Limited.

11200000

11200000

Unquoted :

- 1000 Shares in Marol Co-op Industrial Estate Society Ltd
- 1000 Shares of Rs.100 each with Cosmos Co-Op. Bank Ltd.

100000

100000

100000

100000

TOTAL :

11400000

11400000

Market Value of quoted investment as on 31-03-2006 is Rs2564800 (Previous Year Rs.31,92,000)

SCHEDULE - 6

INVENTORIES

Raw Materials	6582723	8127351
Semi-Finished Goods	32446575	34857313
Finished Goods	14452570	13836662
Packing Material	421143	789356
Accrued Export Benefits	-	1405889
TOTAL :	53903011	59016571

SCHEDULE - 7

SUNDRY DEBTORS

(Unsecured - Considered good)

Outstanding For More Than Six Months	83607970	98581445
Others	29796184	27521908
TOTAL :	113404154	126103353



TOKYO PLAST INTERNATIONAL LIMITED

SCHEDULE - 8

CASH AND BANK BALANCE

Cash On Hand	1522719	187180
Balance in Current Account With :		
State Bank Of India (Vapi)	13031	13030
State Bank Of India (Daman)	33040	6815
State Bank Of India (Nhava Sheva)	13635	144185
HDFC Bank	87035	-
BMC Bank	3387	-
Fixed Deposit With Banks	5349462	4860819
TOTAL :	7022309	5212029

SCHEDULE - 9

LOANS & ADVANCES

Advances Recoverable in Cash or in Kind or for value to be received	15817400	12930796
Due From Others	85142682	84304195
TOTAL :	100960082	97234991

SCHEDULE - 10

OTHER CURRENT ASSETS

Export Benefits Receivable	8469614	3941347
DEPB Receivable	1039481	-
Accrued interest	40487	40487
Rent Prepaid	24000	150000
Balance in RG 23 A Part II	2363799	-
Balance in RG 23 C Part II	360167	-
Prepaid Expenses	319536	-
Service Tax Receivable	368428	120647
Vat Receivable	571045	-
TOTAL :	13556557	4252481

SCHEDULE - 11

CURRENT LIABILITIES & PROVISIONS

CURRENT LIABILITIES

a) Sundry Creditors				
Small Scale Industrial undertakings (Refer Note No.19 of Schedule 18)	8852694	4522454		
Others	36784337	45637031	49391577	53914031
b) Advance From Customers		2033667		5187588
c) Other Liabilities & Provisions		2737196		3587558
TOTAL :	50407894	62689177		

Note : The above information regarding small scale industrial undertaking has been determined to the extent such parties have been identified on the basis of information available with the Company. This been relied upon by the Auditors.

SCHEDULES FORMING PART OF THE PROFIT & LOSS ACCOUNT

	Year Ended 31-Mar-06	Year Ended 31-Mar-05
SCHEDULE - 12		
SALES		
Export Sales	111452835	90677315
Local Sales	24766897	16148636
Export Benefits	7097855	10831817
Profit on Exchange Rate Fluctuations	946740	929539
TOTAL :	144264327	118587307
SCHEDULE - 13		
MISCELLANEOUS INCOME		
Dividend	20000	6250
Interest	7659594	7817640
TOTAL :	7679594	7823890
SCHEDULE - 14		
INCREASE/DECREASE IN STOCK		
Opening Stock :		
Finished Goods	13836662	12484960
Semi Finished Goods	34857313	27312236
Accrued Export Benefits	1405889	941438
Less : Closing Stock		
Finished Goods	14452570	13836662
Semi Finished Goods	32446575	34857313
Accrued Export Benefits	-	1405889
TOTAL :	-3200719	9361230
SCHEDULE - 15		
RAW MATERIALS & STORES CONSUMED		
Opening Stock :		
Raw Materials	8127351	5032319
Packing Materials	789356	-
Add : Purchase		
Raw Materials	86049439	79209823
Packing Materials	9999817	8682803
Less : Closing Stock		
Raw Materials	6582723	8127351
Packing Materials	421143	789356
TOTAL :	97962097	84008238



TOKYO PLAST INTERNATIONAL LIMITED

SCHEDULE - 16

MANUFACTURING & OTHER EXPENSES

Employee Cost	3618256	4437462
Travelling & Conveyance	5331197	4472835
Power & Fuel	3847280	3469943
Sales Tax	-	80
Postage, Telephone & Courier	1452462	1236492
Repairs & Maintenance	2968332	2694351
Freight, Delivery & Transport Charges, commission	8523211	9431420
Legal & Professional Fees	663780	761740
Exhibition & Fairs	772445	741382
Advertisements	146735	137050
Miscellaneous Expenses	789309	901721
Security Charges	145615	170860
Water Charges	54800	126400
Membership & Subscription	65754	55014
Rent, Rates & Taxes	948898	961568
Insurance Charges	99238	397690
Printing & Stationery	253968	401107
Directors Remuneration	120000	120000
Listing Fees	29000	30157
Preliminary Expenses Written Off	-	890330
Motor Vehicle Expenses	389958	293839
Service Tax on Services	141869	-
Loss on sale of fixed assets	291127	-
Claim against Export	748322	-
TOTAL :	31401556	31731441

SCHEDULE - 17

INTEREST & FINANCE CHARGES

Interest	6445940	10188343
Other Finance Charges	3130219	2152230
TOTAL :	9576159	12340573

SCHEDULE - 18**NOTES FORMING PART OF THE ACCOUNTS****1. SIGNIFICANT ACCOUNTING POLICIES:****a) Basis of Accounting:**

Income and Expenditure are accounted for on accrual basis.

b) Fixed Assets:

All fixed assets are stated at historical cost of acquisition less accumulated depreciation.

c) Depreciation:

Depreciation on fixed assets is provided for on the "Straight Line Method" as per the rates and in the manner prescribed by Schedule XIV of the Companies Act, 1956.

In accordance with AS 28 on 'Impairment of Assets' issued by the Institute of Chartered Accountants of India, where there is an indication of impairment of the companies assets, the carrying amounts of the companies assets are reviewed at each balance sheet date to determine whether there is any impairment. The recoverable amount of the assets (or where applicable that of the cash generating unit to which the asset belongs) is estimated as the higher of its net selling price and its value in use. An impairment loss is recognised whenever the carrying amount of an asset or a cash generating unit exceeds its recoverable amount. Impairment loss is recognised in the Profit & loss account.

d) Valuation of Inventories:

Inventories are valued as under:

- (i) Raw Materials - At Cost
- (ii) Semi-Finished Goods - Valued at material cost plus estimated conversion cost.
- (iii) Finished Goods - Valued at Material cost plus estimated conversion cost

e) Gratuity:

Gratuity is accounted on cash basis.

f) Bonus:

Bonus is accounted on cash basis.

g) Provident fund :

Provident Fund is charged to the profit & loss account when the contributions to the respective funds are due.

h) Investments:

Long Term and unquoted investments are valued at cost. No depreciation is provided in respect of diminution in the value of shares held as long term investment as the diminution is considered temporary.

i) Foreign Exchange Transactions:

Transactions made in foreign currency during the year are translated at rates closely approximating those ruling at the transaction date. Gains and losses arising out of subsequent fluctuations are accounted for on actual payment or realisations. Current assets and liabilities denominated in foreign currency as at the Balance Sheet date are converted at the exchange rates prevailing on the 31st March of the financial year. Exchange differences are recognised in the Profit and Loss Account.

j) Deferred Taxation:

Deferred tax assets and liabilities are recognized for future tax consequences attributable to the timing difference that result between the profit offered for income tax and the profit as per the financial statements. Deferred tax assets and liabilities are measured as per the tax rates / laws that have been enacted or substantively enacted by the Balance Sheet date and are reviewed for appropriateness of their respective carrying values at each Balance sheet date.

2 Related Party Transactions:

The company has transactions with the following related parties:

Associates : Tokyo finance Limited, Tokyo Constructions Limited, Siddh International

Mahavir Houseware Distributors Inc., Tokyo Exim Limited and Trishia distributors Inc.

Director : Hareesh V. Shah



TOKYO PLAST INTERNATIONAL LIMITED

The summary of the transactions with the above related parties is as follows:

Nature of Transactions	Rupees in lakhs			
	Associates		Key management personnel	
	2005-06	2004-05	2005-06	2004-05
Purchases	-	13.62	-	-
Sales	247.67	191.28	-	-
Investments	-	-	-	-
Loans/Advances Taken	-	-	-	-
Loans/Advances Given	9.83	63.60	-	-
Remuneration to Director	-	-	1.20	1.20
Others	1.20	1.20	-	-
Amount Outstanding on 31 st march,2006				
Loans/Advances Given	833.97	824.14	-	-
Loans/Advances Taken	5.00	5.00	-	-
Amount Receivable	567.36	685.52	-	-
Investments	112.00	112.00	-	-

3 Segment Reporting

Segment wise revenue	2005-06	2004-05
Manufacturing	1361.67	984.11
Trading	0.53	84.15
Export Benefits	60.58	108.32

Segmentwise result and capital employed cannot be bifurcated since the company has a common resource pool for executing the manufacturing and trading activities.

4 Contingent liabilities not provided for :-

- Excise duty Rs.12.81 lacs (Previous Year Rs.12.81 lacs)
- Income Tax matters
 - Matters decided in favour of the Company but disputed further by Income Tax authorities
 - For AY 1998-99 Rs. 581103.00
 - For AY 1999-00 Rs. 6228062.00
 - For AY 2000-01 Rs. 6670522.00
 - Matters decided against the Company in respect of which the Company has preferred an appeal.
 - For AY 2001-02 Rs. 7613780
 - For AY 2002-03 Rs.14185118
 - For AY 2003-04 Rs. 4772020
- Claims made by the party not acknowledged as debts as on 31st March 2005 amounting to Rs.2567334 (Previous year Rs.2567334)
- Guarantee given by the bank on behalf of the company to third parties aggregating to Rs. 6.50 lacs (Previous Year 4.35 lacs)

	Year Ended 31-Mar-06	Year Ended 31-Mar-05
5 Remuneration to M.D and Wholtime Director :		
Wholtime Director - Salary	120000	120000
6 Auditors Remuneration		
As Audit Fees	100000	100000
Taxation Services	40000	40000
Other Services	10000	10000
Service Tax and Education Cess	15300	-
Total	165300	150000

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7 Break up of Materials and Stores & Spare Parts Consumed :	Value (Rs.)	Percentage	Value (Rs.)	Percentage
Materials				
Imported " at landed cost"	5134076	5	2915500	3
Indigenously Procured	92828021	95	81092738	97

ADDITIONAL INFORMATION AS REQUIRED UNDER PARA 3,4C & 4D OF PART II OF SCHEDULE VI OF THE COMPANIES ACT, 1956.

8 Capacities, Production/Purchase, Turnover of Sales and Closing Stock Of Finished Goods:

Particulars	U/M	Year	Installed Capacity	Production Qty	Turnover Qty	Value (Rs.)
a. Plastic Moulded Articles	Pcs.	31-Mar-2006	N.A	1535584	1544589	136166673
	Pcs.	31-Mar-2005	N.A	1278793	1276321	98410730
b. Trading Exports	Pcs.	31-Mar-2006	N.A	NA	816	53060
	Pcs.	31-Mar-2005	N.A	NA	894128	8415221

9 Raw Material and Packing Material Consumed: (Including Goods for Trading Export)

Material Description	Unit	Qty.	Value (Rs.)	Qty.	Value (Rs.)
a. Polypropylene	Kgs.	536250	30848231	462475	27106628
b. HDPE	Kgs.	249675	13302754	213600	12480100
c. Isocyanate	Kgs.	54250	9040188	40500	6393148
d. Polyol	Kgs.	52080	5649906	38790	4238774
e. Stainless Steel			24489154		13949889
f. Others			14631863		19839699
			<u>97962097</u>		<u>84008238</u>

10 Stock	Opening Stock Qty.	Value	Closing Stock Qty.	Value
Finished Goods and Trading goods	1002893	13836662	1007459	14452571
11 Value of Imports On C.I.F. Basis				
Raw Materials		4569923		2109888
12 Expenditure in Foreign Currency:				
a. On Foreign Travel		2346985		1425925
b. Others		1778857		1249194
		<u>4125842</u>		<u>2675119</u>
13 Earnings In Foreign Exchange:				
Exports Of Goods On F.O.B Basis		106909696		86300701
14 The Amount Remitted During The Year In Foreign Currencies on account of dividends :		Nil		Nil
Number Of Non-Resident Shareholders		263		283
Number of Shares Held By Them		352107		343770



TOKYO PLAST INTERNATIONAL LIMITED

15 Particulars of Employees under section 217(2A) of the Company Act 1956:

Number Of Employees who are employed throughout the year and were in receipt of remuneration of Rs. 2400000 or

Nil

Nil

Number Of Employees who are employed for a part of the year and who were in receipt of Rs. 200000 or more per

Nil

Nil

16 Details of Sundry Debtors :

A. Debts outstanding for a period exceeding six months	83607970	98581445
B. Other Debts	29796184	27521908
C. Debts considered good and in respect of which the company is fully secured.	Nil	Nil
D. Debts considered good for which the company holds no security, and	97892884	112293219
E. Debts considered doubtful or bad	15511270	13810134

The Company has not provided for doubtful debts as it is making efforts to recover the same to the extent possible. In the event of the efforts not fructifying the provisions would be made in the ensuing year after due approval from the authorities.

17 Advances due from Directors :

i Amounts due by directors or other officers of the Company.	Nil	Nil
ii The maximum amount due by Directors or other officers of the Company at any time during the year	Nil	Nil

18 Expenditure on Repairs & Maintenance

Repairs to Machinery and Mould	2386034	1528824
Repairs to Building	155985	319098
Others	426313	846429
	<u>2968332</u>	<u>2694351</u>

19 Name of the small scale industrial undertakings to whom the Company owed any sum which was outstanding for more than 30 days at the end of the financial year are as follows (to the extent such parties have been identified from the available documents/information) :-

Alpha Polymers, Dynasty Plastics Pvt. Ltd., Gagan Precision Fastners, Heena Appliances, Mahavir Chemo Plast Pigments, Matchwel Color Multi Poly Colour, Paras Industries, Parshwanath International, Parshwanath Products, Divine Tool Engineers, Mixwel Polymers, Shree Plasting Technology, Shree Plastic Products, Sneha Enterprises, Makers Polyfilm Pvt. Ltd., Meeta Packaging Pvt. Ltd., Shreedhar Patil Vaibhav Enterprises, Accurate Thermal Technology, Fire Heat Plast, Laxmi Hydraulic Works, Sharp Blades Corporation.

20 Comparable figures have been regrouped/reclassified wherever necessary

21 Balance Sheet Abstract and Company's General Business Profile :

i. Registration Details

a. State Code	:	11
b. Registration No.	:	69617
c. Balance Sheet Date	:	31-03-2006

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ii. Capital raised during the year (Amount in Rs. Thousands)

a. Public Issue	:	Nil
b. Right Issue	:	Nil
c. Bonus Issue	:	Nil
d. Private Placement	:	Nil

iii. Position of mobilisation and deployment of funds (Amount in Rs. Thousands)

a. Total Liabilities	:	301235
b. Total Assets	:	301235

Sources of Funds

a. Paid Up Capital	:	95014
b. Reserve & Surplus	:	151588
c. Secured Loans	:	50018
d. Unsecured Loans	:	500
e. Deferred Tax Liability (Net)	:	4115

Application of Funds

a. Net Fixed Assets	:	53187
b. Investments	:	11400
c. Net Current Assets	:	236648
d. Misc. Expenditure	:	Nil
e. Accumulated Losses	:	Nil

iv. Performance of Company

a. Turnover	:	144264
b. Total Expenditure	:	142494
c. Profit Before Tax	:	1770
d. Profit After Tax	:	683
e. Earning Per Share	:	0.07
f. Dividend Rate (Proposed)	:	Nil

v. Generic Names of Three Principal Products of The Company (as per Monetary Terms)

a. Item Code No. (ITC Code)	:	3924.10
Product Description	:	Plastic Insulatedware
b. Item Code No. (ITC Code)	:	3924.90
Product Description	:	Household Articles

Signature to Schedule 'I' to '18'

As per our report of even date

FOR SWAMY & CHHABRA

Chartered Accountants

C. AYYASWAMY

(Partner)

Mumbai, Dated 30th June 2006

For and on behalf of the Board of Directors

VELJI L. SHAH, - CHAIRMAN

MALSHI L. SHAH - DIRECTOR

HARESH V. SHAH - DIRECTOR

Mumbai, Dated 30th June 2006



TOKYO PLAST INTERNATIONAL LIMITED

CASH FLOW STATEMENT

	As at 31st March, 2006		As at 31st March, 2005	
	Rupees in Lakhs	Rupees in Lakhs	Rupees in Lakhs	Rupees in Lakhs
A. Cash flow from operating activity:				
Net Profit before tax and extraordinary items		17.70		4.30
Adjustments for :				
Depreciation	80.33		72.62	
Interest Paid	95.76		123.41	
Profit/Loss on sale of Fixed Assets	2.91		-	
Preliminary Expenses Written off	-		8.90	
Interest and dividend received	-76.79	102.21	-	204.93
Operating profit before working capital changes		119.91		209.23
Adjustments for:				
Trade and other Receivables	186.70		0.53	
Inventories	51.14		-132.46	
Other Current Assets	-93.04		-3.22	
Trade Payables	-116.03	28.77	114.27	-20.88
Cash generated from operations		148.68		188.36
Interest Paid		95.76		123.41
Direct tax		10.87		1.54
Cash flow before extraordinary items		42.05		63.41
Extraordinary items		-		-
Net cash from operating activities		42.05		63.41
B. Cash flow from investing activities:				
Purchase of fixed assets	-73.85		-39.91	
Sale of fixed assets	5.24		-	
Purchase of investments	-		-	
Interest and dividend received	76.79		-	
Net cash used in investing activities		8.18		-39.91
C. Cash flow from financing activities				
Proceeds from issue of share capital	-		-	
Proceeds from long term borrowings	-32.13		-34.04	
Dividend paid	-		-	
Expenditure on raising capital	-		-	
Net cash used in financing activities		-32.13		-34.04
Net increase in cash and cash equivalents		18.10		-10.54
Cash and Cash equivalents as at the beginning of the year		52.12		62.66
Cash and Cash equivalents as at the end of the year		70.22		52.12

This is cash Flow Statement referred to in our report of even date.

for and on behalf of the Board of Directors

FOR SWAMY & CHHABRA
Chartered Accountants

VELJI L. SHAH - CHAIRMAN

MALSHI L. SHAH - DIRECTOR

C. AYYASWAMY
(Partner)

HARESH V. SHAH - DIRECTOR

Mumbai, Dated 30th June 2006

Mumbai, Dated 30th June 2006



ATTENDANCE SLIP

TOKYO PLAST INTERNATIONAL LTD.

Registered Off : 102, Thosar House, Hanuman Cross Road No.1,
Vile Parle (East), Mumbai - 400 057.

Please complete the Attendance Slip and hand it over at the entrance of the Meeting Hall. Please also bring your copy of the enclosed Annual Report.

I hereby record my presence at the THIRTEENTH ANNUAL GENERAL MEETING of the Company held on 29th September, 2006 at Gomantak Seva Sangh Hall, 1st Floor, Malviya Road, Vile Parle (E), Mumbai - 400 057. at 2.30 p.m.

REGD. FOLIO NO. _____ NO. OF SHARES _____

NAME OF THE SHAREHOLDERS (IN BLOCK LETTERS)

SIGNATURE OF THE SHAREHOLDER OR PROXY



PROXY FORM

TOKYO PLAST INTERNATIONAL LIMITED

Registered Off : 102, Thosar House, Hanuman Cross Road No.1,
Vile Parle (East), Mumbai - 400 057.

REGD. FOLIO NO. _____ NO. OF SHARES _____

I/We _____

of _____

hereby appoint _____ of _____

or falling him _____ of _____

or falling him _____ of _____

as my/our Proxy to attend and vote for me/us and on my/our behalf at the Thirteenth Annual General Meeting of the Company to be held 29th September 2006 and at any adjournment thereof.

AS WITNESS my/our hand this _____ day of _____ 2006

Signed by the said _____

Rupee 1
Revenue
Stamp

Note : The Proxy must be deposited at the Registered Office of the Company not less then 48 hours before the time of holding the Meeting.

BOOK - POST

To,

if undelivered, please return to :

TOKYO PLAST INTERNATIONAL LIMITED

Registered Off :

102, Thosar House,
Hanuman Cross Road No.1,
Vile Parle (East),
Mumbai - 400 057.